

Fight brewing between Gordhan and PPC?

By [Nick Hedley](#)

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Ketso Gordhan, who resigned as chief executive of PPC a week ago, is gearing up for a battle for his reinstatement, lining up a series of meetings this week with shareholders to build support.



Former Chief Executive of PPC is lobbying shareholders support in a bid to get his job back having resigned from PPC last week. Image: [Investor Reports](#)

PPC said last week that Gordhan had resigned over differences of opinion with the board regarding board procedures for the approval of certain decisions. But Gordhan said in an interview that he resigned because he had lost confidence in PPC's board after it prevented him from dismissing a senior executive he believed was undermining the company's strategy.

The purpose of this week's meetings is for Gordhan to garner support among shareholders to back him in forcing the PPC board to return him to his former position. This could put investors in conflict with the board, potentially leading to a shareholder revolt in favour of Gordhan.

Before his resignation, the company had only two executives - Gordhan and Finance Director Tryphosa Ramano.

Gordhan says he has explained in detail why he wanted to retract his resignation. His reasons for wanting to stay included seeing through various employee initiatives he started, together with what had become a more tangible African expansion strategy which needed continuity. He said he believed he was the right person for the job.

Black empowerment schemes

According to Gordhan, he was paid a R10m settlement fee as part of his resignation, although he had put the money into a trust account for PPC employees and would use a small portion of it for his "shareholder activism".

Gordhan recently implemented a new black economic empowerment deal that gave employees 12% share ownership in the company. "Seeing this through is where the real shareholder value is going to be created, and one of the shareholder groups that I'm very passionate about is the employees. If we're successful in doubling the size of the business workers stand to make upwards of R1.5bn by 2019."

He said he had not spoken with the board since his resignation, but is am actively engaging with shareholders. "I have a series of meetings lined up for Tuesday and Wednesday," he said Some of these were at the request of the shareholders, while he had also sought to meet other significant investors - specifically those with more than a 1% stake in PPC.

Gordhan said he had no intention of pursuing other positions or of selling his 1.4m shares in PPC, worth about R42m.

He said the board required "stronger representation" and that shareholders could put forward recommendations for vacancies in areas such as governance, industry representatives, and finance.

Source: BDPro via I-Net Bridge

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