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Family women join boards to meet Sebi norms

Mumbai, March 31: In a last-minute rush, wives and daughters have come to the rescue of the listed companies to ensure compliance with a new norm for having at least one woman director on their boards that have been so far dominated by fathers and sons.

While most of the new women directors are family members of the promoters or top executives, some companies have replaced their independent directors with their female family members, mainly wives, daughters or sisters.

To ensure gender diversity in boardrooms, capital markets regulator Sebi has asked all listed firms to have at least one woman director

on their respective boards from April 1.

To ensure compliance, nearly 200 companies announced appointments of women directors on Monday, while a similar number of companies had their board meetings on Tuesday to meet the deadline. At least 60 firms had announced the appointments by early afternoon, while some meetings were even scheduled for late evening hours.

On Monday, some meetings had continued till midnight. However, nearly half of the appointments made by the companies of the persons from within the families of the promoters or top executives, while wives and daughters of top executives domi-

nate the list.

A few companies, such as United Breweries Holdings, have opted for a foreign national to be appointed as a woman director, while many

of them have decided to promote a senior management personnel to the board.

Some companies have, however, expressed their inability to meet the deadline,

citing reasons ranging from a sudden exit of an existing women directors to 'lack of quorum' in board meetings to make an appointment.

Sebi has warned of strict action against firms that fail to comply, while chairman UK Sinha recently said it was "really shameful" that many companies were not being able to appoint even one woman director. It was this warning earlier this month that actually started the late rush to meet the deadline.

The companies which appointed women members on their boards as independent directors included Adani Power, Adani Ports and SEZ, Golden Tobacco, Prime Capital Market, Linc Pen and Plastics and Kohinoor Foods. *PTI*



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