

## One in 5 Directors Now a Woman



After 10 years of enforcement of the Cos Act 2013 that made it mandatory for firms to have at least one woman director, one in every five board members on an average in Nifty-500 companies is a woman, reports **Kiran Kabtta Somvanshi**.

### SLOW MARCH TO BOARDROOM DIVERSITY IN NIFTY 500 COMPANIES

# One in Five Board Members at India Inc is Now a Woman

Figure was one in 20 a decade ago when law mandating one woman director came into effect

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**ET Intelligence Group:** After 10 years of the enforcement of Companies Act 2013 that made it mandatory for companies to have at least one woman director on their boards, one in every five board members on average in Nifty-500 companies is a woman.

Five years ago, one in eight directors was a woman, and ten years ago, the proportion was one among twenty members, Prime Database research showed.

Though there is progress made in enhancing gender equity at the board level, the glass is both half full and half empty. The legal mandate has ensured that almost all the 500 companies have a woman director on their boards, but it has also defined the presence of women on Indian boards. In total, 223 (or 45%) of the Nifty-500 companies have only one woman director, in compliance with the law.

Furthermore, the bigger the size of the board, the more conspicuous is the dearth of women directors. There are 81 companies with only one woman director on their

There are **885 women among the 4,783 directors that cumulatively sit on the boards of Nifty-500 companies, resulting in 18.5% women representation**

#### LEADERS AND LAGGARDS

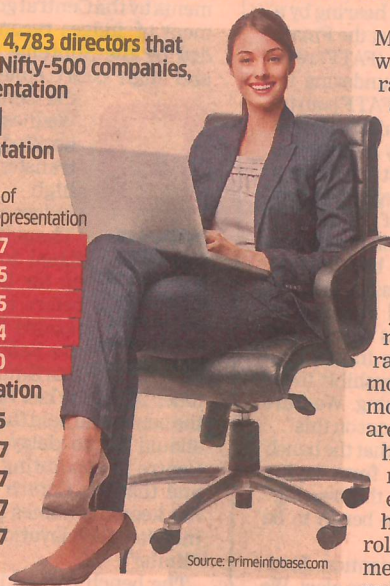
##### Cos with highest women representation

Company	No. of Women Directors	Board Size	% of representation
Zomato	4	7	57
Hindustan Zinc	5	9	55
Cummins India	5	9	55
Apollo Hospitals	6	11	54
Nestle India	4	8	50

##### Cos with lowest women representation

L&T	1	19	5
LIC	1	15	7
Page Industries	1	15	7
IDBI Bank	1	15	7
Muthoot Finance	1	14	7

respective boards of ten or more members. For instance, L&T with a board size of 19 members has only one woman director. Ironically, the only woman director on the board of L&T is Preetha Reddy, the vice chairperson of Apollo Hospitals that has six women directors on its board of 11 members. Apollo Hospi-



Source: Primeinfobase.com

Manju Agarwal, an independent woman director on boards of several listed companies. "Since most of these people tend to be male officers/entrepreneurs, the boards end up having more male members. And typically, one woman director gets hired predominantly because of the legal mandate", she added.

"One in five is not a great number at all," said Sutapa Banerjee, who is an independent woman director on boards of several Indian companies. "It will need more affirmative action since most people on the boards today are still men who are old. This will hasten the pace of change as there is a reasonable pool of qualified women who take up directorships seriously and perform their role meticulously. Once they become a director on one board, it is a matter of time before they get more such opportunities."

Globally, one in three directors on the boards of S&P 500 companies is a woman. But this is not due to law mandating women on board but on the back of pressure from investors and efforts by the companies towards having gender diversity at the board level.

tals is one of the eight companies of the '50%+ club' where women make up half or more of the board. "Company managements hire independent directors, the people with whom they have some earlier interactions which gives them comfort, or the government officials post their retirement" said