

Nirmala Sitharaman URGES women entrepreneurs and corporate leaders to take up leadership roles in large numbers

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New Delhi: Finance minister Nirmala Sitharaman on Friday urged women entrepreneurs and corporate leaders to take up leadership roles in large numbers. Addressing a women directors' conclave at the BSE headquarters here, she said there is not enough number of women leaders in the corporate world because they are saddled by an inherent feeling that they need to prove themselves time and again to be in the leadership role. And the only way out is mentoring, and more women to become board members.

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According to data, the average number of women on boards of domestic companies was 1.03, and 58 per cent of them are independent directors, while 42 per cent are non-independent, she said. Urging corporates to have more females on their boards, she said globally it has been proved that companies with more women leaders on their boards are more profitable and more inclusive.

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Data show that companies with women on their boards turn in more profit, the finance minister said, adding, "If you want profit, get us in. You cannot ignore us anymore." Underlining the existing regulatory framework on the presence of women director on the boards of large listed companies, the minister said, while the overall number of women directors has increased gradually, there are still several companies, including public sector banks and undertakings, which don't have a single women director, and are still paying penalty.

So now it's up to the companies concerned to walk the talk. The government cannot put pressure on companies any more to get more women on boards. It has to come from the corporate world and from within the society itself, Sitharaman said.

She also admitted that there is a need to widen the pool of female corporate leaders as today many of them are on the board of multiple companies. The minister also said the Nifty 50 companies often hire the same women to their boards. "Fourteen women hold five-to-six directorships across NSE-listed companies, while seven hold seven directorships each -- that is a very revealing number. It doesn't have to be so concentrated," she said.

She said, the ministry of corporate affairs is keeping a watch over companies attempts to evade the provisions of the companies law with respect to the appointment of women directors.