

Standard Chartered Bank: Women on Corporate Boards in India 2010



Sponsored by



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“Community Business is delighted to produce this **Standard Chartered Bank: Women on Corporate Boards in India 2010** report. This is the second study of its kind in Asia and follows the publication of the Hong Kong report, *Women on Boards: Hang Seng Index 2009* which was also sponsored by Standard Chartered Bank.

Community Business has long championed gender diversity as a business imperative. Our fundamental belief is that businesses can only thrive when they understand their workplace and marketplace - and women clearly represent a vital constituent.

Perhaps more important however, is that responsible and effective decision-making at the highest levels requires representation of views from people with different backgrounds. Yet such diversity of thought is not possible if all individuals are of the same gender or from the same social grouping. The creativity and innovation that comes through diversity of thought is critical to remaining competitive in the fast changing global market in which we now operate.

In India today - as in much of Asia, women are increasingly encouraged to study and to achieve new heights in their profession. Yet at the same time the responsibility of home and family still rests primarily with them. Many recognise this reality, but companies - for the most part, are doing little to address this. What is needed in India is for more companies to think strategically about their female population - as workers, customers and investors, and to take steps to address their needs in ways that will empower them to contribute more fully.

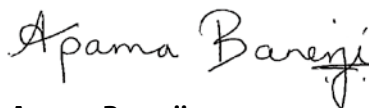
In the pages of this report we have analysed the numbers and percentages of women at board level on the companies on the Bombay Stock Exchange. In summary, the percentage of female directors at 5.3% is low and is much lower than other countries, including Australia (8.3%), Hong Kong (8.9%), UK (12.2%) and the US (14.5%). We have explored the reasons for this low percentage and have sought to understand the challenges that female directors in India face.

The 18 women we interviewed are remarkable women and we thank each of them for sharing their stories so generously with us. Also, thank you to Cranfield School of Management for partnering with us again in this study and allowing us to leverage the expertise they have gained through over a decade of running the Female FTSE in the UK. Thank you also to Standard Chartered Bank, who has partnered with Community Business for many years, encouraging discussion and raising awareness of the need for greater diversity and inclusion in Asia.

We hope that this report will act as a catalyst for discussion in and amongst corporate India on the need for greater gender diversity at senior levels. Our aspiration is that in time we will have a true meritocracy in corporate India, allowing each person - regardless of gender or background, to achieve their full potential.”



Shalini Mahtani
Founder & Advisor to the Board
Community Business



Aparna Banerji
Diversity & Inclusion Manager
Community Business



“Standard Chartered has operated for over 150 years in some of the world’s most dynamic markets, leading the way in Asia, Africa and the Middle East. As one of the world’s most international banks, employing over 75,000 people representing 125 different nationalities, diversity and inclusion is at the heart of our values and a distinctive element of our brand.

Standard Chartered’s heritage in India is vitally important to us as we continue to grow our presence in what is one of our largest markets. We recently launched the first-ever Indian Depository Receipt offer, a powerful symbol of Standard Chartered’s commitment to India’s future.

At Standard Chartered, we strive to be recognised as a leader in gender diversity and we are delighted to sponsor this new report, **Standard Chartered Bank: Women on Corporate Boards in India 2010**. This report has been compiled by Community Business in partnership with Cranfield School of Management.

For the first time, the research from this report identifies the number of women holding positions on the boards of leading companies listed on the Bombay Stock Exchange. This study shows that 46% of the companies have female representation on their boards, but in all, women account for only 5.3% of the total number of directorships.

Standard Chartered is proud to support this work which both demonstrates the progress that has already been made and provides a better understanding of what more can be done. Given the impact of corporate governance on business performance, we encourage all companies to consider the representation of their boards and work towards achieving greater diversity and in turn, success.”

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EXECUTIVE SUMMARY

This first **Standard Chartered Bank: Women on Corporate Boards in India 2010** report looks at the representation of women on the boards of India's leading companies on the Bombay Stock Exchange (BSE-100). It ranks the companies in terms of the gender diversity of their boards, with those with the highest percentage of women on their boards appearing at the top. The report also examines the general topic of gender diversity on the boards of the BSE-100 by presenting the findings of interviews with 18 female directors of BSE-100 companies.

Top Ranking Companies

A full table showing the ranking of the companies listed on the BSE-100 in terms of the gender diversity of their boards is shown in the **Women on Boards League Table: BSE-100 2010** on pages 8 and 9. At the top of the list is JSW Steel Ltd which has three women (23.1%) on its board of 13. Oracle Financial Services Software Ltd is second with two women (22.2%) on its board of nine and Piramal Healthcare Ltd is third with two women (20.0%) on its board of ten. Axis Bank Ltd is in fourth place with two women (18.2%) on its board of 11. Lupin Ltd and Titan Industries Ltd are both in fifth place, each with two female directors (16.7%) on their boards of 12.

Key Findings

Looking at the overall findings, the first year of this research reveals that out of a total of 1,112 directorships on the BSE-100, 59 directorships are held by women. This represents just 5.3% of all directorships. These directorships are held by 48 different women. This percentage does not compare favourably with other countries - not just Canada (15.0%), US (14.5%) and UK (12.2%), but also Hong Kong (8.9%) and Australia (8.3%). Less than half of the companies, only 46, have women on their boards - which means conversely that 54 companies have no female representation at all.

Of a total of 323 executive directorships on the BSE-100, only eight are held by women, representing just 2.5%. However two women (Chanda Kochhar and Shikha Sharma) hold Chief Executive Officer (CEO) positions of two of India's leading banks, ICICI Bank and Axis Bank Ltd.

Whilst these figures are perhaps understandable given the conservative attitudes towards women's education and empowerment in the past, it appears there is a lack of representation of women in the boardrooms of India's leading companies.

Key Observations

In examining the representation of women on the boards of the BSE-100, a number of key observations can be made:

- The headline figures are very low and very similar to those in the UK in 1999 - over a decade ago. By almost every measure (see Table 1 on page 6), India performs below Hong Kong in terms of the gender diversity of its boards.
- As in other Asian countries, there is significant family-ownership of listed businesses. This contrasts to most Western stock exchanges.
- Companies in the financial sector perform best in terms of gender diversity - nine of the 11 banks listed on the BSE-100 have a woman on their board and two of these banks have a female CEO.
- Female directors are on average at least five years younger than their male counterparts (55.6 years compared to 60.3 years).
- Women in executive director positions have been in the organisation twice as long as their male counterparts.

Women Directors Speak

Community Business has compiled this section based on the experiences of 18 out of the 48 women (37.5%) who sit on the boards of the BSE-100 companies. These interviews revealed important findings with respect to their general views regarding women on boards as well as their own personal experiences.

General Views Regarding Women on Boards

The majority of women felt that companies on the BSE-100 do not think about the gender diversity of their boards. Two-thirds of the women were not surprised by the high level finding of this research (which shows that the overall percentage of directorships being held by women is 5.3%) saying that this was in line with what they expected. The women gave various reasons for this low percentage. The most commonly cited reasons related to women's primary role of looking after the family. They talked about how women in India are juggling careers and families and how many fall off the corporate ladder mid-

career because of guilt about neglecting their family. They also said that women are perhaps less visible in the corporate environment and as a result, are not put forward in the nomination process, as often as men. Some women referenced India's relatively young economy as a reason why the talent pool of senior women may be more limited. Some expressed concerns about inherent bias in the selection process and the view that women are often not considered for board appointments because they are ready to voice their opinion and challenge the status quo and this can be seen as a threat.

The women were unanimous in their view that more needs to be done by companies to encourage greater participation of women on boards. The majority of women said that they would like to see a more formal and professional selection process for board positions. They felt not only that companies should proactively seek to appoint women to their boards but also that companies have a responsibility to nurture and promote talent from within. Many women directors spoke about the need to provide senior women with a comprehensive training programme to give them the hard and soft skills required to be a board member. Whilst the women were divided about whether any action should be taken by governments to encourage greater participation of women on boards, and all but one were against quotas or legislation, almost all of the women believed that it was critical for the government to be a role model for the private sector and to lead by example. They felt that the government too has a role to play in providing education and training to women in senior management positions - as well as women and girls more generally.

The majority of women felt the pool of qualified individuals does exist in India. However, many of them felt that this talent pool may not necessarily have prior board experience. It was felt, for example, that there are many very successful women entrepreneurs in India who do not have corporate experience but nonetheless would make good board directors.

The women were relatively optimistic in their views about how the representation of women on boards of BSE-100 companies might change over the next five years. The women's predictions ranged from 7% to 25%. However, these predictions could be considered fairly ambitious given that in a decade of conducting this study in the UK the Female FTSE has seen an increase of only 5 percentage points (from 7% in 1999 to 12% in 2009).

Personal Experiences of Being a Female Director

Most of the women interviewed had not had aspirations to be a board director and the majority of the directors who held non-executive director roles had been invited to take up the role rather than actively seeking it. When asked about what factors they believed had helped them be appointed, all of the women referenced their professional performance and capabilities. Nearly half of the women mentioned their broad sector experience and many of the women spoke about the importance of being visible in public forums. Several women mentioned the importance of networking and personal connections and many agreed that a formal mentoring programme by a CEO or Chair of a listed company would have been useful before their appointment.

With regard to challenges, most women denied that they had faced challenges on account of their gender. However, some women did talk about the challenges of looking after the family and children and a few women acknowledged the challenges they face in the corporate environment on account of their gender. These women talked about boards being male dominated clubs and how women have to work extra hard to try to fit in and have their voices heard.

In terms of unique contributions that women make to the board, the majority of the women were fairly clear about the attributes and benefits they bring. They talked about women being good at asking for advice, being open and honest and being good mediators. Some women mentioned that women tend to have particularly high moral standards and are very conscious of ethics and integrity. They talked about these moral standards developing with motherhood and how, as mothers, they are constantly espousing what is wrong and right to their children. This translates into decisions made by women at the board level which are sincere and ethical.

All the female directors said that the role of the family in determining a woman's career success in India is critical - both in terms of providing support at a very practical level but also in terms of acknowledgement and recognition by family members of the role outside of the home. Having the support of the older women in the family (particularly mother-in-law and mother) as well as the husband and children was seen as extremely important.

The women gave some words of advice to women who aspire to be board directors. Many of them highlighted what a tremendous learning experience it is to be a board director and that women should be confident and take proactive steps to equip themselves to take up the opportunity.

Comparison with Hong Kong

Comparing India with Hong Kong (where the same study was conducted in 2009), it can be seen from Table 1 that India performs below Hong Kong on almost every measure relating to the gender diversity of its boards. In particular, the percentage of executive director roles held by women and the number of companies with female executive directors is much lower in India than in Hong Kong. This suggests that corporate India is not making enough progress to support and nurture women to rise up through the organisation to the most senior positions.

Table 1: Comparison of BSE-100 with HSI

	BSE-100 2010	HSI 2009
Total female held directorships	5.3%	8.9%
Executive director roles held by women	2.5%	7.0%
Companies with female executive directors	7.0%	31.0%
Companies with more than one female director	12.0%	35.7%
Companies with no female directors	54.0%	33.3%

India and Hong Kong face some similar cultural contexts - particularly in terms of the predominance of family owned businesses and family expectations around the role of women. It is perhaps not surprising that the female directors interviewed in both geographies mentioned some common themes. They both referenced how traditional family roles and obligations can hinder the advancement of women professionally and how women tend to be disadvantaged in networking and therefore visibility. In both countries, women talked about a lack of understanding at board level around the importance of gender diversity and in both Hong Kong and India, the women played down their gender during their interviews for the most part and were keener to talk about a meritocracy.

However there were also some marked differences. In Hong Kong the women talked much more about male domination in the corporate world compared to India. Also, in Hong Kong some women talked about their role in community involvement and how this helped them in their board appointment whilst in India, this was rarely mentioned.

It is therefore interesting to compare some of the key findings of this Standard Chartered Bank: Women on Corporate Boards in India 2010 report with those of the Women on Boards : Hang Seng Index report in Hong Kong conducted in November 2009.

A summary comparison is provided in the Table 2 on page 7.

Table 2: Comparison of India and Hong Kong

Category	Comparison
Gender diversity of boards as a priority for corporates	<p>Similarities:</p> <ul style="list-style-type: none"> • Majority of the women in both geographies feel that companies do not actively think about the issue of gender diversity. • Women in both the geographies acknowledged that companies need to do more to promote gender diversity at a board level (India: 94%; Hong Kong: 77%).
Reaction of women to percentage of women on boards	<p>Significant Differences:</p> <ul style="list-style-type: none"> • While two-thirds of the women in India said that this percentage was in line with what they expected, more than half the women in Hong Kong said that this percentage was lower than what they expected.
Obstacles to women on boards	<p>Similarities:</p> <ul style="list-style-type: none"> • Women in both the geographies referenced how traditional family roles and obligations can hinder the advancement of women professionally and how women tend to be disadvantaged in networking and therefore visibility. <p>Significant Differences:</p> <ul style="list-style-type: none"> • Women in India cited a variety of obstacles: <ul style="list-style-type: none"> ◦ women in the financial sector in India are restricted from serving on corporate boards of other companies ◦ women often opt out of the workforce at a later stage due to their child's education. • Women in Hong Kong talked about male domination in the corporate world.
Corporate and government action to promote women on boards	<p>Significant Differences:</p> <ul style="list-style-type: none"> • While all the women in India were in favour of positive action to be taken by businesses to encourage greater gender diversity, women in Hong Kong talked more about the role of government in encouraging gender diversity.
Availability of qualified female talent	<p>Similarities:</p> <ul style="list-style-type: none"> • Women in both the geographies feel that a pool of qualified talent exists in their geographies (India: 72%; Hong Kong: 89%).
Percentage of women on boards in five years time	<p>Similarities:</p> <ul style="list-style-type: none"> • Almost all women in both geographies expect higher percentages of women on boards in their geographies in five years time. Most of the women were moderate in their predictions of improvements (India: 3%-5%, Hong Kong: 1%-6%).
Enabling factors that have helped women attain board positions	<p>Similarities:</p> <ul style="list-style-type: none"> • Women in both the geographies spoke about the importance of professional performance, competence and broad sector experience. <p>Significant Differences:</p> <ul style="list-style-type: none"> • While women in Hong Kong felt that involvement in the community was very beneficial, women in India spoke about the importance of being visible through academia, contributing to external publications and speaking at public forums.
Challenges faced as a female director	<p>Similarities:</p> <ul style="list-style-type: none"> • Women in both the geographies were reluctant to highlight any challenges that they faced on account of gender. • A few women in both geographies spoke about the challenges of looking after families and children, and also about having their voice heard and being taken seriously.
Contribution as a female director	<p>Significant Differences:</p> <ul style="list-style-type: none"> • While women in India spoke about female directors being direct and open, good mediators and conscious of ethics and integrity, women in Hong Kong spoke more about having a different perspective to men and being very sensitive in certain situations.

WOMEN ON BOARDS LEAGUE TABLE: BSE-100 2010

Rank	% of Women	Board Size	No. of Women	Current Organisation Name	Female Directors (Executive Directors Highlighted in Bold)	Chair
1	23.1%	13	3	JSW STEEL LTD	Zarin Daruwala, Vandita Sharma	Savitri Devi Jindal
2	22.2%	9	2	ORACLE FINANCIAL SERVICES SOFTWARE LTD	Dorian E Daley, Tarjani Manmukhram Vakil	William Twyman Comfort Jr.
3	20.0%	10	2	PIRAMAL HEALTHCARE LTD	Dr Swati Ajay Piralal, Nandini Piralal	Ajay Gopikisan Piralal
4	18.2%	11	2	AXIS BANK LTD	Shikha Sanjay Sharma , Rama Bijapurkar	Dr Adarsh Kishore
5	16.7%	12	2	LUPIN LTD	Manju Desh Bandhu Gupta , Vinita Gupta	Dr Desh Bandhu Gupta
5	16.7%	12	2	TITAN INDUSTRIES LTD	Vinita Kundan Bali, Hema Ravichandar	Shri Rajeev Ranjan
7	15.4%	13	2	STATE BANK OF INDIA	Dr Vasantha Suresh Bharucha, Shyamala Gopinath	Om Prakash Bhatt
7	15.4%	13	2	IDEA CELLULAR LTD	Rajashree Birla, Tarjani Manmukhram Vakil	Kumar Mangalam Birla
7	15.4%	13	2	OIL & NATURAL GAS CORP LTD	Anita Das, Loretta Maryann Vas	Radhey Shyam Sharma
10	14.3%	14	2	BHARTI AIRTEL LTD	Tan Yong Choo, Chua Sock Koong	Sunil Bharti Mittal
10	14.3%	7	1	SUN TV NETWORK LTD	Kavery Kalanithi	Kalanithi Maran
10	14.3%	14	2	INDIAN OIL CORP LTD	Professor, Dr Indira Jitendra Parikh, Dr Indu Ranjit Shahani	Brij Mohan Bansal
10	14.3%	14	2	NMDC LTD	Teresa Bhattacharya, Dr Indira Misra	Rana Som
14	12.5%	8	1	HCL TECHNOLOGIES LTD	Robin Ann Abrams	Dr Shiv Sivasubramaniam Nadar
14	12.5%	8	1	RELIANCE INFRASTRUCTURE LTD	Dr Leena Srivastava	Anil Dhirubhai Ambani
14	12.5%	8	1	BOSCH LTD	Renu Sud Karnad	Dr Albert Hieronimus
14	12.5%	8	1	HINDUSTAN ZINC LTD	Ajita Bajpai Pande	Agnivesh Agarwal
18	11.1%	9	1	YES BANK LTD	Radha Singh	Surrinder Lal Kapur
18	11.1%	9	1	CROMPTON GREAVES LTD	Meher Pheroz Pudumjee	Gautam Thapar
18	11.1%	9	1	UNITECH LTD	Minoti Bahri	Ramesh Chandra
21	10.0%	10	1	MPHASIS LTD	Vinita Kundan Bali	Andy W Mattes
21	10.0%	10	1	ULTRATECH CEMENT LTD	Rajashree Birla	Kumar Mangalam Birla
21	10.0%	10	1	DR REDDY'S LABORATORIES LTD	Kalpna Jaisingh Morparia	Dr Kallam Anji Reddy
21	10.0%	10	1	HINDALCO INDUSTRIES	Rajashree Birla	Kumar Mangalam Birla
25	9.1%	11	1	HDFC BANK LTD	Renu Sud Karnad	Jagdish Capoor
25	9.1%	11	1	CANARA BANK	Vani Jayarama Sharma	Avinash Chander Mahajan
25	9.1%	11	1	GRASIM INDUSTRIES LTD	Rajashree Birla	Kumar Mangalam Birla
25	9.1%	11	1	MARUTI SUZUKI INDIA LTD	Pallavi S Shroff	Ravindra Chandra Bhargava
25	9.1%	11	1	BANK OF BARODA	Dr Masarrat Shahid	Mangalore Devadas Mallya
25	9.1%	11	1	MMTC LTD	Aruna Makhan	Sanjiv Batra
31	8.3%	12	1	HINDUSTAN COPPER LTD	Ajita Bajpai Pande	Shakeel Ahmed
31	8.3%	12	1	DLF LTD	Pia Singh	Kushal Pal Singh
31	8.3%	12	1	TATA CONSULTANCY SERVICES	The Hon. May-Lung (Laura) Cha	Dr Ratan Naval Tata
31	8.3%	12	1	CAIRN INDIA LTD	Jann Brown	Sir Bill Benjamin Gammell
31	8.3%	12	1	BHARAT PETROLEUM CORPORATION LTD	Rama Bijapurkar	Shri Ashok Upendra Sinha
36	7.7%	13	1	BANK OF INDIA	Dr Shantaben (Shanta) Khimji Chavda	Alok Kumar Misra
36	7.7%	13	1	BHARAT HEAVY ELECTRICALS LTD	Reva Nayyar	B Prasada Rao
36	7.7%	13	1	PUNJAB NATIONAL BANK	Ravneet Kaur	Shri Kasargod Ramachandra Kamath
39	7.1%	14	1	POWER GRID CORP OF INDIA LTD	Sarita Prasad	Sudhir Kumar Chaturvedi
39	7.1%	14	1	JINDAL STEEL AND POWER LTD		Savitri Devi Jindal
39	7.1%	14	1	EXIDE INDUSTRIES LTD	Mona Ninad Desai	Rajesh Gordhandas Kapadia
39	7.1%	14	1	ASIAN PAINTS LTD	Tarjani Manmukhram Vakil	Ashwin Chimanlal Choksi
43	6.7%	15	1	ICICI BANK	Chanda Deepak Kochhar	Kundapur Vaman Kamath
43	6.7%	15	1	HOUSING DEVELOPMENT FINANCE CORP LTD	Renu Sud Karnad	Deepak Shantilal Parekh
45	6.3%	16	1	HERO HONDA MOTORS LTD	Shobhana Bhartia	Dr Brijmohan Lall Munjal
46	5.9%	17	1	LARSEN & TOUBRO LTD	Bhagyam Ramani	AnilKumar Manibhai Naik
47	0.0%	5	0	RELIANCE COMMUNICATIONS LTD		Anil Dhirubhai Ambani
47	0.0%	5	0	RELIANCE NATURAL RESOURCES LTD		Anil Dhirubhai Ambani
49	0.0%	6	0	CADILA HEALTHCARE LTD		Pankaj Ramanbhai Patel
49	0.0%	6	0	RELIANCE CAPITAL LTD		Anil Dhirubhai Ambani
49	0.0%	6	0	RELIANCE POWER LTD		Anil Dhirubhai Ambani

WOMEN ON BOARDS LEAGUE TABLE: BSE-100 2010

Rank	% of Women	Board Size	No. of Women	Current Organisation Name	Female Directors (Executive Directors Highlighted in Bold)	Chair
49	0.0%	6	0	SUZLON ENERGY LTD		Tulsi Ranchhodbhai Tanti
53	0.0%	7	0	NESTLE INDIA LTD		Antonio Helio Waszyk
53	0.0%	7	0	RANBAXY LABORATORIES		Dr Tsutomu Une
53	0.0%	7	0	SESA GOA LTD		Sudhakar Dinkar Kulkarni
53	0.0%	7	0	STERLITE INDUSTRIES		Anil Kumar Agarwal
53	0.0%	7	0	UNITED SPIRITS LTD		Dr Vijay Mallya
58	0.0%	8	0	COLGATE-PALMOLIVE (INDIA) LTD		Derrick E Samuel
58	0.0%	8	0	RURAL ELECTRIFICATION CORP LTD		P Uma Shankar
58	0.0%	8	0	SUN PHARMACEUTICAL INDUSTRIES LTD		Dilip Shantilal Shanghvi
61	0.0%	9	0	ABB LTD (INDIA)		Gary G Steel
61	0.0%	9	0	CIPLA LTD		Dr Yusuf Khwaja Hamied
61	0.0%	9	0	HINDUSTAN UNILEVER LTD		Harish Manghan Manwani
61	0.0%	9	0	KOTAK MAHINDRA BANK LTD		Dr Shankar Acharya
61	0.0%	9	0	LANCO INFRATECH LTD		Lagadapati Madhusudhan Rao
61	0.0%	9	0	MANGALORE REFINERY & PETROCHEMICALS LTD		Radhey Shyam Sharma
67	0.0%	10	0	ADANI ENTERPRISES LTD		Gautam Shantilal Adani
67	0.0%	10	0	CONTAINER CORPORATION OF INDIA LTD (CONCOR)		Shri Shri Prakash
67	0.0%	10	0	ESSAR OIL LTD		Shashikant Nandkishore Ruia
67	0.0%	10	0	HINDUSTAN PETROLEUM CORP LTD (HPCL)		Shri Arun Balakrishnan
67	0.0%	10	0	MUNDRA PORT AND SPECIAL ECONOMIC ZONE LTD		Gautam Shantilal Adani
67	0.0%	10	0	POWER FINANCE CORP LTD		Satnam Singh
67	0.0%	10	0	ZEE ENTERTAINMENT ENTERPRISES LTD		Subhash N Chandra
74	0.0%	11	0	GLAXOSMITHKLINE PHARMACEUTICALS LTD		Dr Hasit Bhartkumar Joshipura
74	0.0%	11	0	SHRIRAM TRANSPORT FINANCE CO LTD		Arun Sardari Duggal
74	0.0%	11	0	TORRENT POWER LTD		Sudhir Uttamlal Mehta
74	0.0%	11	0	UNION BANK OF INDIA		Mavila Vishwanathan Nair
74	0.0%	11	0	WIPRO LTD		Shri Azim H Premji
79	0.0%	12	0	ACC LTD		Shri Narotam Satyanarayan Sekhsaria
79	0.0%	12	0	AMBUJA CEMENTS LTD		Shri Narotam Satyanarayan Sekhsaria
79	0.0%	12	0	DABUR INDIA LTD		Dr Anand Chand Burman
79	0.0%	12	0	GAIL (INDIA) LTD		Bhuwan Chandra Tripathi
79	0.0%	12	0	GMR INFRASTRUCTURE LTD		Grandhi Mallikarjuna Rao
79	0.0%	12	0	TATA MOTORS LTD		Dr Ratan Naval Tata
79	0.0%	12	0	TATA STEEL LTD		Dr Ratan Naval Tata
86	0.0%	13	0	BHARAT ELECTRONICS LTD (BEL)		Ashwani Kumar Datt
86	0.0%	13	0	CUMMINS INDIA LTD		Anant Jaivant Talaulicar
86	0.0%	13	0	INFRASTRUCTURE DEVELOPMENT FINANCE CO LTD		Deepak Shantilal Parekh
86	0.0%	13	0	MAHINDRA & MAHINDRA LTD		Keshub Kailash Mahindra
86	0.0%	13	0	RELIANCE INDUSTRIES LTD		Mukesh Dhirubhai Ambani
86	0.0%	13	0	SIEMENS INDIA LTD		Deepak Shantilal Parekh
92	0.0%	14	0	INFOSYS TECHNOLOGIES LTD		Nagawara Ramarao Murthy
92	0.0%	14	0	STEEL AUTHORITY OF INDIA LTD (SAIL)		Sushil Kumar Roongta
92	0.0%	14	0	TATA POWER CO LTD		Dr Ratan Naval Tata
95	0.0%	15	0	ENGINEERS INDIA LTD		Shri Mukesh Rohatgi
95	0.0%	15	0	NEYVELI LIGNITE CORP LTD		Dr Atiq-ur-Rahman Ansari
97	0.0%	16	0	ITC LTD		Yogesh Chander Deveshwar
97	0.0%	16	0	NATIONAL ALUMINIUM CO LTD (NALCO)		Shri Abhay S Srivastava
99	0.0%	17	0	NTPC LTD		Radhey Shyam Sharma
100	0.0%	19	0	JAIPRAKASH ASSOCIATES LTD		Manoj Gaur

INTRODUCTION

Background

Community Business has been an active proponent of the role of women in the corporate arena in Asia for many years. Through its extensive quantitative and qualitative research on this topic, Community Business has presented the case that women have an essential contribution to make to business but remain under-represented at senior levels of their organisations in Asia. The belief at Community Business is that women in much of corporate Asia aspire to lead but are not able to as a result of certain barriers. These include both the commonly referred to “glass ceiling” - an unacknowledged bias or set of attitudes in the workplace that prevents women from attaining leadership positions, but also the “invisible filter” - social norms that exist in many local cultures which pin women down to be, above all, a mother, wife, daughter and daughter-in-law. This lack of women at the top in much of corporate Asia represents a significant cost to business.

In 2009, Community Business partnered with Cranfield School of Management to conduct pioneering research for Asia that looked at gender diversity at board level. Women on Boards: Hang Sang Index 2009, also sponsored by Standard Chartered Bank, examined the representation of women on the corporate boards of Hong Kong’s leading companies, as listed on the Hang Seng Index. The study adopted the robust methodology of the renowned Female FTSE, conducted for over a decade in the UK by Cranfield School of Management, and was supported by in-depth interviews with female directors on the boards of these companies. This approach has now been extended to India, ensuring a consistency in methodology and a credible source of data.

The development of the Indian market over the last few decades provides an interesting context for looking at the representation of women at board level. India has seen the emergence of a vast number of new businesses and the introduction of numerous reforms relating to corporate governance. Interestingly, the Indian Government has introduced the women’s reservation bill in the Lower House of Parliament (Lok Sabha) which is yet to be passed. The Upper House of Parliament (Rajya Sabha) has already passed the bill. This bill will assure 33% of seats in the Lok Sabha and State Legislatures are reserved for women and will lead to greater representation of women in both houses of the Indian Parliament. These factors have provided increased opportunities for women in general and raised awareness of the importance of gender diversity at the top of India’s leading organisations.

Diversity of Corporate Boards

From an international perspective, interest in the diversity of corporate boards is highly topical and continues to spark active debate. Following the corporate scandals and financial failing of several major institutions across the world and the consequent collapse of share values and a global recession, questions are being asked internationally about the validity of traditionally homogenous boards of directors there is a growing body of academic evidence linking diverse boards to better corporate governance and various other aspects of performance.¹

In Norway, since January 2008 every organisation quoted on the Oslo stock exchange must have at least 40% of each gender on its board. In Spain, the government has given companies listed on the IBEX until 2014 to ensure 40% female representation on their boards. In France, the government has proposed a similar gender equality bill for state-owned enterprises and companies listed on the CAC stock exchange have to have 40% women on their boards by 2015, with an intermediary objective of 20% within the next two years.

In Australia, the governing council of the stock exchange (ASX) have introduced new governance measures mandating gender metrics at every level of all listed organisations, on an “if not, why not” basis. This was announced in December 2009 and is enforced from July 2010. Also announced in December 2009 and enforced this year, the United States Securities and Exchange Commission new code requires disclosure of how the board nomination committee considers diversity in selecting candidates for board positions. However, diversity is undefined and can be interpreted as diversity of experience.² Whilst in Pakistan, the Code of Corporate Governance³ promotes boardroom diversity indirectly by recommending the presence of non-executive directors on the board who represent minority interests, lenders and institutional investors.⁴

The argument behind all of this intervention is that a balanced board made up of individuals who are able to represent and reflect the diverse views of a company’s stakeholders, be it on the grounds of gender or otherwise, is critical to sound decision making and the ability to exercise objective judgement - fundamental roles of the board.

This report presents the status quo for gender diversity at the top 100 organisations in India, as listed on the Bombay Stock Exchange. The aim is to raise awareness of gender diversity at board level as a business issue and encourage business leaders to think about the compositions of their boards so that they may more accurately reflect the marketplaces and stakeholders that they serve. It is hoped that this study will be used as a benchmark against which to judge the future progress of the BSE-100 and monitor the progress of women’s careers in corporate India.

CORPORATE GOVERNANCE AND COMPOSITION OF BOARDS

In looking at the representation of women on boards and promoting the value of diversity, it is useful to have some understanding of corporate governance issues and in particular the rules relating to board composition.

International Trends

In the USA and UK, after the corporate scandals of the late 1990s involving companies such as Enron and WorldCom, attention was increasingly drawn to the importance of the governance of corporate boards. Scrutiny turned to the composition of these boards and outputs such as the Sarbanes-Oxley Act (2002) in the US and the Cadbury Report (1992) and Higgs Review (2003) in the UK made some strong recommendations. The main recommendations that have been observed in the UK are that:

1. the Chair and CEO roles should not be held by the same individual;
2. the proportion of executive versus independent non-executive roles should be readdressed, with a balance or majority of the latter; and
3. there should be more diversity across the board directors.

The concept of 'diversity' is generally used to refer to the inclusion of different demographic groups in the workplace. Dimensions of diversity include age, gender, ethnicity, disability, religion or sexual orientation. They constitute groups that have been systematically disadvantaged and under-represented particularly in the most senior levels of the workplace. In Canada and the USA, some of these are 'protected groups' and are covered by affirmative action or equality of employment laws. In public appointments in the UK, there are now targets for all new appointments to be filled by 50% women, 14% people with disabilities and 11% ethnic minorities, reflecting the population percentages in the country. Research has shown that diverse backgrounds and work experiences lead to better decision-making,⁵ greater innovation, and increased corporate governance.⁶

The majority of companies on the UK FTSE 100 have heeded the first of Higgs' recommendations and in 2010, ten of the 100 organisations have an Executive Chairman or joint Chair/CEO role. In Austria, Finland, Germany, Netherlands and Sweden, the roles are always split, but in France and Spain, the roles are still often combined. Boards of companies often feel there is merit in elevating a CEO to the Chairman for the sake of continuity, particularly organisations that operate in multi-markets and complex jurisdictions.

The balance of executive versus non-executive roles in the UK and the USA has changed dramatically since the governance recommendations of Sarbanes-Oxley 2002 and Higgs Review of 2003. The number of executive directorships on FTSE 100 companies in 2010 is 331 out of over 1,091,⁷ and has declined year on year this decade, down from 645.⁸ In tandem the number of FTSE 100 non-executive director positions has risen from 610 to 760. Also in line with Higgs recommendations, the proportion of independent non-executive directors (with no previous employment or other vested interest in the company) has increased. In 2010 86% of FTSE 100 non-executive directors are deemed to be independent.⁹ However, the call from the Higgs Review for greater diversity on boards has not significantly been heeded, with an increase in female directorships of just over 3.5 percentage points between 2003 and 2009, from 8.6% to 12.2%. In May 2010, the UK's Financial Reporting Council (FRC) issued a new Code of governance, in response to the current financial crisis. The FRC ignored a call from the outgoing Prime Minister Gordon Brown to include a recommendation for gender metric reporting, and instead included 'guiding principles' that board appointments should be made "with due regard for the benefits of diversity on the board, including gender".¹⁰

Developments in India

Unlike other parts of the world, the focus on corporate governance in India has not been triggered by any serious nationwide financial, banking or economic collapse. The initiative in India was initially driven by the leading industry association, the Confederation of Indian Industry (CII), recognising the growing need for greater regulation and transparency.

In December 1995, the CII set up a task force to design a voluntary code of corporate governance. The final draft of this code was widely circulated in 1997 and released in April 1998. It was called 'Desirable Corporate Governance: A Code'. Between 1998 and 2000, over 25 leading companies voluntarily followed the code.

Following the CII's initiative, the Securities and Exchange Board of India (SEBI) set up a committee under Kumar Mangalam Birla to design a mandatory-cum-recommendatory code for listed companies. The Birla Committee Report was approved by SEBI in December 2000 and SEBI introduced a new 'Clause 49' in the listing agreement of the Stock Exchanges. Clause 49, when it was first added, was intended to introduce some basic corporate governance practices in Indian companies and brought in a number of key changes in governance and disclosures. For example, it specified the minimum number of independent directors required on the board of a company, placed a limit on the number of committees a director could serve on and required companies to disclose fees paid to non-executive directors.

Later, in 2002, the SEBI constituted the Narayana Murthy Committee to assess the adequacy of current corporate governance practices and to suggest improvements. Based on the recommendations of this committee, SEBI issued a modified Clause 49 on 29 October 2004 (the 'revised Clause 49') which came into operation on 1 January 2006.

Three of the amended guidelines are of particular interest to the discussion of board composition.

(A) Composition of Board

- The board of directors of the company shall have an optimum combination of executive and non-executive directors with not less than fifty percent of the board of directors comprising non-executive directors.
- Where the chairman of the board is a non-executive director, at least one-third of the board should comprise independent directors and in case he is an executive director, at least half of the board should comprise independent directors.

There does not appear to be any expressed preference for the Chairmen to be executive or non-executive, and of the companies listed on the BSE-100, just under half (48 companies) have executive Chairmen.

(B) Definition of Independent Directors

- For the purpose of this clause, the expression 'independent director' shall mean non-executive director of the company who:
 - apart from receiving director's remuneration, does not have any material pecuniary relationships or transactions with the company, its promoters, its senior management or its holding company, its subsidiaries and associates which may affect independence of the director;
 - is not related to promoters or management at the board level or at one level below the board;
 - has not been an executive of the company in the immediately preceding three financial years;
 - is not a partner or an executive or was not partner or an executive during the preceding three years, of any of the following:
 - statutory audit firm or the internal audit firm that is associated with the company, and
 - the legal firm(s) and consulting firm(s) that have a material association with the company.

(C) Other Provisions Regarding Boards and Committees

- The board shall meet at least four times a year, with a maximum time gap of three months between any two meetings.
- A director shall not be a member in more than 10 committees or act as Chairman of more than five committees across all companies in which he is a director. For the purpose of reckoning the limit under this sub-clause, Chairmanship/membership of the Audit Committee and the Shareholders' Grievance Committee alone shall be considered.
- The clause also requires that there be a separate section on corporate governance in the annual report with a detailed compliance report.
- The clause mandates composition of an audit committee; one of the directors is required to be "financially literate".

By way of setting the context for our further examination of the composition of the boards and the representation of women, Table 3 on page 13 shows the overall composition of the boards of the BSE-100 in terms of executive and non-executive roles as well as highlighting the proportion of independent non-executive directorships. Whilst the balance of executive to non-executive roles appear to adhere to the guidelines, there appears to be considerable variance in the extent to which companies adhere to the recommended percentage of independent directors. The equivalent numbers for the Hong Kong HSI and UK FTSE 100 are also shown to provide an international comparison. It is interesting to note that in the BSE-100 companies, the balance of executive and non-executives is very similar to that in the UK. However, the percentage of those non-executives who are independent is more aligned with Hong Kong - thus reflecting cultural similarities in terms of the predominance of family run businesses.

Table 3: Composition of Boards

	BSE-100 Companies 2010	HSI Companies 2009*	FTSE 100 Companies 2009**
Executive Directors	323 (29.0%)	214 (36.6%)	330 (30.6%)
Non-Executive Directors (NEDs)	789 (71.0%)	371 (63.4%)	748 (69.4%)
Total Directorships	1,112	585	1078
Number of NEDs that are Independent¹¹			
Independent NEDs	488 (43.8%)	221 (37.8%)	645 (59.8%)

* Data from Women on Boards: Hang Seng Index Report 2009

**Data from Female FTSE Report 2009

METHODOLOGY

This research looks at the representation of women on the boards of India’s leading companies on the Bombay Stock Exchange (BSE-100). The BSE is the oldest stock exchange in Asia with a rich heritage of over 135 years of existence. Over the past 135 years, the BSE has facilitated the growth of the Indian corporate sector. There is perhaps no major corporate in India which has not sourced BSE’s services in raising funds from the capital market.¹² The BSE-100 is a broad-based index and was formerly known as the BSE National Index. This Index has 1983-84 as the base year and was launched in 1989. In line with the shift of the BSE Indices to the globally accepted Free-Float methodology, BSE-100 was shifted to Free-Float methodology effective from 5 April 2004. The method of computation of Free-Float index and determination of free-float factors is similar to the methodology for the Bombay SENSEX.¹³

The methodology for this research was modelled on that of the Female FTSE Report. Data for Part 1 of this report, **Women on Boards** was collected and collated by Cranfield School of Management from the public domain. Cranfield School of Management accessed data on each company from a number of sources, including the Boardex database and company websites. The data collected is accurate as of May 2010.¹⁴ Cranfield School of Management entered data onto Excel spreadsheets and used SPSS software for detailed statistical analysis. This involved correlational analyses to examine relationship variables, using t-tests where appropriate to check if means were statistically significantly different.

For Part 2 of this report, **Women Directors Speak**, Community Business conducted interviews with a number of female directors. Emails and/or letters were sent to all of the 48 female directors on the BSE-100, inviting them to take part in a research interview. Of all the women contacted, 18 women agreed to provide telephone interviews. Between them these 18 women hold 21 of the total 59 director roles (35.6%) on the BSE-100 held by women. Three of the women interviewed hold executive director roles (highlighted in bold) whilst 16 women hold non-executive director roles (NED) on the BSE-100, of which 14 of these roles are described on their corporate websites as independent (INED) and two are described as supervisory (SD). The names of the female directors are listed in alphabetical order by family name in Table 4.

Table 4: Female Directors Whose Experiences Informed This Research

Female Director	Company ¹⁵	Role
Minoti Bahri	Unitech Ltd	NED ¹⁶
Dr Vasantha Suresh Bharucha	State Bank of India	INED
Teresa Bhattacharya	NMDC Ltd	INED
Rama Bijapurkar	Axis Bank Ltd Bharat Petroleum Corporation Ltd ¹⁷	INED INED
Jannice (Jann) Brown Margaret	Cairn India Ltd	NED
Zarin Daruwala	JSW Steel Ltd	INED
Renu Sud Karnad	Bosch Ltd HDFC Bank Ltd Housing Development Finance Corporation Ltd	INED SD MD
Kalpana Jaisingh Morparia	Dr Reddy’s Laboratories Ltd	INED
Reva Nayyar	Bharat Heavt Electricals Ltd	SD
Dr Indira Jitendra Parikh	Indian Oil Corporation Ltd	INED
Dr Swati Ajay Piralal	Piralal Healthcare Ltd	Director
Nandini Piralal	Piralal Healthcare Ltd	ED
Meher Pheroz Pudumjee	Crompton Greaves Ltd	INED
Hema Ravichandar	Titan Industries Ltd	INED
Dr Indu Ranjit Shahani	Indian Oil Corporation Ltd	INED
Pallavi S Shroff	Maruti Suzuki India Ltd	INED
Radha Singh	Yes Bank Ltd	INED
Dr Leena Srivastava	Reliance Infrastructure Ltd	INED

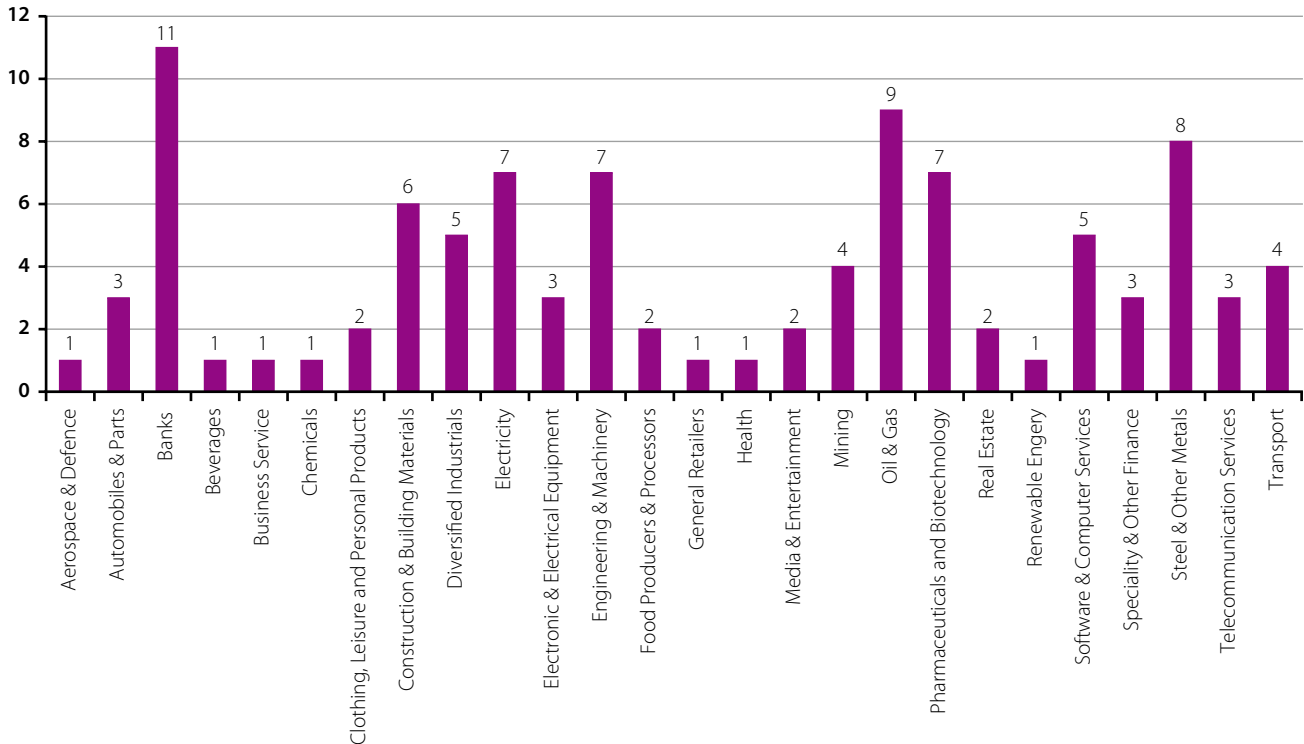
All the women were asked the same set of questions which can be found in Appendix 2 of this report. The interviews took place between 3 May and 25 June 2010 and all interviews were transcribed and analysed to identify common themes and trends.

PART 1: WOMEN ON BOARDS

1.1 PROFILE OF BSE-100 COMPANIES

The BSE-100 comprises 26 industry classifications. The distribution of the companies across these industry classifications is shown in Chart 1. The banking industry makes up the largest group of companies, followed closely by the traditional industries such as steel and oil and gas.

Chart 1: Distribution of BSE-100 Companies by Industry Classification



In understanding the profile of the companies that are the focus of this research, it is worth noting that there are different types of companies listed on the BSE-100. These may be described as: family owned companies, government owned companies, multinational companies and other. These are defined briefly below and the number of companies in each category is detailed in Table 5 on page 16.

1. Family Owned Companies

Family businesses contribute approximately 60-70% of GDP of most developed and developing countries and India is no exception.¹⁸ In this situation the family is the single largest shareholder, although not necessarily owning 51%. For the companies considered in this research, the remaining shareholding is publicly available through the BSE. Some of the prominent business families include the Tatas,¹⁹ Ambanis²⁰ and Birlas.²¹

2. Government/State-Owned Companies

These are corporate entities created by the government to undertake commercial activities on its behalf. The term is used to refer to companies in which the government owns a majority, namely 51% or more of the company equity and the balance is held by public shareholders. During India's first five year economic plan (1951-1955) the government created a number of these companies to build the basic infrastructure and stimulate the growth of the Indian economy. Some of these firms include: Bharat Heavy Electricals Ltd (BHEL), Bharat Petroleum Ltd and MMTC Ltd.

3. Multinational Companies

These are multinational companies from various countries who have built businesses in India - either through acquisition of existing Indian companies or by building operations organically. In this category the majority of

PART 1: WOMEN ON BOARDS

the share holding is still controlled by the overseas multinational, and the balance stock has been issued to public shareholders in India. Some of these firms include: Hindustan Unilever Ltd, Cairn India Ltd and Colgate-Palmolive (India) Ltd.

4. Other Companies

This category comprises companies which are widely held, i.e. there is no family, government or multinational company in a controlling position. Some of these companies include: Infosys Technologies Ltd, HDFC Bank Ltd and ICICI Bank.

Table 5: Types of Companies on the BSE-100²²

Type of Company	Number of Companies
Family Owned Companies	52
Government Owned Companies	29
Multinational Companies	11
Other Companies	8

Table 5 reveals that the majority of companies on the BSE-100 are family owned companies.

1.2 BSE-100 COMPANIES WITH FEMALE DIRECTORS

As shown in the Women in Boards League Table on pages 8 and 9, 46 of the companies on the BSE-100 have women on their corporate boards either in executive director (ED) or non-executive director positions, whether deemed independent or not (NED/INED). Just 12 companies on the BSE-100 have more than one female director and 54 companies still have all-male boards. As this is the first such study of BSE-100 companies we can only report on the contemporary situation and are unable to comment on how dynamic these figures may be. We hope to report an increase in the number of women on boards in the future.

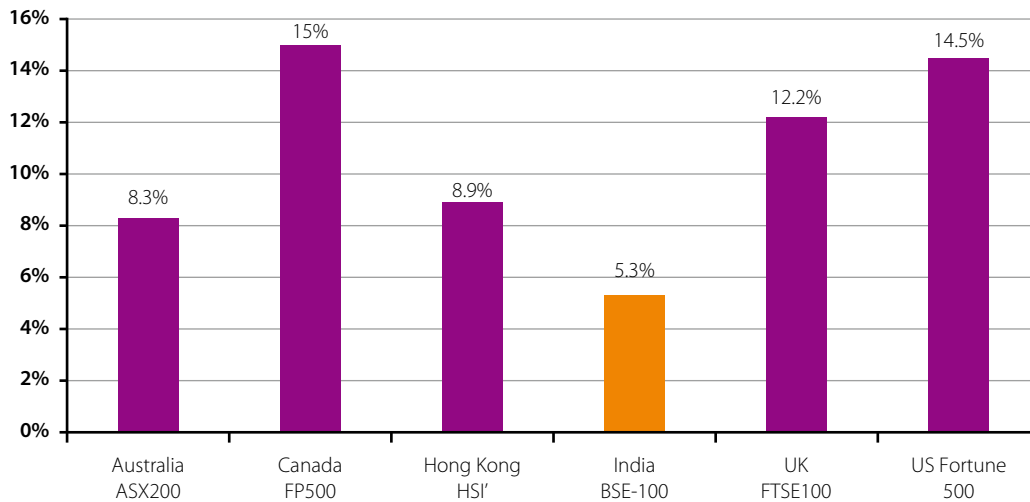
Top of the ranking for 2010 is JSW Steel Limited, with three of its 13 board members (23.1%) being female (see **Women on Boards League Table: BSE-100 2010** on pages 8 and 9). The three women all hold non-executive directorships, although Savitri Jindal is also the Chairwoman. JSW Steel Ltd is the only BSE-100 company with three female board members. Oracle Financial Services Software Ltd comes second with two women out of nine (22.2%) board members, again both of whom are non-executive. In third place is Piramal Healthcare Ltd, with 20.0% female board directors. Both of Piramal Healthcare Ltd's two female directors hold executive directorships - the only BSE-100 company with two executive female directors. In fourth place is Axis Bank Ltd, with two of its 11 board members being female (18.2%). In addition to one female non-executive, Axis Bank Ltd is one of two banks in the BSE-100 with a female CEO (the other is ICICI Bank). In joint fifth place, with two women out of 12 board members (16.7%) are Lupin Ltd and Titan Industries Ltd. One of Lupin Ltd's women holds an executive position. State Bank of India, Idea Cellular Ltd and Oil & Natural Gas Corporation Ltd are in joint seventh place, with two women amongst a board of 13 (15.4%).

Table 6: Gender Diversity of Boards of BSE-100 Companies

Key Gender Diversity Number in 2010	No.	%
Total number of directorships	1,112	
Total female held directorships	59	5.3%
Total number of executive directorships	323	
Female executive directorships	8	2.5%
Total number of non-executive directorships	789	
Female non-executive directorships	51	6.5%
Number of women holding BSE-100 directorships	48	
Companies with female executive directors	7	7.0%
Companies with at least one female director	46	46.0%
Companies with multiple female directors	12	12.0%
Companies with no female directors	54	54.0%

As can be seen from Table 6, a total of 59 out of 1,112 directorships on the BSE-100 corporate boards are held by women. This gives a figure of just 5.3%. This compares to 8.9% in Hong Kong on the Hang Seng Index²³ and 8.3% in Australia on the ASX200.²⁴ However, this figure is considerably lower than those for the UK, USA, and Canada (respectively 12.2%, 14.5%, and 15.0%). It should be noted that the figures from other countries show that the larger the listing considered, the lower the figures get (i.e. the figures for the UK's FTSE 250 are worse than those of the FTSE 100, and likewise for the US's Fortune 1000 compared to the Fortune 500). Looking briefly at the BSE-200 companies, however, 110 of the 1,898 directorships are held by women, giving a slightly better figure of 5.8%.²⁵

Chart 2: Percentage of Women On Boards - An International Comparison



The number of companies with multiple female directors is 12.0%. This too is much lower than other countries, for example UK (39.0%), Hong Kong (35.7%) and Canada (29%). However, it is comparable to Pakistan, where 13% of 303 companies listed on the Karachi Stock Exchange had more than one woman on their board.²⁶ This is an important figure to watch, as evidence from Canada, Norway and Iceland suggests that it is only once a critical mass of women in the boardroom is reached - with three or more believed to be the tipping point - that real culture change, away from a male dominated 'macho' environment, can occur.²⁷

1.2.1 BSE-100 Companies with Female Executive Directors

The percentage of companies with female executive directors is just 7.0%. This is an interesting measure to look at as it can indicate to what extent corporate India is creating environments that support women to rise up through the organisation. Again this compares unfavourably not just with the UK (17.0%)²⁸ but also Hong Kong (31.0%). All of the seven companies on the BSE-100 who have female executive directors are ranked in the top 50, but the data suggest no statistical link between having a female executive director and having a higher percentage of women on the board.

Table 7: Profile of 7 Companies on BSE-100 With Female Executive Directors

Rank	Company	% Female Board	Total Female Directors	Female Executive Directors	Sector	Total Board Size
3	PIRAMAL HEALTHCARE LTD	20.0%	2	2	Health	10
4	AXIS BANK LTD	18.2%	2	1	Banks	11
5	LUPIN LTD	16.7%	2	1	Pharmaceuticals and Biotechnology	12
10	SUN TV NETWORK LTD	14.3%	1	1	Media & Entertainment	7
31	DLF LTD	8.3%	1	1	Real Estate	12
43	ICICI BANK	6.7%	1	1	Banks	15
43	HOUSING DEVELOPMENT FINANCE CORP LTD	6.7%	1	1	Real Estate	15

PART 1: WOMEN ON BOARDS

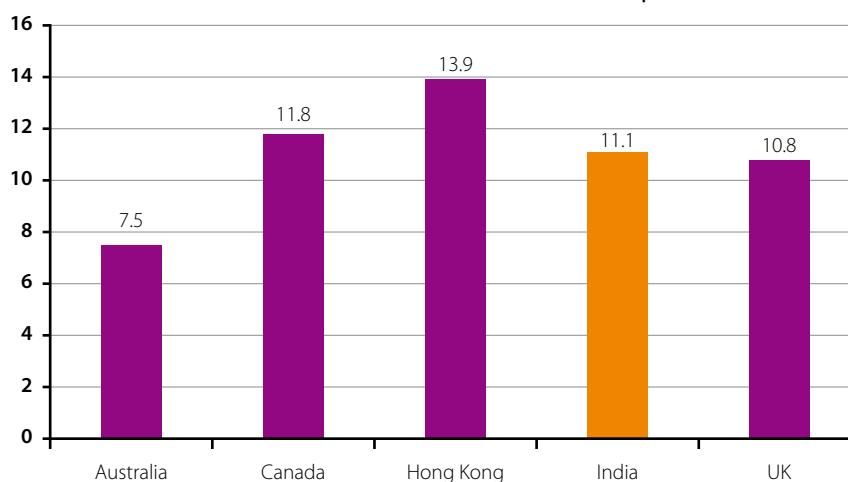
1.2.2 Characteristics of BSE-100 Companies with Female Directors

It is of interest to consider various characteristics of the BSE-100 companies and note any differences at an organisational level between those that have women on their boards and those companies that do not.

Board Size

With the same unitary board system, boards of the BSE-100 companies are a comparable size to the UK and other countries in Europe. The average BSE-100 board has 11.1 directors, as compared with 10.8 directors on FTSE 100 boards. Across Europe, corporate board size has reduced from an average of 13.5 to 11.8 members in the past decade²⁹ and the UK's board size has reduced year on year since the Higgs Review into corporate governance in 2003. Opinions vary globally on the positives and negatives of large or small boards, for example in Australia, where they also have the unitary system, ASX200 company boards are considerably smaller, with an average of just 7.5 directors. In the BSE-100 companies, the board size ranged from 5 (Reliance Communication Ltd and Reliance Natural Resources Ltd) to 19 (Jaiprakash Associates Ltd). All 10 of the smallest boards (5 to 7 directors) have no women on their boards and there is a trend for companies with women on their boards to have larger boards (11.7 board members) than those without women (10.6 board members). Whilst the difference is not statistically significant, this is consistent with findings in other countries that link bigger board size to having women on the board. This also suggests that women may be being added to an already established board, rather than replacing a male board member.

Chart 3: Size of Board - An International Comparison



Organisation Size

Another focus of comparison is market capitalisation, with those companies with female board directors likely to have substantially larger market capitalisation - a trend that is consistent across the world. In this study we also looked at the number of employees in each company, as another measure of size. Whilst the data show a trend for companies with women on boards to be larger and to have greater market capitalisation, the figures are not of statistical significance. This may be due to the enormity of these companies, which on average had more than 20,000 employees and market capitalisations of over INR 482.4 billion (US \$10.3 billion)³⁰ for companies with women on boards as compared with over INR 344.6 billion (US\$ 7.3 billion) for those without. Globally there is evidence of a correlation between the number of women on the board and the market capitalisation, but the data does not infer causality.

Table 8: Average Market Capitalisation of BSE-100 Companies

BSE-100 Companies	Average Market Capitalisation
With at least one woman on the board	INR 482.4 billion
With no women on the board	INR 344.6 billion

1.2.3 BSE-100 Companies - Sector Comparisons

The Bombay Stock Exchange is divided into 26 different sectors. Table 9 shows how they have been ranked according to the percentage of women across all the boards in that sector. If we exclude those sectors with only one company listed, when we examine the proportions of female directors in particular sectors, it is the Telecommunications sector and the Software & Computer Services sector that lead the way, with 14.8% of its directors being female. These are followed by the Pharmaceuticals & Biotechnology sector at 13.6% and then, interestingly, the Steel & Other Metals sector at 13.3%.

What is of interest, however, is that nine out of the 11 banks on the BSE-100 have women on their boards. Two of them, ICICI Bank - the country's largest private lender - and Axis Bank Ltd - the country's third biggest lender - are headed up by female CEOs. Financial Services is an area where women are achieving significant success in India. Outside of the BSE-100 companies, the Indian operations of global banks such as RBS, UBS, HSBC and JP Morgan in India are all run by Indian women, and women make up half of the deputy governors at the Reserve Bank of India.³¹ These women are all highly educated and many of them have spent time abroad. Bankers' hours can be very long, but they tend to be predictable, which helps women raising children.³² Banking may also have been seen by some as a tool for social development, making it attractive.³³ For Indian women with qualifications from esteemed higher education institutions, their ambition coincided with the development of global financial services in the emerging markets. At present, only 15% of the Indian Institute of Chartered Accountant's membership is women. However, approximately one third of accounting students today are female,³⁴ perhaps demonstrating the impact of successful female role models in finance.³⁵

Table 9: A Sectoral Comparison of BSE-100 Companies

Sector Rank by % of Women on Boards	Sector	Women/Board Numbers	% of Women in Directorate of Sector	% Companies in Sector with Women on Boards	No of Companies in Index
1	Telecommunication Services	4/27	14.8%	66.7%	3
2	Software & Computer Services	4/27	14.8%	60.0%	5
3	Pharmaceuticals and Biotechnology	3/22	13.6%	28.6%	7
4	Steel & Other Metals	6/45	13.3%	50.0%	8
5	Oil & Gas	6/51	11.8%	44.4%	9
6	Mining	3/26	11.5%	50.0%	4
7	Construction & Building Materials	2/19	10.5%	33.3%	6
8	Banks	11/107	10.3%	81.8%	11
9	Electricity	2/22	9.1%	28.6%	7
10	Transport	1/11	9.1%	25.0%	4
11	Diversified Industrials	1/11	9.1%	20.0%	5
12	Electronic & Electrical Equipment	2/23	8.7%	66.7%	3
13	Engineering & Machinery	3/38	7.9%	42.9%	7
14	Real Estate	2/27	7.4%	100.0%	2
15	Automobiles & Parts	2/27	7.4%	66.7%	3
16	Media & Entertainment	1/17	5.9%	50.0%	2
17	Clothing, Leisure and Personal Products	0	0%	0	2
18	Food Producers & Processors	0	0%	0	2
19	Speciality & Other Finance	0	0%	0	3

1.2.4 BSE-100 Companies - Comparison by Ownership Type

As mentioned earlier, the companies on the BSE-100 can be categorised into four different ownership types. Table 10 shows the distribution of female directors across these different companies and the percentage of the total 59 directorships that they hold. This suggests that the distribution of female directorships is in line with the distribution of different types of company listed on the BSE-100 and no one category is performing better or worse than the others in terms of representation of women on their boards. An interesting comparison can be made here with a very recent report from Pakistan, which surveyed 303 companies listed on the Karachi Stock Exchange (KSE) and found that 31% of those companies had women on their boards. Interestingly, 72% of those companies with women on their board are family owned. Amongst the top KSE 100 Index, 78% of companies do not have any women on their boards, and only 22% do. This lower incidence of women on boards may be due to family ownership being more prevalent in those companies not in the top 100.³⁶

Table 10: Gender Diversity of BSE-100 Companies by Ownership Type

Category	Number of BSE-100 Companies	Number of Female Directorships	% of Total Female Directorships
Family Owned Companies	52	28	47.5%
Government Owned Companies	29	21	35.6%
Multinational Companies	11	5	8.5%
Other Companies	8	5	8.5%

1.3 BSE-100 FEMALE DIRECTORS

1.3.1 Women in the Top Roles

It is encouraging to see some women holding top executive positions. However, at just eight out of a total of 323 executive directorships (2.5%), this figure does not compare well with other countries, for example, UK (5.2%), Hong Kong (7.0%), Canada (9.5%) and Tunisia (10%). It is encouraging to see two women (Chanda Kochhar and Shikha Sharma) holding Chief Executive Officer (CEO) positions of two of the countries most significant banks. Chanda Kochhar was recently ranked 20th on the Forbes list of most powerful women in the world and Shikha Sharma was The Economic Times Business Woman of the Year in 2008. Holding an executive directorship is generally regarded as prerequisite to obtaining a CEO role, so we would hope to see an increase in the numbers of female executive directorships in the future. BSE-100's 2% female CEOs compare to 5% of FTSE-100 CEOs, 7% of Fortune 500 CEOs and 11% of Brazil's CEOs.

We looked to see if the presence of female executive directors appears to be related to the sector - they were spread between Pharmaceutical & Biological, Media & Entertainment, Real Estate, Banks, and Health. Whilst with such small numbers (just eight female executive directors) we cannot make any definitive statements, it is interesting that the industries in which the women have progressed to the top executive roles are all those which have been described as "clean" industries (e.g. more desk-based), and therefore more suitable for women.³⁷ Women joining family businesses are often placed in roles such as marketing or finance, as opposed to on the engineering shop floor and some see this emphasis on "clean" work as discriminatory.³⁸ A counter-argument may be that executive finance roles often lead to the Chief Executive position.

It will be interesting to follow in subsequent years, as more women achieve executive roles, to see what type of executive roles they have. The 2010 data shows two CEOs, two MDs, one Director of Communications and three unspecified executive director positions. In other Western countries (e.g. US and UK), women are beginning to make headway into the Chief Financial Officer roles that may more often lead to a CEO position.³⁹ Given women's stronger presence in the finance sector, it will be interesting to see if similar patterns emerge in India.

All the female executive directors were of Indian descent and no work was done to analyse their nationality or from which part of India they came.

We also looked to see if there were any obvious family connections between all the female directors (whether executive or non-executive) and their businesses. Thirteen of the BSE-100 companies appear to have family-based boards with usually the Chairman and CEO in addition to one or two non-executives from the same family. Four of the 13 have women on their boards, including the only female Chairman in the BSE-100, Savitri Jindal, Chair of both Jindal Steel & Power Ltd and JSW Steel Ltd. In India and other countries where large businesses are often family owned, the importance of education and family connections appears to be key. As in other countries, business families educate and develop the women in the family to look after the future of the business, and do so by giving them directorships.⁴⁰

Table 11: BSE-100 Companies with Women in Top Roles

Company	Top Roles Held by Women	Women	Industry
JSW STEEL LTD	Chair	Savitri Devi Jindal	Steel & Other Metals
JINDAL STEEL AND POWER LTD	Chair	Savitri Devi Jindal	Steel & Other Metals
AXIS BANK LTD	CEO/MD	Shikha Sanjaya Sharma	Banks
ICICI BANK	CEO/MD	Chanda Deepak Kochhar	Banks
HOUSING DEVELOPMENT FINANCE CORP LTD	MD	Renu Sud Karnad	Real Estate
SUN TV NETWORK LTD	Joint MD	Kavery Kalanithi	Media & Entertainment
PIRAMAL HEALTHCARE LTD	Director - Communications Executive Director	Dr Swati Ajay Piramal Nandini Piramal	Health
LUPIN LTD	Executive Director	Manju Deshbandhu Gupta	Pharmaceuticals and Biotechnology
DLF LTD	Executive Director	Pia Singh	Real Estate

1.3.2 Women Holding Multiple Directorships in BSE-100 Companies

There has been some debate over the past few years about the pros and cons of corporate board members holding multiple directorships in various companies, but the academic research on this matter appears inconclusive. Distinctions need to be made between the 'career NED', who aims to hold a number of non-executive positions, and those who have a full-time executive position plus one or two NED positions. There is a belief that 'busy directors', those with many board seats are more likely to be absent from board meetings. However, in the UK, executive directors are actively encouraged by a number of Chairmen to obtain one NED position in another leading organisation, as a developmental opportunity.

The vast majority (85.4%) of female directors in the BSE-100 companies hold just one board seat in the top 100 companies, and this is not too dissimilar from the figure of 88.7% of male directors holding just one seat. Eight percent of men and 8.3% of the women directors hold two seats within the BSE-100 companies. Two women (Renu Sud Karnad and Tarjani Manmukhram Vakil) hold three directorships and one woman (Rajashree Birla) holds four, making 6.3% holding more than two. This compares to 23 men (2.5%) holding similar numbers. However, seven men hold between five and seven positions each, including some with multiple chairmanships.

Rajashree Birla holds four non-executive positions in different industries (Grasim Industries Ltd, Hindalco Industries, Idea Cellular Ltd, and Ultratech Cement Ltd), as well as several trusteeships for a number of charitable organisations, and so has created a portfolio career for herself. Also on the board of Idea Cellular Ltd, Tarjani Manmukhram Vakil holds positions in Asian Paints Ltd and Oracle Financial Services Software Ltd. Renu Sud Karnad, the other female to hold three board positions, does so with one of them as Managing Director on the board of Housing Development Finance Corporation Ltd. Ajita Bajpai Pande, Rama Bijapurkar, Vinita Kundan Bali and Savitri Devi Jindal all hold two non-executive board positions, although Savitri Jindal's are both Chair roles within her family's steel industry.

Table 12: Multiple Directorships

Listing	Total Directors	1 seat	2 seats	3 seats	4 seats	>4
Female Directors	48	85.4% (41)	8.3% (4)	4.2% (2)	2.1% (1)	0% (0)
Male Directors	901	88.7% (799)	8.0% (72)	2.2% (20)	0.3% (3)	0.7% (7)

PART 1: WOMEN ON BOARDS

1.3.3 BSE-100 Female Directors - Age and Tenure

Age

There are significant differences in the ages of men and women, as executive and non-executive directors. The women are on average at least five years younger than the men holding board positions on the BSE-100. As in other countries, the executive directors have younger average ages than non-executive directors. For the women these are 48.5 and 56.9 years respectively. A similar age difference (approximately 7 years) is evident in the male executive and non-executive directors, but the range of ages is considerably more spread out. All the women directors (48 women) were aged between 30-73 years. Across the 888 men for whom we have ages, the range was 21-91 years. There is a cluster of older male directors - 20 of whom are octogenarians and one is aged 91. This may be a product of family ownership and also a culture which is more reverent of its older citizens.

Table 13: BSE-100 Directors' Age

2010	Age		
	All	EDs	NEDs
Men	60.3 years	55.7 years	62.1 years
Women	55.6 years	48.5 years	56.9 years

Tenure

The range of tenure for women was 0-32 years, with men showing a wider range of 0-42 years on boards. When looking at female and male executive directors, there were no statistically significant differences in their tenures, but this is most likely a statistical anomaly, as with only eight women the sample is too small. The average tenure figures are in fact strikingly different, showing those women who have achieved executive positions have been in the organisation almost twice as long as men. This may suggest that promotions processes within some of these organisations may show some bias.

Also of interest are the figures regarding the tenure of non-executive directors, which show that women are unlikely to have been employed in the organisation prior to taking a non-executive role. However, the figures for men show that on average they have been with the organisation for a period before taking on a non-executive director role. With a range of time in organisation of 0-50 years, closer examination of the data reveals that the majority of men who have been with the organisation for more than 20 years have more recently taken on a non-executive role. This longevity of tenure clearly diminishes the potential for independence.

Table 14: BSE-100 Directors' Tenure

2010	Executive Directors		Non-Executive Directors	
	Time in Role	Time in Org	Time in Role	Time in Org
Men	4.1 years	5.5 years	4.8 years	7.5 years
Women	5.6 years	11 years	3.7 years	3.8 years

1.3.4 BSE-100 Directors - Ethnicity and Nationality

The business case for diversity on boards has been argued in terms of the producing innovation and creativity, reducing 'group think' and ensuring better corporate governance and greater stakeholder representation may help sustain better performance. The benefits of diversity do not just apply to gender but also to ethnicity and nationality. However, making comparisons from similar benchmarking exercises in the US and UK (Catalyst and Female FTSE reports) is complex due to varying definitions of 'ethnicity'. Complexity in global markets provides a compelling argument for a diverse board in terms of the richness of experience, and cultural diversity is one way of achieving this. This argument becomes even stronger when companies have significant non-national revenues or operations abroad.

Unfortunately, data on nationality was only available for approximately one-quarter of all the 1,112 directors listed. No data was available on ethnicity. Of the 59 non-Indian nationals listed, the more common nationalities were American, British, German and Swiss. However, it would appear from the data that the vast majority of directors are of Indian descent, if not nationality. In comparison to other major stock exchange listings around the world (e.g. listed in America, UK,

Australia, Europe), ownership and therefore directorship of the companies listed on the BSE-100 appears to be much more homogeneously from the home nation.

We are aware that regions in India can be strikingly different from each other. However, we do not have data to analyse the number of directors by region. It may or may not be that the BSE-100 directorships reflect regional diversity. Similarly we are unable to analyse directorships by caste.

1.3.5 New BSE-100 Director Appointments in 2009/2010

We examined the appointments of new directors in the 12 months before May 2010, to monitor the rate of change in the composition of board directors. Nine women have been newly appointed to director positions in the BSE-100 in the previous 12 month period. Encouragingly, Renu Sud Karnad and Chanda Deepak Kochhar were internal promotions to senior executive directorships within organisations that they have been with for 32 and 25 years respectively. Also of interest was Shikha Sanjaya Sharma who was externally appointed to a CEO position. All three of these women have backgrounds in finance - a career path that has been identified elsewhere in the world as enabling for women's career progression.

However, there were also 173 new male directors appointed during this same period, meaning that out of a total of 182 new appointments (16.4% of all directorships), just 4.9% have gone to women (0.8% of directorships). At this slow rate of change it will take more than 50 years to reach any sort of gender parity on the BSE-100 boards. Directors are appointed to board positions for a number of years, and as seen above tenure can be enduring. This is why in other countries, such as the UK, emphasis has been placed on the altering figures of the "flow" of new directors, as opposed to just focusing on the figures relating to the "stock" of current directors.

Table 15: New Appointments During Past 12 Months*

	2010
New female appointments	9
New male appointments	173
Total new appointments	182
Female % of new appointments	4.9%

* To May 2010

PART 2: WOMEN DIRECTORS SPEAK

The findings in this section are based solely on the experiences of 18 of the 48 women (37.5%) on the boards of the BSE-100 companies who agreed to take part in this research. Between them, these 18 women hold 21 of the total 59 director roles (35.6%) on the BSE-100 held by women. Community Business interviewed all 18 women by telephone. The names of these women and the details of their directorships are listed in Table 4 on page 14.

The sample size of over one-third of BSE-100 female directors allows us to assume a good representation of the views of women directors on the boards of BSE-100 companies. The findings are also useful in supplementing the data in Part 1 of this research and in providing an indication of, and insight into, how the issue of women on boards is currently viewed in India's listed companies.

The interview was structured into three parts. The first part focused on the profile and background of the individual women; the second part explored their general views regarding women on boards; and the third part asked them about their own personal experiences of being a female director as well as their view of the role of the family in determining women's career success in India.

In summary, the interview was designed to understand:

1. how the issue of women on boards is viewed in India
2. the personal experience of female directors in India in terms of:
 - a. what enabled their success
 - b. some of the challenges they faced
 - c. the role of family in determining their success
3. what more can be done to increase the number of women on boards in India

The full interview questions can be found in Appendix 2.

2.1 PROFILE OF FEMALE DIRECTORS INTERVIEWED

To set the context, we asked the women about their background in terms of age, marital status, number of children, educational background, whether they had lived or worked overseas and what industries they had worked in. These details are summarised in Table 16.

Of the 18 women we interviewed, 15 were married, two widowed and one was divorced. Sixteen of the 18 women had children, and between them, these 16 women had an average of 1.7 children each, most of whom are in their twenties and a few in their mid-teens. All women had at least university education, with 10 women having a master's degree and seven women with higher level qualifications including law and doctorate degrees. The women had worked in a broad range of different industries, including: healthcare and bio technology, banking and finance, insurance, academia and research, public policy, administration and development, natural resources and oil, engineering and manufacturing, hospitality, construction and interiors, education, energy and environment, agriculture, automobiles, FMCG, IT and media. They had worked across market research, consulting, law and professional services firms. A few of the women had various roles in the government at state and national levels. Half of the 18 women had spent some time either studying or working overseas and for the most part this included the US or UK.

Table 16: Summary Profile of Female Directors Interviewed

Average Age	54.1 years
Marital status	15 married; 2 widowed; 1 divorced
Average number of children	1.7
Age range of children	Mid-teens to thirties
Ethnicity	17 Indian 1 non Indian
Studied or worked overseas	9 Women - Yes 9 Women - No

2.2 GENERAL VIEWS REGARDING WOMEN ON BOARDS

As a starting point to assess to what extent gender diversity on boards is regarded as a strategic issue by listed companies in India, we asked the female directors if they thought companies in India consider the gender diversity of their boards. Although the responses were mixed, the majority of women said that they did not think it was an issue about which companies think.

Table 17: Do you think companies in India think about the gender diversity of their boards?

Response	No. of women
Yes	7
No	11

This question provoked many of the women to express the view that companies should not look to appoint women as directors because of their gender but because of the skills and competencies that they bring to the board. As one woman director said:

“It should not be women just for the sake of having women. We should not downplay the meritocracy card. Boards should have diversity of thought and diversity of thinking style and if this comes from having more of gender diversity then so be it.”

We shared with the women the key finding of our research showing that approximately 5% of directorships on the BSE-100 are held by women and asked them their reaction to this percentage. The responses are summarised in Table 18.

Table 18: According to our findings, women represent 5% of board membership on the BSE-100 companies, what is your reaction to this?

Response	No. of women
Higher than what I expected	2
About what I expected	12
Lower than what I expected	4

Interestingly two-thirds of the women said that this percentage was in line with what they expected. However, all but one of the female directors acknowledged that this number is too low and companies in India need to do more to promote gender diversity at the board level, as highlighted in Table 19.

Table 19: What do you think the corporate response should be to this percentage?

Response	No. of women
This number is too low - companies in India need to do more to promote gender diversity at board level	17
This number is reasonable - there is no need for companies in India to focus on gender diversity at board level	1

Seventeen out of the 18 women were keen for companies to do more because of their fundamental belief that greater diversity is good for business. During the course of the interviews, the women cited how gender diversity brings diversity of thought, provides a more balanced view, is a source of competitive advantage and ensures better corporate governance:

“It is in the interest of the company to get diversity on the boards because that leads to a different way of thinking.”

“Companies which ignore 50% of the talent base and ignore the positive impact of any diversity [variable] be it age, ethnicity and gender will lose competitive advantage.”

PART 2: WOMEN DIRECTORS SPEAK

“A healthy mix is very important for a better boardroom and for better corporate governance procedures.”

2.2.1 Obstacles to Women on Boards

We asked the women why they thought there were not more women on the boards of the BSE-100 companies. A variety of reasons were identified.

Women in India are juggling career and family

One of the key themes that emerged was that women in India need to juggle their career with their family responsibilities. Family duties remain, according to all the women interviewed, the number one perceived and actual responsibility of women in India. This means that until the family is taken care of, there is little capacity for working women to commit to leadership roles. Indeed, as some of the women highlighted time constraints are a real issue:

“To serve on a board requires a lot of time.”

The findings of this study reveal that the average age of all the female directors on the BSE-100 and the women interviewed is over 50. It was highlighted that by this time women are relatively less burdened by their family duties as their children tend to be more “settled” (i.e. of adolescent age). In one woman’s view:

“Women peak 10 years later than men because of family duties.”

This quote is particularly interesting because actually our research in Part 1 of this report highlights that female directors in India are on average younger than their male peers.

Many women talked about the limited flexibility offered in the workplace by Indian companies and pointed to this as an obstacle to women’s career progression once they have children. Interesting this was noted by women from all age groups, most stating that options to work from home or flexible working hours tend to be few and far between:

“[There is a] lack of flexibility in working patterns offered to employees.”

One executive director who had studied and worked in the US and learned about workplace flexibility from her time abroad said how she still found it incredibly difficult to address the issue of flexibility for her staff in India. As work-life balance practices are not institutionalised in her company in India, she tends to address the work-life balance of her staff on a case by case basis.

Mid-career guilt and drop out

A couple of the women highlighted that many professional women in India experience guilt during their mid-career about neglecting their family. At this point many fall off the corporate ladder or “opt out”. As one director said:

“Unfortunately, there are two points in a woman’s life when they have to take a decision ridden by guilt and circumstances. One, when they have babies initially. Second if they have a child in class 9 and 10 - just before school leaving age, who is not doing well [academically]. At both these stages you lose a lot of talented women.”

The point being made here, and echoed by many women, is that the role of women in India, as in many other countries, is to look after their child at birth. However, what is specific to India (and some other Asian countries) is that the mother may also feel compelled to opt out of the workforce at later stages in her career at times that coincide with critical stages in her child’s education. For example, when children are aged 14 to 17 in India they take national exams to determine how they will progress into tertiary education and beyond. Many women may decide to take time out at this point to help coach their children academically or supervise them as they prepare for these exams.

Lack of visibility

Many of the women also said that a key reason there are not more women on boards in India is because the search for board directors in India can be very myopic and that corporate directors tend to look no further than their own personal and professional networks. They highlighted that women are not as visible as men in either the personal or professional networks,

mainly because of a lack of time. The result is that they do not tend to appear as search candidates:

“Those women that are there, are not as visible as the men, they are not visible in the social circuit or talked about. Boy’s clubs seem to know each other much more.”

“The search tends to be in a particular club and there are very few women in that club who qualify. People look for people they already know or directors who are already on boards. It is not cronyism, it is just the comfort of going and reaching out to a set of people you know or know of because of the disclosures that are available on the number of boards they are on.”

“Even if there are enough women, women in India tend to be less high profile and they are less visible and seen.”

As a result of history

Some women were pragmatic in their response and said a reason there so few women on boards in India is that India is a relatively young economy and only attained independence 60 years ago. Education levels at the time of independence were fairly low for women and as a result women have had to overcome major social barriers. As two women told us, many Indian companies were traditional business houses at the time of independence and it was not common for women to be in business. A few women said:

“Traditionally and culturally, we have not had women taking part at higher level in the corporate sector. Due to that there hasn’t been progression of women onto the boards.”

“If you look at history, it is not all that surprising that we have so few women on the boards.”

A limited talent pool

Partly because there are fewer women in corporate India to begin with and partly because of the phenomenon of mid-career drop outs, some women said that the reason there are not more women on boards in India is that there are fewer senior women than men in the pipeline to choose from:

“There is not enough of a pool of senior women to choose from which goes to the broader issue of mid career dropouts.”

“It has been a problem of supply and the supply has been almost non-existent till recently.”

Inherent bias

A few women mentioned that there can be certain built-in prejudices and biases that exist and this is a key reason why there are not more women on boards. In contrast to the statements about supply, one woman said:

“There is an ‘an inherent bias’ regarding their representation because there is no dearth of competent and very well educated women.”

These stereotypes are about women not being as effective in leadership as men and not being as committed as men:

“There is a subconscious tendency - decision makers think that men cope better in leadership positions and take the right measures.”

“There is a misconstrued hesitation that women do not give 100%.”

Barriers for women in the financial sector

Some women highlighted that a substantial number of highly qualified women in India are in the financial and banking sector. However, senior executives in these industries are often barred, as per regulatory restrictions, from serving on corporate boards of other companies due to concerns about conflicts of interest. Given the relatively high proportion of senior women executives in finance and banking, this phenomenon excludes many qualified women from board opportunities:

PART 2: WOMEN DIRECTORS SPEAK

"In the financial sector one cannot go on to the board position of other companies"

Women challenge the status quo

A particularly interesting point raised by some of the women was that of personal ethics. They talked about how as women they have a very high ethical standard which means that they tend to ask lots of questions and are more likely to challenge the status quo. They suggested that this deep sense of justice was often a barrier to entry for women on boards as it means that they are less likely to accept things as they are and are more likely to report any mis-conduct in the company. This is in line with previous research showing that companies with women on their boards demonstrate better corporate governance:⁴¹

"Women are often the first whistle blowers if they did see things going inherently wrong, in very rare circumstances would [they] allow things to be brushed under the carpet."

"Men feel at some level a little threatened as women tend to be franker, more open and honest about voicing their opinion".

Liability of directors

A couple of women highlighted that the directors in India take on significant risk and this may be a deterrent for women who are more likely to be risk averse than men:

As one woman said:

"The laws in India are quite arcane and place a lot of liability on the board members. This creates a lot of messiness that people tend to be wary of."

2.2.2 Corporate and Government Action to Promote Women on Boards

Corporate Action

We asked the women whether they thought any steps should be taken by companies to ensure there are more qualified women on boards in India.

All the 18 women interviewed were in favour of some kind of positive action by business to encourage greater gender diversity on boards and expressed a number of views on this topic.

A more formal approach to board nomination

The majority of women said that they would like to see a more formal and professional selection process for board positions. At present, according to the women interviewed, very few BSE-100 companies go through any formal process of identifying, interviewing and selecting board nominees:

"[For boards], professional search, nomination committees... new trends are coming to India... Formally recruiting board members is a new phenomenon and we hope more companies adopt this."

"If one needs to fill up a board position then it is important to articulate the kind of skill sets that the company is looking at, in terms of contribution by the independent directors."

Many of them cited the need to hire external firms to conduct extensive searches and provide a diverse pool of skilled candidates:

"When the company is making a potential list of board members they could take the help of head hunters [who could help to compile the list] of the potential list of women who could serve on boards."

"A robust search should be done and should not be restricted to people one knows or to an existing database. And then [the company should] interview those people and see who will be the best fit."

Proactively seek women

Many of the woman directors said that there are a lot of competent women and companies should actively be on the look out for these women from all sectors, not just the corporate sector:

“Companies should proactively look out for women board members. There are a lot of women who are significantly contributing to a lot of sectors.”

One woman said that companies should be publicly stating their diversity targets and reporting how successful they have been in achieving them. This is akin to what is now mandated in Australian listed companies.

Nurture and promote women from within

The majority of women felt companies had a role to play in creating a pool of senior female executives across India with the potential to take on board roles. Specifically they said companies should be looking within their companies to nurture and to promote women who have the skills, competencies and desire to manage and lead these large companies. They talked about the need for a true meritocracy where qualified women and men are given every opportunity to succeed:

“More than focusing on the board, it’s important to focus on the middle layer. If you don’t have [the] middle layer you will not have board members. Middle-management women should be given enough mentorship, training and coaching to be in the top layer. If you do this I do believe board memberships will happen.”

“Women should be allowed to flower in middle and senior management roles and companies should create a leadership pipeline which can be tapped for board level positions.”

Exposure and training

Recognising that a lack of relevant work experience and skills is often a barrier to entry for women on corporate boards, many of the women highlighted the need for companies to make a concerted effort to give women the skills and exposure they need in order to progress to a board position. As one woman said:

“Start by giving women in senior positions... the experience and background [that will be] required at a later stage for a board position.”

A few women talked about the need for companies to provide platforms, both inside and outside the company, for women in senior and middle positions to demonstrate their leadership and subject knowledge expertise. As they highlighted, being visible is critical to being noticed and therefore nominated to board positions. As one woman said:

“Women need to have a brand name.”

Many women spoke about a comprehensive training program that should be made available to senior women across India to give them the hard and soft skills required to be a board member. This would cover the rights and liabilities of being a board member, areas on which one is expected to have deep expertise, how to prepare for board meetings, understanding the nature of relationships between executive directors and non-executive directors, understanding of corporate governance laws and the whole dimension of finance and financial regulations:

“Exposure to what board level functionality means and what are the responsibilities and liabilities associated with being a board member.”

Government Action

We asked the women whether they thought any steps should be taken by government to ensure there are more qualified women on boards in India.

Whilst there were mixed responses to this question (five said no and 13 said yes), the majority were in favour of some kind of positive action to be taken by government. Interestingly, the Indian Government is already taking some steps to promote the representation of women at senior levels. The proposed women’s reservation bill will ensure that 33% of seats are given to women in both houses of the Indian Parliament.

PART 2: WOMEN DIRECTORS SPEAK

Lead by example, not quotas and legislation

When asked about the role of government, all the women talked about quotas - with all but one stressing that they were against the introduction of a quota or legislation:

"I am not a fan of the quota system; I think it would be useful to have something like what Spain has introduced - some kind of framework legislation pledging employers to consider women on boards."

For the most part these women were against quotas because they believe in a meritocracy where the best person for the job is brought on board. They were against positive discrimination and wanted to be seen as the "best for the role" not the "female for the role".

However, almost all of the women believed that it was critical for the government to be a role model for the private sector:

"Government should lead by example and not by legislation and by this it will also widen the pool [of female candidates]."

For the most part the women believed that this means that government itself may have a target for women on its committees and advisory panels and it should make a conscious effort to raise the visibility of senior women and female role models. As one director said:

"It is a lack of role models, a lack of flexibility and lack of awareness that is preventing companies from appointing women."

Provide training to women in senior management positions

Several women believed that the government should demonstrate its commitment to enabling women to take leadership positions by providing education and training for senior women so that they are better equipped and positioned to take on board roles. As two women said:

"Basic programs like what does the company law require you to do, what paper should one read, what action should be taken if one disagrees with the general view, how to be proactive in looking at things like customer complaints. Such entire range of things should be a part of a basic training programme."

"It [would] be good if there were formal training and certifications to get on to board positions. To give women an update on corporate governance, how to read a balance sheet and annual report, the gaps from a financial perspective and government positions will be very helpful."

Education and training for women and girls

Some women said that if India is to address the root cause of gender imbalance, then the government needs to provide more fundamental education and training to women and girls generally.

2.2.3 Availability of Qualified Female Talent in India

One of the frequently cited problems with regard to the lack of women in senior management, and lack of women on boards in particular, is the shortage of available talent. Indeed this came up in the course of our interviews. In anticipation of this, we asked whether a pool of women with the skills to be board directors, existed in India.

Two-thirds of the women said that they felt the pool of qualified individuals did exist in India. However, many of them felt that this talent pool may not have prior board experience. The point made was companies that only seek directors with prior board experience are limiting themselves and are not tapping into the talent pool of successful operating managers, consultants, former government officials, civil society leaders and entrepreneurs who may be female. As one woman said:

"There is a pool of talent that is uninitiated."

As a few women cited, there are a number of successful women entrepreneurs in India who would make very good board directors. Many successful female entrepreneurs understand risk and reward, financial matters and often have a good

understanding of people management. This could potentially be a good match for companies who are looking for qualified female talent.

2.2.4 Percentage of Women on Boards in Five Years Time

In order to ascertain the mood and level of optimism regarding the position of women at board level, we asked the women how they felt the percentage of women on the boards of India's leading companies might change in five years time. All women hoped that it would have some level of improvement.

One woman in particular had a positive outlook and thought that the percentage would increase from 5% to 25% in 5 years time. Two women thought that the percentage would increase to 15%. As one woman said:

"It's like a tidal wave. Women see other women doing well and more women come on board."

Interestingly it was perhaps the older women who were the most optimistic - saying that they are seeing big changes in their daughters and sons and expect greater parity in the next generation of managers and leaders. Disappointingly, and in complete contrast, the youngest women were amongst the most pessimistic and cited that little has changed in corporate India.

Others were more moderate in their predictions quoting between 3% to 5% improvements. Two women did not see the percentage going above the current 5%. The reason given by one was that five years is a relatively short time to change mindsets and if the matter is not proactively addressed it might remain the same.

2.3 PERSONAL EXPERIENCES OF BEING A FEMALE DIRECTOR

Having discussed the subject of women on boards in more general terms, we wanted to explore the experiences of the individual women themselves. In particular we wanted to understand how they had become board directors and what had helped them be successful. We also wanted to identify some of the challenges and see what could be done to help more women reach board level.

2.3.1 Appointment to Board Positions

Only two of the 16 non-executive directors interviewed said that they had always had aspirations to be a board member. As one woman put it:

"As a non-executive director, it was more about learning and driving a company. It was a two way process for me. I thought I could add value and learn a lot in the process as well."

However all the three executive directors interviewed said they had had aspirations to be a board member as it was a logical career progression for them. As one of them said:

"As an executive director, this is the highest recognition that can be bestowed on you."

Thirteen out of the 16 non-executive directors were invited to take up their non-executive positions, rather than actively seeking out the opportunity. One of these 13 women mentioned that she was invited because the Chairman had a daughter in the company and wanted to appoint a woman who could groom his daughter and be a mentor to her. The other two non-executive directors were approached by search firms.

Several of these women mentioned that it was always tough to get the first board position, and once they were there, they were then approached by other companies. This phenomena has been recognised elsewhere in the world.⁴²

2.3.2 Enabling Factors

We asked the women what they thought had helped them be appointed as a board director. We prompted them with suggestions such as social networking, having a good mentor, personal or family connections, broader sector experience and involvement in the community.

PART 2: WOMEN DIRECTORS SPEAK

Professional performance and competence

All of the women talked about the importance of their skills and experience either within the company or in their own line of work. They either mentioned or referred to the fact that they were very good in their jobs and recognised in their field of work. Almost all of them also said that nothing replaced good performance, a sound track record and hard work.

Broad sector experience

Eight of the women mentioned that having broad sector experience had helped them be appointed to the board. Broader perspectives and knowing how the government and the local community worked were seen as critical skills that boards were looking for.

Visibility

Many women spoke about the importance of being visible either through academia, writing columns, attending conferences and events and speaking at public forums.

Networking

Several women spoke about the importance of networking and also about the value of personal connections. A few women talked about the type of networking opportunities and acknowledged that the traditional forms of networking such as drinking and late night dining were not enjoyed however if networking involved learning and sharing experiences they would be open to that. This was especially true for women who have specialised in a particular field like finance and banking, telecommunications and others.

Early exposure to the board: coaching by Chairs and CEOs

We asked the women whether looking back to the time before they were appointed as a board member of a BSE-100 company, if it would have been helpful to have been part of a formal mentoring programme where they were mentored by a CEO or Chairman of a listed company.

Fifteen of the 18 women agreed that a formal mentoring programme would have been useful in their careers:

"A good mentor can take you out of your comfort zone and challenge you all the time which is extremely helpful."

"I would have liked to have gone through a training programme/exposure programme on the rules and responsibilities of a board member."

One woman director spoke about the importance of mentoring after being appointed as a board member:

"Board membership is like an apprenticeship profession and you have to first apprentice before you are taught, therefore learning before the apprenticeship is not possible."

2.3.3 Challenges

In order to uncover any issues relating to gender discrimination at board level, we asked the women what challenges they faced, if any, as women on boards.

The majority of women, 11 out of 18, were reluctant to highlight any challenges they faced on account of their gender:

"Being in business itself, is challenging."

"We are quite used to working with the other gender and being accepted as someone who is equally competent."

"One needs to go beyond the initial gender identity which is apparent right in the beginning and start talking business."

Some women talk about the challenges of looking after the family and children. As one woman said:

“Women are expected to achieve all of it. They are expected to spend more time than men in all domestic matters - for example if the mother-in-law is not well the woman has to be at the hospital, if the children are not well, the woman has to stay back home, if there is a family wedding, the woman has to buy the present and takes longer to dress... All these things take a lot of time and you are expected to serve all of that and still work and travel [for work].”

However, four women stood out and acknowledged some of the specific challenges they face in the corporate environment on account of their gender. They spoke about boards being male dominated clubs and how women have to work extra hard to try and fit in. They also talked about different communication styles that women and men have that can work against women, and specifically how women tend not to interrupt people when they are speaking, but instead wait their turn:

“Sometimes inter-personal dynamics in the board room make it uncomfortable for women who do not push their way around as much as men do.”

They also talked about the challenge of getting their voices heard and being taken seriously:

“As a woman, I need to speak more loudly and aggressively in order to be heard. Women need to speak loudly to be taken seriously.”

According to one of the women, it went beyond merely communication styles and women had to rely on their hard work to see them through:

“Women have much lighter voices in general. Women are shy of recognising the politics of the workplace and women wait for their work to be recognised.”

As one woman summed it up and said:

“The main challenge is to be more than an equal to be treated as an equal.”

Network of Women Directors

We also asked the women whether they would benefit from being part of a network of women directors to share and learn experiences. Again there was a range of responses with 11 out of the 18 women being enthusiastic about the idea. As one director said:

“It will be a great learning experience. It’s lonely being an only woman on the board. Lots of women don’t find it easy to go out and drink and dine after board meetings like men do, as there are commitments from family and children. Hence a network of only women would be very beneficial.”

Three women made the point that they did not want to be treated differently to their male colleagues and that they would benefit from a professional network of both men and women:

“I think it would be good to have a network of directors - not only women.”

The remaining four were somewhat indifferent to the idea or thought it would be of limited use.

2.3.4 Contribution to the Board as a Woman

In the desire to highlight the business case for increasing the participation of women at board level, we asked all the women what contribution they felt they made to the board specifically as a woman.

The majority of the women were fairly open and direct in their responses about attributes that they thought were specific to their gender. They talked about women being good at asking for advice, being open and honest, being good mediators and being very practical - all of which contribute to innovative thinking and responsible decision-making:

PART 2: WOMEN DIRECTORS SPEAK

"Women are better at asking for help and seeking help as compared to men."

"Women tend to say things as they are... and are not afraid to say so. That helps bring in a broader perspective to the board..."

"Women manage conflicts better than men because they can forge consensus better - especially when egos and tempers are running high. They are good mediators."

"It's always a very pragmatic and practical approach that women bring in the board meetings. Women can bring in a relaxed atmosphere and an out of the box way of thinking."

Some women expressed the view that women tend to have higher moral standards than men and are very conscious of ethics and integrity. They talked about these moral standards coming with motherhood and how, as mothers, they are constantly espousing what is wrong and right to their children. This translates into decisions made by women at the board level which are sincere and ethical:

"The maternal instinct in every woman at any given time will always want her people and close ones to do the right thing."

They also said that these inherent qualities in women, add a lot to corporate governance:

"Women are more apt to speak up on corporate governance issues and real issues and I think many things will improve [with women on boards]... I think these are natural instincts of women."

By nature, as multi-taskers, women cited that they were used to doing many things at once, including managing the home, work and self. They talked about being highly detail oriented which also comes into play in the way they operate at the board level:

"Women are not flippant and do not let gaps go under them."

In addition to impacting the way they work, some women felt that their gender often came through in the subjects that they gave importance to at the board level:

"As board member and as women, I bring in gender sensitivity. I operate with a feminine model of functioning and not the masculine way of functioning. I talk a lot about work-life balance and look at remuneration and bonuses in a more principled way."

Overall, their contribution to the board is positive. As one woman said:

"I improve the quality of decision-making and come from a different perspective."

One woman summed up her contribution to the boards she sits on by saying:

"I make them feel that the universe is better represented; it feels like a real world."

Two of the eighteen women, did not highlight anything that pointed specifically to their gender. These women saw their contributions as being based purely on their profession, area of expertise or general business sense:

"It's purely on account of skill sets that I bring to board. It has nothing to do with being a woman."

"I make a lot of contribution as a professional - not as a woman."

2.3.5 Role of Family in India

We asked the female directors how important they thought the role of the family was in determining women's career success in India. All the 18 female directors said that the role of the family is critical to a woman's success professionally. Joint families in India are common which means that parents (generally of a grown up son) often live together with their son(s) and his family. As such, having the support of the older women in the family (particularly mother-in-law and mother), husband and children is extremely important. As one woman said:

"If there is support from in-laws, children and husband, half the battle is won."

With a lack of institutionalised child support and crèches in India, practical family support is vital in allowing and supporting women to work outside of home:

"The role of family is major. Though we see lots of women working today... their being there [in the workplace] does depend on the kind of support services, encouragement and co-operation they get from the rest of the family."

Most of the female directors spoke about the support and encouragement they received from their mothers, but also their husbands. Almost all of them talked about husbands taking "pride" in their work which goes over and above providing support and for many, their husbands were considered their greatest advocates:

"Husbands [have to be] happy to see their wives at the top."

"I could not have achieved what I have if my husband had not done the parent-teacher meetings, the homework and the pediatrician appointments for a better part of my career."

One woman director talked emphatically about the role of a mother in ensuring that her son is brought up to understand the importance of being supportive and empathetic towards women. In her view, mothers need to treat their male and female children equally and encourage both:

"We Indian mothers tend to molly coddle our sons and it is this molly coddling by the mother that makes men insensitive to many issues, insensitive in particular to women when they become husbands, father and corporate leaders."

All our women directors spoke firmly about the need for family support and one woman talked about how a woman in India is seen against the backdrop of her family - where a woman "belongs" to her family per se and is seen within the family unity rather than as an individual existing autonomously. As such she pointed out that:

"Women need recognition at home for the work they do outside the home."

2.3.6 Advice for Aspiring Women

In concluding the interviews we asked the female directors what advice they would have for other women aspiring to be board directors. The quotes on pages 36 and 37 show what they had to say:

PART 2: WOMEN DIRECTORS SPEAK

"It is a tremendous learning experience (to be a board director) and should not be missed because of constraints of time. The amount of learning that one gets from serving on boards, not in your industry, is terrific and if that experience comes your way, you should definitely take it up. Contribute to your board in a very positive and enthusiastic way."

Dr Swati Ajay Piralal

Director - Communications of Piralal Healthcare Ltd

"Make yourself professionally more visible around matters concerning your profession - speak at industry seminars, join industry bodies, let people know where you stand on important issues."

Rama Bijapurkar

Independent Director of Axis Bank Ltd and
Independent Director of Bharat Petroleum Corporation Ltd

"Don't shy away when you see an opportunity. Come forward and claim your rightful place."

Radha Singh

Independent Director of Yes Bank Ltd

"Don't underestimate the value of the contribution that you can make not just through your professional skills, expertise and experience but also through your point of view, which can challenge orthodox thinking and improve board decision-making."

Janice (Jann) Margaret Brown

Non-Executive Director of Cairn India Ltd

"If you aspire to be a director you should have a very clear idea of the contribution you would need to make. Also be a keen observer of similar settings and try and absorb the group dynamics there. Be an effective observer and very consciously seek feedback from people who you trust."

Kalpna Morparia

Independent Director of Dr Reddy's Laboratories Ltd

"If you get an opportunity to serve on a board, you should do so because it gives you insights into many different sectors and facets which you may not be dealing with on a day to day basis. Once you are there (on the board), just be yourself. If you are an expert or specialist, bring that to the table. It's only common sense."

Renu Karnad

Managing Director of Housing Development Corporation Ltd and
Supervisory Director of HDFC Bank Ltd and
Independent Director of Bosch Ltd

"Always be punctual. Never intervene in meetings without thinking clearly. It is very important to read the agenda items prior to the meeting and have time to think over it carefully. Always put forth your view point and ensure it is well thought out."

Reva Nayyar

Supervisory Director of Bharat Heavy Electricals Ltd

"Women take their role on the board very seriously and bring a holistic approach in the boardroom. They are intuitive and introduce a qualitative angle in the boards dominated by professionals who tend to focus on quantitative discussions. Boards are definitely enriched by the presence of women."

Dr Indu Ranjit Shahani

Independent Director of Indian Oil Corporation Ltd

"From my experience, the following qualities are what I believe a board member is expected to have - integrity of purpose and values, getting along with other board members yet having the courage to differ, work experience and value add. Any woman aspiring to become a board member should be focussing on these qualities."

Meher Pheroz Pudumjee

Independent Director of Crompton Greaves Ltd

"It is very important to distinguish between ambition and aspiration. These are two very different goals. One does not usually differentiate between the two but it is as distinct as need versus greed. As a woman if you aspire to come on a board motivated by mere ambition, then that is very limiting... (You should do it because it inspires you). It is also very important to be in a sector where you can contribute, sectoral competency is imperative for your own performance satisfaction and so that you do not allow yourself to become a mere rubber stamp."

Minoti Bahri

Non-Executive Director of Unitech Ltd

"Go for it!! We should not hesitate, but prepare well and make sure that our voice is heard. Often the advice that women give is more valuable than we think it is."

Dr Leena Srivastava

Independent Director of Reliance Infrastructure Ltd

"You must be professionally competent, hardworking and committed. You should build up your experience and competencies in senior decision making positions. In order to get these positions you must let it be known that you are willing to take up challenging jobs. You should be visible to those who are going to take the decisions. You should be a go getter and an achiever with recognised achievements."

Teresa Bhattacharya

Independent Director of NMDC Ltd

"If you are competent you will get accepted on any board and will come into a board position in your own right."

Zarin Daruwala

Independent Director of JSW Steel Ltd

"You are invited to the board simply because you deserve it. People recognise that you have a perspective and you have a view point. Have the conviction to hold on to it and have a rationale for it. Value your contribution."

Dr Indira Jitendra Parikh

Independent Director of Indian Oil Corporation Ltd

"Work hard and your talent has to be recognised. When you get the opportunity just take it up. Stand up for what you believe in and you will be noticed."

Pallavi S Shroff

Independent Non-Executive Director of Maruti Suzuki India Ltd

"Be visible both inside and outside the company."

Nandini Piramal

Executive Director of Piramal Healthcare Ltd

"It is important that women earn their spurs and position on the grounds of merit and track record and not on gender. Women should focus on building their business acumen, be flexible and adaptable, be cognisant and confident of their strengths, invest in building their personal brand and consistently work towards creating an impressive resume. It is also critical that they network professionally and remain relevant in a fast changing business scenario."

Hema Ravichandar

Strategic HR Advisor & Independent Non-Executive Director of Titan Industries Ltd

"Focus on the domain knowledge. Have integrity and self confidence, be committed and always think at a macro level with vision and avoid micro management. Create success stories for the organisation you are attached to. Think out of the box and be innovative."

Dr Vasantha Suresh Bharucha

Independent Director of State Bank of India

CONCLUSION

This **Standard Chartered Bank: Women on Corporate Boards in India 2010** report has revealed critical data on women in leadership roles in India. Women make up just 5.3% of all directors on the BSE-100 and as many as 56 companies on the BSE-100 have no representation of women at all on their boards. As we compare female directorships on BSE-100 with other global financial indexes, we see that India has much more progress to make when compared to its peers: Australia ASX 200 (8.3%), Hong Kong HSI (8.9%), UK FTSE 100 (12.2%) and US Fortune 500 (14.5%).

As we reflect on this low percentage of 5.3%, we must do so in context. It has only been 60 years since India's independence. Education levels have traditionally been low⁴³ in India relative to some of the other financial markets we are comparing to - and the female child has had much less access to education than the male child. India's economic growth has propelled in recent decades. This has opened up many opportunities for women to work outside of the home and with rising costs and an increase in standard of living - for many families, there is a very real financial need for women to work and contribute to the family income.

As we think about this change in landscape in India, what is evident is that women today are much more likely to be our employees, customers and for listed companies, investors. It is therefore critical to understand how women behave in the workplace and marketplace - and to have women contributing at all levels - including on the board.

But getting more women on the board does not happen by chance. It happens because there is a concerted effort by government and by the private sector alike to have more representative leadership. The need for a more diverse leadership is not because of the desire for diversity for diversity's sake. Diversity is good for business: it brings different perspectives and different ways of thinking which contribute to better decision-making, greater innovation and increased corporate governance. These factors are all critical for India as it continues to play a key role as a global economic power - competing with the best companies from around the world.

As such, our call to action to corporate India is to understand, primarily, that there is a business case for gender diversity. Specifically our recommendations are as follows:

- **Engage the board:** Invest in understanding what your global competitors are doing in this space, what is global best practice and develop at the highest level your commitment to gender diversity. We know that for gender diversity to happen, there needs to be commitment from the board.
- **Develop metrics and track performance:** Monitor the numbers of women at all ranks in the company and seek to understand why women may be under-represented at certain levels. We know that what gets measured gets done.
- **Raise awareness:** Educate and train business managers and human resource professionals alike on why gender diversity is important. We know that positive change can only happen when the workplace culture is inclusive and barriers are removed.
- **Address the needs of women:** Proactively take steps to address the needs of your female workforce by introducing part-time work, flexible working, subsidising or building crèche facilities near the workplace, introducing sabbatical leave (women talked about needing time out when their parents-in-law are sick or when their children are taking exams) and term time working.⁴⁴ We know that these initiatives would make a difference to the lives of women in corporate India and without these, there is much less chance that women will be able to balance the real needs of family and work.
- **Build and nurture your women:** Recognise the responsibility that you have to build the pipeline of female talent and leadership for the future - not just for the benefit of your company but for the benefit of India as a whole. We know that specific competencies are required to be a board member and corporate India should be a training ground for women and men to develop these skills.

Finally, Community Business and Standard Chartered Bank congratulate the companies that appear at the top of the **Women on Boards League Table: BSE-100 2010** and all the 48 women on the boards of the BSE-100 companies. We hope that their example will inspire other Indian companies and other professional women in India and that over time we will see an increase in the number of women represented on the boards of India's leading companies.

APPENDIX 1: ABOUT THE AUTHORS

COMMUNITY BUSINESS

Community Business is a unique membership based non-profit organisation whose mission is to lead, inspire and support businesses to improve their positive impact on people and communities. Community Business provides training, facilitation and advice to some of the world's leading companies in Corporate Social Responsibility (CSR) and our major areas of focus include: CSR strategy, corporate community investment, diversity and inclusion and work-life balance. Founded in 2003 and based in Hong Kong, Community Business currently works with a number of organisations, small, medium and large, committed to CSR. For more information, visit www.communitybusiness.org

As an established thought leader in the field of diversity and inclusion in Asia, Community Business is dedicated to progressing discussion on diversity, understanding the challenges and issues facing companies operating in the region and making the link between diversity and enhanced business performance. With a reputation for raising awareness of issues - often ones that are rarely addressed, we look to facilitate discussion and bring about change. Our key diversity initiatives include:

- **Diversity & Inclusion in Asia Conference** - held for the first time in 2005 this has become the primary forum for discussion on diversity and inclusion in the workplace in Asia. This conference looks at all aspects of diversity, including: gender, Asian culture, generations, disability and sexual orientation in the workplace.
- **Diversity & Inclusion in Asia Network** - a unique network of diversity professionals looking to drive their companies forward on their diversity journey in Asia. Member companies meet regularly to understand the diversity issues pertinent to the region and to share and drive best practice in Asia.
- **Diversity Publications and Research** - we have published extensively on the subject of diversity and work-life balance in Asia. For a full list and to download our publications please see our website at www.communitybusiness.org/library/publications.htm

INTERNATIONAL CENTRE FOR WOMEN LEADERS, CRANFIELD SCHOOL OF MANAGEMENT

Cranfield School of Management is a leading postgraduate business school with an international reputation for its research on diversity, particularly gender and ethnicity in the highest echelons of the corporate world. The International Centre for Women Leaders is committed to helping organisations to develop the next generation of leaders from the widest possible pool of talent. We are unique in focussing our research, management development and writing on gender diversity at leadership level. The objectives of the Centre are to:

- Lead the national and international debate on gender diversity and corporate boards
- Provide a centre of excellence on women leaders, from which organisations can obtain the latest trends, up-to-date research and benchmark best practice
- Identify and examine emergent issues in gender diversity and leadership, through sponsored research in partnership with industry and government
- Share research findings globally through conferences, workshops, academic articles, practitioner reports and in the international press.

For more information on the Centre's research and executive development, please visit our Centre website at www.som.cranfield.ac.uk/som/research/centres. There is also a list of our research articles in areas such as women on boards, ethnicity on boards, leadership, diversity management, gendered cultures, role models, impression management, mentoring, work/life balance, commitment and careers. Part of our work on directors has been situated in the corporate governance field. Our latest book "*Women on Corporate Boards of Directors: International Research and Practice Boards*" was published by Edward Elgar in December 2008.

APPENDIX 2: INTERVIEW QUESTIONS

Part 1: Your Background	
1. What is your marital status?	
2. How old are you?	
3. Do you have children? If yes, how many? How old are they?	
4. What is your educational background?	
5. Have you studied or worked overseas? Where and how long?	
6. In summary, what sectors and industries have you worked in throughout your career?	

Part 2: Your Views Regarding Women on Boards	
1. Do you think companies in India think about the gender diversity of their boards - that is having both women and men on boards?	<input type="checkbox"/> Yes <input type="checkbox"/> No
According to initial findings of our study, women represent approximately 5% of Board Membership on BSE-100 companies.	
2. What is your reaction to this percentage?	<input type="checkbox"/> Higher than I expected <input type="checkbox"/> About what I expected <input type="checkbox"/> Lower than I expected
3. What do you think the corporate response should be to this percentage?	<input type="checkbox"/> This number is too low - companies in India need to do more to promote gender diversity at board level <input type="checkbox"/> This number is reasonable - there is no need for companies in India to focus on gender diversity at board level
4. Why do you think there are not more women on the boards of the BSE-100 Companies?	
5. Do you think any steps should be taken by companies and/or government to ensure there are more qualified women on boards in India? If so, what?	Companies <input type="checkbox"/> Yes <input type="checkbox"/> No Action:
	Government <input type="checkbox"/> Yes <input type="checkbox"/> No Action:
6. Do you think there is a pool of female talent with the skills to be a board member in India? If not, why not?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not sure
	Reasons why not:
7. Do you think qualified senior women in India are interested in board positions? If no, please give reasons why not.	ED <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not sure
	NEDs <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not sure
	Reasons why not:
8. What do you think the percentage of women on the boards of BSE-100 companies will be in 5 years time, given that it is 5% today?	%

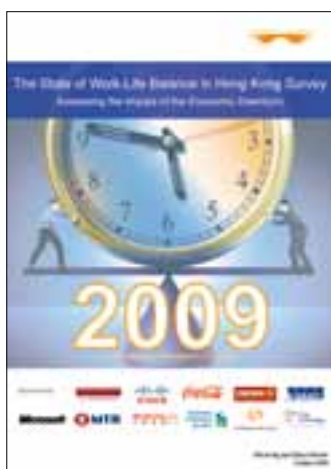
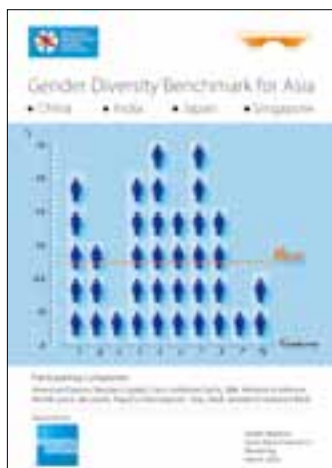
Part 3. Your Personal Experience of Being a Board Director	
1. How long have you been a board director of a BSE-100 company?	
2. Did you always have aspirations to be a board member?	
3. For Executive Directors: What has been your career path? How have you got to where you are today?	
4. For Non-Executive Directors: How did you get this role? • eg invited, called up by search consultancy, sought the opportunity, etc	
5. What do you think helped you be appointed as a board director? • eg social networking, having a good mentor, personal/family connections, broader sector experience, involvement in the community, etc	
6. Looking back to before you were appointed as a board director, do you think it would have been helpful for you to have been part of a mentoring programme? • eg mentored by a CEO or chairman of a major company	
7. What challenges, if any, do you face as a woman on the board? • eg culture, working style, family, etc	
8. Do you think you would benefit from being part of a network of women directors to share and learn experiences?	
9. What contribution do you think you, as a woman, make to the board?	
10. What advice would you give other senior women aspiring to be a board director? Please provide a direct quote.	
11. What is the role of the family in determining women's career success in India?	
Do you have any other comments you would like to make?	

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- 14 It should be noted that the data does not reflect changes - pre-announced or otherwise after that date.
- 15 Companies featured in this table are only those companies on the BSE-100. Some of the female directors mentioned in the table, may hold directorships in other firms/organisations as well.
- 16 As described by Boardex database May 2010 (www.Boardex.com). However, Unitech Ltd describes Ms Minoti Bahri as a Promoter Director.
- 17 Data is accurate as of May 2010. However, Ms Rama Bijapurkar is no longer a director of this company.
- 18 <http://www.scribd.com/doc/16691629/Family-Business-in-India>
- 19 Tata family owned companies include: Tata Consultancy Services, Tata Motors Ltd, Tata Steel Ltd, Tata Power Co Ltd, Titan Industries Ltd.
- 20 Ambani family owned companies include: Reliance Industries Ltd, Reliance Infrastructure Ltd, Reliance Communications Ltd, Reliance Natural Resources Ltd, Reliance Capital Ltd, Reliance Power Ltd
- 21 Birla family owned companies include: Idea Cellular Ltd, Ultratech Cement Ltd, Hindalco Industries, Grasim Industries Ltd
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NOTES



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