

Sebi okays gold exchange funds No more extension to Clause 49 deadline

Mumbai, December 30

Market regulator Securities and Exchange Board of India (Sebi) today said that there will be no extension to the Clause 49 deadline of December 31, 2005.

"There will be no extension to the Clause 49 deadline of December 31, 2005," Sebi Chairman M Damodaran told reporters here.

Clause 49, which is popularly known as Corporate Governance clause, makes it mandatory for all companies that there should be at least 50 per cent independent directors on its Board.

The Sebi Board has approved insertion of a provision for launch of gold exchange trade funds, besides introducing refund of payments through the electronic clearing system, Mr Damodaran said.

The Board has also decided after Jagdish Kapoor Committee report that transaction in excess of Rs 5 lakh would require biometric identification system and those below five lakh will require PAN Card.

Mr Damodaran said all investors would be brought into the biometric identification system over a period of time in a phased manner.

The Board has also approved to introduce the grading of initial public offering on an optional basis, he added.

On the eve of the deadline set by Sebi for appointment of independent directors on boards of listed companies, as many as 13,000 professionals have posted their resume on a website acting as a meeting platform for director aspirants and companies.

Demolishing the myth created by listed companies that there are not enough professionals in the country, about 13,000 have enrolled in the website (primedirectors.com) created by Prime Database," its Managing Director Prithvi Haldea said.

Of these, profiles of 7,732 professionals have already been hosted on the website while the profiles of about 5,200 professionals are currently under processing. An analysis of the profiles revealed the candidates were highly experienced.

For example, there are 279 who already hold 448 independent directorships on listed companies, 390 are IIM graduates, 178 are/were professors at IITs/IIMs/IISc, 700 are graduates from foreign universities like Harvard, Wharton, Kellogg and Stanford.

Meanwhile, Sebi has warned four brokers for irregularities in maintaining and delay in delivery of contract notes, failure in collecting upfront margins and non-maintenance of unique client code.

Two of the brokers are members of the National Stock Exchange, while one each is registered with Calcutta Stock Exchange and Uttar Pradesh Stock Exchange, a SEBI press note today said.

Sykes & Ray Equities (I) Ltd was pulled up for delay in delivery of contract, while Nirpan Securities was reprimanded for irregularities in maintaining the contract notes, failure to collect upfront margins and for non-maintenance of unique client code. Both brokers are members of NSE.

CSE member Kanodia Stock Broking (Pvt) Ltd was warned for not maintaining client

registration forms and for failing to make payments to clients within the statutory 48 hours.

UPSE member Atmaram Kejriwal & Co was upbraided by Sebi for not maintaining margin deposit book and order book and failing to appoint compliance officer and direct money transactions between members. — **Agencies**

