

Headline: Women directors: NSE sends notices to 115 companies

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THE NATIONAL Stock Exchange of India (NSE) has issued notices to 115 active listed companies for not appointing women directors on their boards and boost gender diversity in the boardrooms as mandated by the capital markets watchdog Securities and Exchange Board of India (Sebi).

“The exchange has conducted a study of listed companies recently. About 88 per cent of the companies seem to have complied with the SEBI directive among the NSE-listed companies,” said a release by the NSE.

The NSE study in association with N Balasubramanian, adjunct professor at IIM Ahmedabad has revealed that as on 1 April, only 1,186 out of 1,451 companies have women directors on their board.

On February 13, 2014, Sebi came out with the amended listing agreement that mandated

listed companies to appoint at least one woman director on the board.

A year later in April, the market watchdog announced a penalty of Rs 50,000 for all listed companies that had failed to appoint a woman director on their board by March 31, 2015. It further warned to take action against the promoters and directors, if the companies remain non-compliant beyond six months.

Experts, however, feel that the penalty imposed by Sebi for non-compliance of its order is not enough.

“The fines really are not enough. A company would be paying only around Rs 72,000 for non-compliance if they paid today,” said Pranav Haldea, Prime Database’s managing director.

“What is very worrying is that over one-fourths of the companies which have not complied with the regulations are either Central Public Sector Enterprises or PSBs,” Haldea told *The Indian Express*.