

# FM calls for more women on India Inc board

Govt cannot do any more nudging...industry will have to take the lead, says Sitharaman

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Finance Minister Nirmala Sitharaman on Friday called for widening the scope of women directors on India Inc boards. She said the government can only urge companies and women for better participation and is unlikely to tweak the regulatory framework further.

"The industry will have to take the lead. The government cannot do any more nudging. It cannot be breathing down on behalf of 50 per cent of the population. The pressure, reasoning, and building of a greater sense of conscious decision making have to come from society to push this agenda," she said at a women directors' conclave at the BSE headquarters.

The minister shared that only three-fourths of the listed firms on the NSE have appointed at least one woman as an independent director.

Data from Prime Database shows that there are 2,350 women and 10,356 men holding position of directors at listed firms.

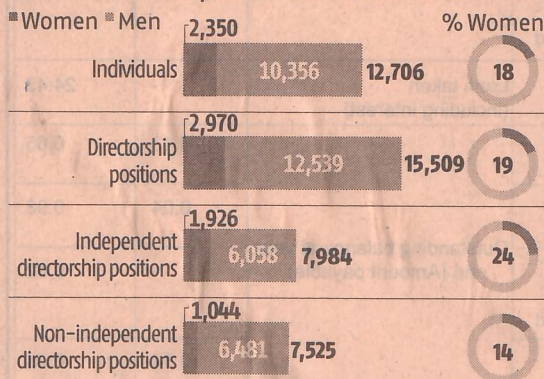
As an individual can hold multiple positions of directors, the total number of held by women comes at 2,970, or 19 per cent of the total posts.

Of this, 1,926 are independent directors, while 1,044 hold non-independent



## GENDER IMBALANCE

India Inc board composition is skewed in favour of men



Source: Prime Database; Note: Data for NSE-listed companies

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**NIRMALA SITHARAMAN,**  
Finance Minister

ent directorship positions.

On the issue of repetition in selection of marquee individuals, the FM said, "The Nifty50 companies have often hired the same women to their boards. About 14 women hold 5-6 directorship positions across NSE-listed companies, while seven women hold seven directorship positions each. It is a very revealing number; it doesn't have to be so concentrated. These numbers are getting noticed by the Ministry of Corporate Affairs."

She said the ideal balance is more required than gender balance while

highlighting that the board should make special efforts to draw in women and expand the pool of individuals being chosen.

"As a director of the board, you as a woman can bring value addition to the companies. It cannot be a comfortable men's club," added the finance minister.

In a regulatory push for gender diversity, markets regulator, the Security and Exchange Board of India (Sebi), in accordance with the Companies Act, had mandated the appointment of one independent

woman director in the board of listed companies.

At the same event, Harini Balaji, chief general manager, Sebi, said, "There is still a perceptible feeling that women directors are appointed as a result of tokenism. Statistics from top 500 companies on NSE shows that 47 per cent of them have more than one woman director in their board, which means that they are doing it willingly and not just for regulation. The other 50 per cent, which have only one woman independent director, is where tokenism might creep in."