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Damodaran hits out at passive corporate governance

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Former Sebi Chairman M Damodaran on Tuesday came down heavily on corporate governance practices and cited instances of passiveness of directors, especially in oil companies and public sector banks.

Referring to the oil companies making huge losses due to rise in global oil prices, he said independent directors in oil companies should "at least show dissent in board rooms." The former SEBI chief was speaking at CII's conference on corporate governance.

"Who is picking up the bill? Either the shareholders or the tax payers," he said adding that even the investors who have put in money in these companies do not ask the question.