

India Inc Could Do with a Few More Skilled Women Directors

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ET Intelligence Group: Two distinct events in the past few days capture the progress of women in Indian board rooms. India's capital market regulator got its first woman chairperson in Madhabi Puri Buch and the benchmark Nifty50 index slated to get the first company that has more female than male directors.

These developments are noteworthy given that women constitute only 18% of directorships on boards of listed companies. As per latest data from Prime Database, there are 2,246 women who are serving as directors on the boards of the 1,921 companies listed on the National Stock Exchange. About 60% of these women are independent directors.

Thanks to the legal mandate, the gender representation on Indian boards is better from what it was five years ago when women constituted 13% of the board members at listed companies.

But there is still a dearth of trained and skilled female directors and reluctance among women to join boards. As a result, a few professional female directors have become the preferred choice of the established companies. Finance minister Nirmala Sitharaman recently la-

More Power



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2,246 Women who are serving as directors on boards of 1,921 NSE-listed cos

60% Women are independent directors

Name	Number of Directorships
Renu Sud Karnad	7 ●●●●●●●
Rama Bijapurkar	6 ●●●●●●
Geeta Mathur	6 ●●●●●●
Punita Sinha	5 ●●●●●
Bhavna Doshi	5 ●●●●●
Pallavi Shroff	5 ●●●●●
Shyamala Gopinath	5 ●●●●●

VARANI SAHU



Note: Women directors on boards of listed Indian cos
Source: primeinfobase.com

mented that women were reluctant to join company boards and she had herself struggled to convince candidates. "Get me those kinds of women who can be put on the boards. Where are

they," she had asked at a post-budget meeting with industry representatives last month.

There is no company currently in Nifty50 index to have majority female directors. Apollo Hospitals will be the first such. In fact, the benchmark index has only three companies that have a woman CEO.

The market regulator, Sebi, got its first woman chairperson after 34 years of its formation. Ironically, the drafters of the Sebi Act, 199 did not envisage a woman heading the organisation and designated the position as 'chairman' — a nomenclature that continues to remain so.

According to research on women on boards in India by IIM-Ahmedabad professor Neharika Vhra, female directors are younger than their male counterparts by about eight years and retire or leave about 3.2 years earlier. They have a 40% shorter tenure than men.

The study cites preoccupation and personal reasons for discontinuation of directorship by most women. On committees of the board, they are more likely to serve as chairpersons of those related to human relations, such as grievance and CSR, and are underrepresented in audit and risk management committees and nomination, remuneration and compensation committees. They also get paid less than their male counterparts — about 55% less.