



Clause 49 rush

As listed companies scramble to appoint independent directors on their boards ahead of expiry of the December 31 deadline set by market regulator SEBI, more than 10,450 professionals including former Central ministers and a Governor have queued up for the posts.

"As of today, 10,450 professionals have already filed or are in the process of filing profiles in Primedirectors.Com and the number is growing by the day," Prime Database Managing Director Prithvi Haldea told PTI.

'Primedirectors.Com,' a website created by Prime Database and sponsored by BSE and NSE, was launched in September to make it easier for companies and ID aspirants to find each other.

SEBI's Clause 49 mandates that by December 31, all listed companies should have at least 50 per cent independent directors on their boards. There are about 9,000 listed companies in India and an estimate puts the IDs requirement at over 30,000.

"We released the website to the listed companies only a couple of weeks ago. The response is picking up slowly. As of today, 111 companies have enrolled and most of them are listed at BSE or NSE," Haldea said.

Interestingly, a number of former central ministers, MPs and even a Governor, have put up their resumes, besides working CMDs, IDs, professors and IIM graduates. Some very eminent people, who have enrolled, include retired or existing chairmen of Central Board of Direct Taxes, BSRB, BIFR and MRTPC.

Canara Bank, Dena Bank, CIBIL, Exim Bank, Federal Bank, IDBI, IFCI, Lakshmi Vilas Bank, New India Assurance, NHB, PNB, SBICAP, UCO Bank, United Bank Of India. Other prominent existing or former CMDs are from BEML, CMC, Coal India, Cochin Shipyard, FACT, Goa Shipyard, Hindustan Insecticides, Hindustan Latex, Hindustan Photo Films, HMT, IDPL, Lubrizol, MDNL, MTNL, MSEB, NALCO, NFL, PEC, Paradeep Phosphates, RCF and Western Coalfields.

Among retired and existing Managing Directors, who have listed themselves, are from State Bank of India, Bombay Stock Exchange, Canbank Investment, CDSL, Centurion Bank, ICICI Venture Funds, State Bank of Hyderabad, State Bank of Mysore and UTI Securities.

Some other MDs are from AKZO Nobel, Bakelite Hylam, Berge Paints, Birla Yamaha, Business India, Carrier Aircon, Delphi Automotive, Eicher, Electrolux Kelvinator, GHCL, Haldia Petrochemicals, Hindustan Dorr Oliver, Mangalore Chemicals, Mukand, Otis Elevator, Singer, Spectrum Power and SOL Pharmaceuticals.

HAL, Hotel Corp, HPCL, Indian Oil Panipat Power Consortium, Mumbai Railway Vikas, SAIL, besides several IAS officers, UN experts, Indian Army Generals, IT Commissioners, Ministers and Ambassadors too figure in the list.

The database of professionals is accessible only to the authorised listed companies, who are looking to hire IDs to bring greater confidence among existing shareholders and potential investors, which can also help in raising capital. An analysis of the profiles shows - 383 are already serving as independent directors in companies; another 156 are retired civil servants, 286 are IIM graduates; 505 are graduates from foreign universities like Harvard, Stanford, Kellogg and Wharton.

About 71 per cent hold Masters' Degree and 435 hold Doctorates, while 129 are or have been professors at IITs/IIMs/IISc and 1,504 are Chartered Accountants.

PTI from New Delhi, December 7, 2005

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