

GOVERNMENT OF INDIA
(MINISTRY OF FINANCE)
(DEPARTMENT OF ECONOMIC AFFAIRS)

LOK SABHA
UNSTARRED QUESTION NO. 3360
TO BE ANSWERED ON FRIDAY, 18TH DECEMBER, 2015

WOMEN DIRECTOR

QUESTION

3360. SHRIMATI JAYSHREEBEN PATEL:
SHRI RAMDAS C. TADAS:
SHRI MALLIKARJUN KHARGE:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Securities and Exchange Board of India (SEBI) has mandated the listed companies to appoint atleast one women director on their Board, if so, the details thereof and the time frame set by SEBI for its compliance;
- (b) the number of companies that have complied/not complied with the above regulations; and
- (c) the action taken by SEBI against the erring companies which have failed to comply with the said regulations within the stipulated time frame including penalties imposed upon them?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a): Yes, Madam.

Securities and Exchange Board of India (SEBI) has mandated that the listed companies appoint at least one woman director on their boards. The provisions regarding appointment of woman director as provided in Clause 49 (II) (A) (1) of the Listing Agreement are applicable with effect from April 01, 2015.

(b): The status of compliance by listed companies, as on September 30, 2015, as per the data provided by the National Stock Exchange (NSE)/Bombay Stock Exchange (BSE) is placed at Annexure-A

©: SEBI has prescribed fines for non-compliance with the requirement of Clause 49(II) (A) (1) of Listing Agreement to the Stock Exchanges as given in Annexure-B

ANNEXURE-A

Status of the appointment of Woman Director by listed companies as per clause 49 (II) (A) (1) of the listing agreement as on September 30, 2015 is as follows:

| Exchange | Total listed | Companies | Companies which have complied | Companies which have not complied |
|----------|--------------|-----------|-------------------------------|-----------------------------------|
| NSE | 1681 | | 1486 | 195 |
| BSE | 5340 | | 3828 | 1512 |

NSE has issued notices to 195 companies for non-appointment of women director on the board of the company as on September 30, 2015.

BSE has issued notices to 1512 companies for non-appointment of women director on the board of the company as on September 30, 2015.

ANNEXURE-B

| Compliance Status | Fine Structure |
|---|--|
| Listed entities complying between April 1, 2015 and June 30, 2015 | Rs. 50,000/- |
| Listed entities complying between July 1, 2015 and September 30, 2015 | Rs.50,000 + Rs.1000/- per day w.e.f. July 1, 2015 till the date of compliance |
| Listed entities complying on or after October 1, 2015 | Rs.1,42,000/- + Rs.5000/- per day from October 1, 2015 till the date of compliance |