



Report on Seminar on "Independent Directors" held on Thursday, September 2, 2010

Bangalore Chamber of Industry and Commerce (BCIC) under the aegis of BCIC Expert Committee on Economic & Corporate Affairs organized a Seminar on "**Independent Directors**" on Thursday, September 2, 2010.

Dr. Vinod K Nowal, Vice President, BCIC welcomed the gathering and said that the main objective in organizing the above Seminar was to understand the major role, functions and responsibilities of the Independent Directors and also in understanding the Statutory and Legal obligations of Independent Directors in functioning of a Company. In the backdrop of Satyam fiasco and Bhopal gas tragedy, the role of non-executive directors and their responsibilities is back in focus. Mr. H V Harish, Chairman, BCIC Expert Committee on Economic & Corporate Affairs introduced the Seminar and the Speakers.

Hon'ble Justice M N Venkatachaliah, Former Chief Justice of India in his Keynote Address cautioned the Government to avoid "**extreme measures**" while drafting the new Company Law Bill. He said that the Satyam fiasco should be considered as one of thing and efforts should be made that the laws are effective but should not create panic among citizens.

Dr. J.J. Irani, Director, Tata Sons Ltd. in his address outlined on the various healthy procedures that are being followed in nominating the Independent Directors in the Tata firms. He said that Independent Directors *per se* could not be find fault for all the wrong doings of the Management. Nevertheless, they play a very crucial part not only advising the Management but also should take adequate care for the investing public. Dr. Irani also mentioned that it is essential that Independent Directors should be "Independent" and be truly professional, more so not related to the members of the promoters. He also mentioned that it is extremely difficult to fix any minimum qualification for Independent Directors and he quoted Late JRD Tata as a classic example. Dr. Irani also referred to the new company law which is likely to come up in the Parliament has been drafted with all the recommendations and suggestions catering to the present scenario but however there may be still some grey areas which may allow the authorities to harass the Directors of the company.

Mr. Nawshir H Mirza, Professional Independent Director highlighted on the role of Independent Directors in Corporate Responsibility to Society. Mr. Ravi Nedungadi, President & Chief Finance Officer, The UB Group shared his experiences particular reference to the UB Group and also gave an overview on the Industry perspective of Independent Directors.

The Session was followed by Q & A Session and the speakers responded to several queries / issues raised by the participants. The presentation was well appreciated and received by all the participants.

Bangalore Chamber of Industry and Commerce

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The Seminar was well attended by over 60 participants constituting Senior Representatives from various industry sectors, Senior Directors and Executives and also was an eye opener which focused on some of the key challenges faced by the Independent Directors.

Mr. H V Harish, Chairman, BCIC Expert Committee on Economic & Corporate Affairs proposed a hearty Vote of thanks to all the participants for their support and cooperation in making this Seminar a grand success.

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