

# Women's share on boards rises faster than in top jobs'

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**New Delhi:** Govt mandate to have women on corporate boards has not just pushed up their share to 15.7%, but also helped large companies report healthier finances.

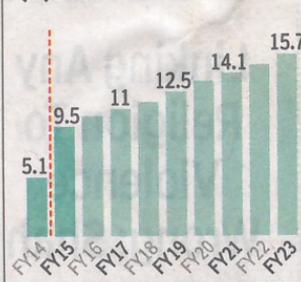
A paper by NCAER economists Ratna Sahay, Navya Srivastava and Mahima Vashishth, however, said there has not been a commensurate increase in increase in women occupying senior management (CXO) roles in Indian companies.

Since the mandate kicked in from April 2015, the share of women directors has increased over three times, after virtually stagnant between 2007 and 2014. In contrast, their representation in top management has increased from 13.8% in FY2014 to 21.8% in FY23, said the paper, to be presented at India Policy Forum on Tuesday.

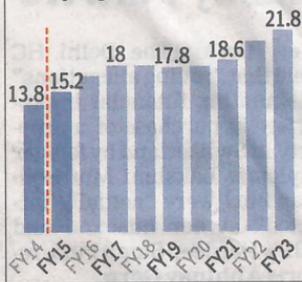
Despite the progress on gender diversity in terms of board seats, India still needs to catch up as it lags the global average of 20% and far below 43% in France, the best performing country. It also pointed out that the share of women directors in companies set up after 1991 was higher as was also the case with

## India Batters Record, Lags Global Avg

The Cos Act (2013) led to a jump in share of women on boards (%) between 2014 & 2015...



...but same sharp rise is not visible for share of women in top mgmt (%)



Source: Prime Database

top management.

While it may come as a surprise to many, small-cap firms listed on NSE fared better on diversity in their board composition with the share of women being 16.5% in 2023, compared with 13.5% for large caps. That's probably because they had smaller boards as average number of women on boards of small cap firms was 2.5 compared to 4.7 for larger peers.

The paper, based on an analysis of over 2,700 NSE-listed companies, also brings out that women directors are not only younger — 57 years being the average age in 2020 compared to 65 years for their male co-

unterparts — they also held more board positions on an average — 1.2 compared to 0.8 for men.

It also concluded that there is a clear case for appointing more women in top positions in the corporate sector as large companies with at least one woman director had better economic performance, higher financial stability and lower financial risk. "We find that higher shares of women in board positions are positively associated with employee ratings and sentiment scores, but the relationship is significant only when there is at least one woman in top management positions," it said.