

Companies ‘not disclosing sufficient information on women directors’

Background details such as age, education not known: Prime Database

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While many companies are now abiding by the Securities and Exchange Board of India-set norm of having at least one women director on their boards, not many are disclosing the background of these women directors. This norm had come into force on February 13, 2014.

One AGM to next

According to data provided by Prime Database, age and education details are not known for 49 per cent and 28 per cent, respectively, of the total 1,020 women directors, who are on the boards of 1,189 NSE-listed companies and appointed after February 13, 2014.

“More detailed disclosures are required from companies while reporting appointment of directors, containing their age, background, educational qualifications, work experience, etc. If a director is appointed even one day after the AGM has taken place, his details are reported almost one year later while taking approval of shareholders in the AGM or in the Annual Report, which is too too late,” said Pranav Haldea, Managing Director, Prime Database.

Ambiguous norm

However, the lack of information is because most of the appointments of women directors have taken place recently (since the rule came up). There were only 300 women directors before the SEBI rule was introduced, said Haldea. Detailed information relating to directors is mandatory only in the annual report and not for AGMs or extra-ordinary general meetings.

SEBI’s listing obligations and disclosure requirement regulations, amended on May 25, 2016, mandates companies to provide information about directors, including a brief resume and nature of expertise in specific functional areas in the case of appointment of a new director or re-appointment of a director. However, it has not specified as to when and where this disclosure has to be made.

Of the total 1,020 companies, 42.64 per cent are in the age group of 36-69. The average age of directors is 51 years. The youngest director is aged 23 years and the oldest is 82 years. While five women are below 25 years, 26 women are above 70.