

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS  
LOK SABHA  
STARRED QUESTION NO. \*27  
ANSWERED ON FEBRUARY 5, 2024/MAGHA 16, 1945 (SAKA)**

**REPRESENTATION OF WOMEN IN BOARD OF DIRECTORS IN COMPANIES**

**QUESTION**

**\*27. SHRI S. VENKATESAN:**

**Will the Minister of CORPORATE AFFAIRS  
be pleased to state:**

कारपोरेट कार्य मंत्री

- (a) whether it was mandated by Section 149 of the Companies Act, 2013 and relevant rules for companies to must appoint at least one female to their Board of Directors in all listed companies and large public limited firms with paid-up capital of Rs. 100 crore or more or having a minimum turnover of Rs. 300 crore;**
- (b) if so, the details thereof including the number of companies subjected to penal actions since 2015 Financial Year to till date for non-compliance along with the amount of penalty collected year-wise;**
- (c) whether there is any monitoring mechanism with the Government regarding participation of women members in the Board Meetings to ensure their involvement in company's affairs; and**
- (d) if so, the details thereof?**

**ANSWER**

**The Minister of Finance & Corporate Affairs.**  
(वित्त और कारपोरेट मामलो के मंत्री )

**(SMT. NIRMALA SITHARAMAN)**  
( श्रीमती निर्मला सीतारामन )

**(a) to (d): A statement is laid on the Table of the House.**

**STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. \*27 FOR ANSWER ON 05.02.2024.**

**ANSWER**

**(a) to (d): Yes Sir. As per second proviso to section 149(1) of the Companies Act, 2013 read with rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, every listed company and every unlisted public company having paid-up share capital of Rs 100 crores or more or having turnover of Rs 300 crores or more must appoint at least one woman director on its Board.**

**The offence in respect of non-appointment of woman director was decriminalized by Companies (Amendment) Act, 2020 and made adjudicable by specifying penalty provisions in section 172. Prior to that, the offence was punishable with fine and was a compoundable offence.**

**The Securities and Exchange Board of India (SEBI) has informed that SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the board of directors of listed entities to have at least one woman director. This requirement is applicable to all listed entities except the following:**

- i. a listed entity having paid up equity share capital not exceeding Rs. 10 crore and net worth not exceeding Rs. 25 crore;**
- ii. a listed entity which has listed its specified securities on the SME Exchange.**

**As per SEBI's circular dated May 03, 2018, which became effective from September 30, 2018, the stock exchanges have been empowered to levy fine/ take action in case of non-compliances with the requirements pertaining to having woman director in the Board of directors.**

**As and when any non-compliance in respect of mandated companies not having woman director comes to the knowledge, the Ministry and Stock Exchanges/SEBI have been initiating necessary action against such companies.**

**The number of companies subjected to penal actions for non-appointment woman director with amount of fine, compounding fee or penalty collected financial year-wise are as under:**

FY	Resulted in fine / compounding fee/ penalty (In lacs)	
	No of companies against which penal action has been taken	Amount collected as fine / compounding fee/ penalty
2015-16	3	3.51
2016-17	20	33.00
2017-18	3	1.09
2018-19	3	1.57
2019-20	1	2.50
2020-21	10	28.22
2021-22	12	19.98
2022-23	9	17.95
2023-24 (till January 2024)	20	33.65

The SEBI has also informed the amount of penalty collected by stock exchanges for listed entities not appointing at least one woman director as below:

Financial Year	Number of listed entities	Amount of penalty collected (in Rs. lacs)	Number of listed entities	Amount of penalty collected (in Rs. lacs)
	NSE		BSE	
FY 2018-19	20	77.16	40	191.61
FY 2019-20	47	106.00	64	481.71
FY 2020-21	41	67.20	57	506.08
FY 2021-22	40	31.04	62	431.98
FY 2022-23	21	28.95	24	392.68
FY 2023-24 (till September)	16	1.96	20	280.28

Further Companies Act 2013 and the rules framed thereunder provide for appointment of directors, including woman directors and the duties of directors have been prescribed therein. All directors, including woman directors are expected to fully participate in Board meetings. In case any

**director absents from all Board Meetings held during a period of 12 months,  
the office of director stands vacated under Section 167(1)(b).**

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