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NUMBERS WITHOUT POWER: EVALUATING WOMEN'S REPRESENTATION ON BOARDS OF DIRECTORS AND AS KEY MANAGERIAL PERSONNEL IN INDIAN CORPORATIONS AGAINST GLOBAL BENCHMARKS, AND THE CASE FOR STRATEGIES BEYOND LEGAL MANDATES

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I. ABSTRACT

The Companies Act, 2013 introduced a statutory requirement for listed companies in India to appoint at least one woman to their boards, resulting in a decade of formal compliance. This paper examines whether such compliance has led to genuine gender equity in corporate leadership or has remained largely symbolic in nature. At the core of the analysis is what the paper describes as a “compliance–power gap,” reflected in the disparity between women’s presence on corporate boards and their comparatively lower representation in key managerial roles where real decision-making authority is concentrated. It argues that while regulatory measures have succeeded in improving numerical representation, they have not adequately addressed women’s access to positions of substantive executive power. The study adopts a doctrinal and comparative methodology. It analyses the Companies Act, the SEBI (LODR) Regulations, and the BRSR framework, and situates these within the broader context of verified secondary data drawn from institutional and industry reports. The research does not rely on primary data but instead synthesizes existing sources to assess the effectiveness of the current framework. The findings suggest that increased representation at the board level has not been translated into meaningful inclusion within top management. Moreover, India’s progress remains limited when viewed against global benchmarks. The available evidence further indicates that board-level diversity, in isolation, is insufficient to influence governance outcomes without parallel representation at the executive level. The paper

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concludes that the present regulatory approach is narrow in scope. It calls for a shift in focus from formal board representation to substantive executive inclusion, emphasizing that meaningful progress depends on extending policy attention to positions where corporate authority and decision-making power are actually exercised.

II. KEYWORDS

Gender Diversity in Corporate Governance; Key Managerial Personnel; Compliance-Power Gap; Women on Boards; Substantive Inclusion.

III. INTRODUCTION

A. Setting the Context

Corporate leadership has long claimed the mantle of meritocracy. In practice, it operated along considerably narrower lines. Boardrooms and executive suites across the world have remained predominantly male, not for want of qualified women, but because the structures governing access to these spaces were built on assumptions that were never gender-neutral to begin with. In India, this tension acquires particular sharpness. A country that has produced women of extraordinary corporate achievement continues to regulate the composition of its largest companies through a framework whose chief ambition appears to be placing a single woman in the room.

The economic case for correcting this imbalance has long since moved beyond advocacy. Financial evidence now speaks plainly: diverse leadership structures are now associated with stronger governance in the companies, a more measured risk appetite, and superior long-run returns. Yet the business case alone has not proved sufficient to shift behaviour. In most markets, including India, the change has arrived through law, specifically through statutory mandates requiring companies to seat women on their boards. The question this paper examines is not whether those laws were worth enacting; rather, it is whether they were effective. They were but the question is what they failed to achieve, and what else must happen before women occupy genuine authority in Indian corporate life.

B. The Research Problem: Numbers Without Power

The Companies Act, 2013 introduced a statutory requirement that every listed company and every public company meeting the prescribed paid-up capital or turnover thresholds appoint at least one woman to its board of directors.³ Compliance duly followed. A decade after the mandate came into force, official data confirms that women now hold 18.67 per cent of board positions in listed companies.⁴ On the surface, this is progress.

But below the surface, a different picture takes shape. Women hold only 12% to 14% of Key Managerial Personnel positions, the offices of Chief Executive Officer, Chief Financial Officer, Company Secretary, whole-time director, and comparable executive roles where operational authority is actually concentrated.⁵ These are the positions that determine strategy, control capital allocation, and set organisational culture. The law mandated a seat at the table; it said nothing about who holds the chair.

This divergence from 18.67 per cent to board level against 14 per cent at KMP level, is not a statistical footnote. It is the central problem this paper addresses. It reflects a governance architecture that has privileged the appearance of inclusion over its substance, and a corporate culture that has treated legal compliance as a destination rather than a point of departure.

C. Research Objectives

This paper focuses on listed companies in India and examines two distinct layers of corporate leadership:

³ Companies Act, 2013, s.149(1). Ministry of Corporate Affairs, Government of India. Available at: <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.htm> 1 (Accessed: 9 April 2026).

⁴ Ministry of Corporate Affairs (2024) Data on Women Directors and KMPs in Indian Companies as of 30 November 2024. Government of India. Statement reported to the Rajya Sabha, 17 December 2024.

Available at:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2085198®=3&lang=2#:~:text=11%2C11%2C04%20The%20Ministry%20of%20Corporate%20Affairs%2C%20with%20a%20view%20to%20encourage,reply%20in%20Rajya%20Sabha%20today> (Accessed: 9 April 2026).

⁵ Ibid.

1. The Board of Directors and Key Managerial Personnel as defined under the Companies Act, 2013.⁶ (Public sector undertakings, cooperative enterprises, and political representation fall outside its scope.)
2. The global comparative analysis draws on aggregate data from the MSCI ACWI Index and Deloitte's eighth edition of Women in the Boardroom: A Global Perspective, which covers more than 18,000 companies across fifty countries.⁷

D. Research Questions

1. What does current data, at both board and KMP levels reveal about women's representation in Indian corporate leadership relative to global benchmarks?
2. Have legal mandates produced substantive inclusion or merely numerical compliance?
3. What non-legislative strategies can meaningfully close the gap between presence and power?

E. Methodology

This paper adopts a doctrinal and comparative methodology. The statutory framework is examined analytically, drawing on the primary texts of the Companies Act, 2013,⁸ the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,⁹ and the Business Responsibility and Sustainability Reporting framework.¹⁰ Empirical data is

⁶ Companies Act, 2013, s.149(1), s.2(51) and s.203. Ministry of Corporate Affairs, Government of India. Available at: <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html> (Accessed: 9 April 2026).

⁷ Deloitte Global (2024) Women in the Boardroom: A Global Perspective, 8th edn. Deloitte Touche Tohmatsu Limited. Available at: <https://www.deloitte.com/southeast-asia/en/services/cxo-programs/perspectives/women-in-the-boardroom-global-perspective-eighth-edition.html> (Accessed: 9 April 2026).

⁸ Companies Act, 2013, s.149(1), s.2(51) and s.203. Ministry of Corporate Affairs, Government of India. Available at: <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html> (Accessed: 9 April 2026).

⁹ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Reg.17, as amended 2018. Securities and Exchange Board of India. Available at: https://www.sebi.gov.in/legal/regulations/nov-2015/sebi-listing-obligations-and-disclosure-requirements-regulations-2015_36269.html (Accessed: 9 April 2026).

¹⁰ SEBI (2021) Business Responsibility and Sustainability Reporting Framework. SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562, 10 May 2021. Available at:

drawn exclusively from established secondary sources: government registry data and published reports by MSCI,¹¹ Deloitte,¹² KPMG and AIMA,¹³ and McKinsey & Company.¹⁴ No original primary research has been undertaken. All figures cited in this paper have been cross-referenced to their stated source; data for which primary verification was unavailable have been excluded.

IV. CONCEPTUAL AND REGULATORY FRAMEWORK

A. BOD vs. KMP: Two Tiers, Two Levels of Power

Any serious analysis of gender equity in corporate India must begin by drawing a clear distinction between the two tiers of leadership which this paper examines. Conflating them is not merely an analytical error but it is in itself part of the problem.

The Board of Directors is the principal organ of corporate governance. Its members, whether executive, non-executive, or independent, exercise collective oversight over the company's strategic direction and bear fiduciary responsibility to shareholders. Appointment, qualification, and composition are governed by Section 149 of the Companies Act, 2013.¹⁵ The board, in short, sets the direction of the enterprise and is accountable for it.

https://www.sebi.gov.in/legal/circulars/may-2021/business-responsibility-and-sustainability-reporting-by-listed-entities_50096.html (Accessed: 9 April 2026).

¹¹ MSCI (2024) Women on Boards and Beyond: 2024 Progress Report. MSCI ESG Research. Available at: <https://www.msci.com/research-and-insights/research-reports/women-on-boards-and-beyond-2024> (Accessed: 9 April 2026).

¹² Deloitte Global (2024) Women in the Boardroom: A Global Perspective, 8th edn. Deloitte Touche Tohmatsu Limited. Available at: <https://www.deloitte.com/southeast-asia/en/services/cxo-programs/perspectives/women-in-the-boardroom-global-perspective-eighth-edition.html> (Accessed: 9 April 2026).

¹³ KPMG and AIMA (2024) Women Leadership in Corporate India 2024 Report. KPMG Assurance and Consulting Services LLP, April 2024. Available at: <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2024/04/women-leadership-in-corporate-india-2024.pdf> (Accessed: 9 April 2026).

¹⁴ McKinsey & Company and LeanIn.Org (2024) Women in the Workplace 2024: 10th Anniversary Report. McKinsey & Company. Available at: <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/women-in-the-workplace> (Accessed: 9 April 2026).

¹⁵ Companies Act, 2013, ss.2(51), 149(1) and 203. Ministry of Corporate Affairs, Government of India. Available at: <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html> (Accessed: 9 April 2026).

Key Managerial Personnel occupy a structurally different position. Defined under Section 2(51) of the Companies Act, 2013 and mandatorily appointed under Section 203,¹⁶ KMPs include the Managing Director or Chief Executive Officer, the Chief Financial Officer, the Company Secretary, and other prescribed officers. The distinction in function is worth pausing on where the board sets direction, KMPs execute it. The CEO determines what the organisation actually does. The CFO controls how it finances itself. The Company Secretary governs its compliance architecture. These are not ceremonial appointments; they are where day-to-day power over the enterprise concretely resides.

This distinction carries direct consequences for gender equity analysis. A woman appointed as an independent non-executive director satisfies a statutory requirement. A woman appointed as Chief Executive Officer reshapes the organisation from within. Treating both appointments as equivalent, as India's compliance metrics currently do, produces a picture that flatters without informing. Numbers go up; power does not necessarily follow.

B. Tokenism and the Critical Mass Theory

The theoretical foundation for understanding what is actually happening in India's boardrooms was laid, in significant part, by sociologist Rosabeth Moss Kanter in her 1977 study, *Men and Women of the Corporation*.¹⁷ Kanter introduced the concept of tokenism to describe a specific and recurring organisational dynamic: when members of a numerically underrepresented group enter a dominant institution in small enough numbers, they cease to function as genuine participants and operate instead as symbols of their category. Tokens, she observed, face intensified scrutiny, heightened performance pressure, and social isolation, and they rarely possess sufficient organisational standing to shift the norms operating around them.

Kanter's analysis of group dynamics distinguished between "tilted" groups, where minority representation ranges between 15 and 40 per cent, and "balanced" groups,

¹⁶ Ibid.

¹⁷ Rosabeth Moss Kanter, *Men and Women of the Corporation* (New York: Basic Books, 1977).

where representation approaches parity at 40 to 60 per cent. The widely cited thirty per cent threshold for effective participation is more accurately attributed to later scholarship, particularly Drude Dahlerup's formulation of the "critical mass" benchmark in political and governance contexts. At 18.67 per cent of board positions, India remains below even this commonly accepted threshold for meaningful participation. The data makes this more than a theoretical concern.

Early empirical studies based on NSE-listed firms (covering 1,944 companies) observed a concentration of appointments among a limited pool of women directors around the 2015 compliance deadline, indicating a form of "token compliance". However, more recent data suggests that while numerical compliance has improved significantly, substantive gender diversity remains limited. That pattern is not incidental, instead, it is precisely the tokenism dynamic Kanter described: a shallow pool of named women recycled across boards, while the deeper work of identifying and developing new talent goes undone.

C. Symbolic vs. Substantive Inclusion

Building on Kanter's framework and on subsequent corporate governance scholarship, this paper draws a working distinction between two forms of inclusion that are frequently treated as interchangeable and are not.

Symbolic inclusion is what occurs when a woman is appointed to a board position in order to satisfy a regulatory requirement, without being granted meaningful committee leadership, executive authority, or genuine influence over strategic decisions. The appointment is real; the power is not. Substantive inclusion is categorically different. It exists when a woman participates as a full decision-making agent such as chairing audit or risk committees, holding an executive mandate, shaping succession, and contributing to strategy from a position of genuine authority. The distinction is not one of degree. It is one of a kind.

The available evidence strongly suggests that India has, in the main, achieved the former. Despite the sharp increase in women on boards following the mandate, the share of

women in C-suite positions remained largely stagnant in the years that followed, and over half of the firms listed on the National Stock Exchange still had no women in their top management teams as recently as 2023.¹⁸ Those figures are not consistent with substantive inclusion. They are consistent with a compliance exercise that stopped at the boardroom door & one that placed women in the room without placing power in their hands.

D. The Indian Regulatory Architecture: What the law mandated

India's statutory framework on gender diversity in corporate leadership rests on three principal instruments. Understanding what each one does, and does not do, is essential before the data can be read correctly.

The foundation is Section 149(1) of the Companies Act, 2013, read with the Companies (Appointment and Qualifications of Directors) Rules, 2014. Every listed company, and every company with a paid-up capital of one hundred crore rupees or more or a turnover of three hundred crore rupees or more, is required to appoint at least one-woman director.¹⁹ Existing companies were given until 31 March 2015 to comply. The mandate was real, but notice what it specified: one woman, with no requirement as to her role, authority, or independence.

Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended in 2018, tightened that standard in a meaningful way. It requires that at least one of the independent directors on the board of a listed entity be a woman. This was a genuine improvement over the earlier position, which had permitted the mandatory woman director to be a non-independent appointment often a family-connected one that satisfied the letter of the requirement while defeating its purpose.

¹⁸ Centre for Global Development (2024) Gender Diversity in Corporate Leadership: Insights from India. Available at: <https://www.cgdev.org/blog/gender-diversity-corporate-leadership-insights-india> (Accessed: 9 April 2026).

¹⁹ Companies (Appointment and Qualifications of Directors) Rules, 2014. Ministry of Corporate Affairs, Government of India. Available at: <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html> (Accessed: 9 April 2026).

The Business Responsibility and Sustainability Reporting framework, introduced by SEBI in 2021, adds a transparency layer. The top one thousand listed companies by market capitalisation are required to disclose gender-disaggregated workforce data as part of their annual reports. In principle, this creates a mechanism for accountability. In practice, the granularity of KMP-level gender disclosures under the current BRSR template remains insufficient to enable the kind of scrutiny that would make that accountability real. We can see that women are present. We cannot always see where, in what roles, or with what authority.

E. What the Law deliberately left Untouched

What is striking about the Indian regulatory framework is not what it contains, but what it does not.

There is no statutory minimum threshold for women as KMPs.²⁰ There is no requirement that women chair any board committee. There is no anti-tokenism provision nothing that addresses the quality, independence, or substantive role of the woman actually appointed. There is no provision connecting the board's mandate to executive pipeline development. And the penalty framework for non-compliance, while formally present, has not functioned as a meaningful deterrent in practice. Each of these omissions is a policy choice, whether or not it was made consciously. Taking it together, they define the outer boundary of what the law currently demands – and that boundary stops well short of substantive inclusion.

The law opened a pathway for inclusion but did not establish the structural mechanisms necessary to enable progression into positions of substantive authority.

²⁰ Companies Act, 2013, ss.2(51), 149(1) and 203. Ministry of Corporate Affairs, Government of India. Available at: <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html> (Accessed: 9 April 2026).

V. WHERE INDIA STANDS: BOD & KMP DATA AGAINST GLOBAL BENCHMARK

A. Women on Board in India: The MCA Data Picture

The most authoritative account of women's board representation in listed Indian companies comes from the Ministry of Corporate Affairs' own registry. As of 31 March 2024, women hold 18.67 per cent of board positions in listed companies, a figure confirmed in a written Rajya Sabha reply in December 2024, which also disclosed that women directors are present in 5,551 active listed companies, 32,304 active unlisted public companies, and 8,28,724 active private companies, placing the aggregate number of women directors across all company categories at approximately 11.6 lakh.²¹

That headline figure deserves a measured response; it is neither dismissal nor celebration. The trajectory from approximately six per cent of directorships in 2014, before the mandate came into force, to 18.67 per cent a decade later represents genuine movement. What it does not represent is momentum. Across the NIFTY-500 companies, the aggregate increase in women's directorship over the three-year period ending March 2022 was just one percentage point.²² At that rate of change, India would not cross the thirty per cent threshold, which is widely accepted as the minimum for substantive decision-making influence, until approximately 2058.²³ That is not a projection that permits complacency.

²¹ Ministry of Corporate Affairs (2024) Data on Women Directors in Indian Companies, as of 30 November 2024. Government of India. Statement in written reply, Rajya Sabha, 17 December 2024. Press Bureau of India Release PRID:2085198. Available at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2085198®=3&lang=2#:~:text=11%2C11%2C04%20The%20Ministry%20of%20Corporate%20Affairs%2C%20with%20a%20view%20to%20encourage,reply%20in%20Rajya%20Sabha%20today> (Accessed: 9 April 2026).

²² Institutional Investor Advisory Services (IiAS) and APG (2022) Corporate India: Women on Boards, 3rd edn. IiAS. Available at: <https://www.iiasadvisory.com/institutional-eye/corporate-india-women-on-boards-1> (Accessed: 9 April 2026).

²³ Ibid.

Composition effects compound the problem further. Not all board seats carry equivalent authority and treat them as if they do distort the picture considerably. Independent directors, executive directors, and non-executive promoter-connected directors occupy structurally different positions within the governance architecture. As the sections that follow demonstrate, women's board presence has been disproportionately concentrated in non-executive, non-independent categories which is precisely the category of appointment that demands least disruption to existing power structures and confers least real influence over decisions that matter.

B. Women as KMPs: The Deeper and more revealing deficit

If the board-level number invites qualified optimism, the KMP figure does not. Women hold 14.08 per cent of Key Managerial Personnel positions in listed companies, per the same MCA registry data reported to Parliament.²⁴ That is a gap of nearly five percentage points below even the already-modest board representation figure and as a matter of substance rather than arithmetic, it is the more significant number.

The reason is straightforward, and it bears stating directly. KMPs i.e. the Chief Executive Officer, Chief Financial Officer, Managing Director, Company Secretary, and other prescribed officers are the individuals who exercise operational control of the enterprise on a daily basis. They determine how strategy is executed, not merely how it is articulated. They hold signatory authority over financial instruments. They set hiring norms, promotion criteria, remuneration structures, and the internal culture that shapes whether junior women employees in the organisation ever reach senior levels. A woman appointed to a non-executive board seat attends meetings and votes on resolutions. A woman appointed as CFO restructures how capital moves through the organisation. These are not equivalent contributions, and the law should not treat them as if they were.

²⁴ Ministry of Corporate Affairs (2024) Data on Women Directors in Indian Companies, as of 30 November 2024. Government of India. Statement in written reply, Rajya Sabha, 17 December 2024. Press Bureau of India Release PRID:2085198. Available at: <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2085198®=3&lang=2> (Accessed: 9 April 2026).

The CGD 2024 empirical analysis, which tracked gender trends in both board and top management positions across NSE-listed firms over multiple financial years, documents the stagnation with precision.²⁵ The share of women in C-suite positions remained largely unchanged, oscillating between fifteen and eighteen per cent throughout the five years following the board mandate's enforcement. Starker still: in FY 2022–23, more than half of the firms listed on the NSE had no women in their top management teams at all. This does not describe incremental progress toward an ambitious target. It describes stasis at a low base and stasis, in the face of a decade of statutory intervention, is a finding that demands explanation.

C. The BOD - KMP Divergence: What the Gap Exposes

The five-point divergence between board representation and KMP representation is analytically significant in ways the raw figures do not immediately convey. To understand it, you have to understand that board seats and KMP positions are not filled from the same pool and that the logic governing each is fundamentally different.

Board seats are particularly independent non-executive ones that can be, and regularly are, filled by appointing individuals with no prior employment connection to the company. When the mandate created demand for women directors, the market responded: women with established professional profiles were identified and appointed across multiple companies, often in rapid succession. The effect was to compress the effective pool of women deemed "board-ready" and to produce what researchers have characterised as compliance-driven rather than pipeline-driven appointments.²⁶ KMP positions follow an entirely different logic. They are filled through internal succession pipelines or sector-specific executive search. They require demonstrated operational

²⁵ Sahay, R., Srivastava, N. and Vasisht, M. (2024) Female Leadership in India: Firm Performance and Culture. Center for Global Development Working Paper. Available at: <https://www.cgdev.org/publication/female-leadership-india-firm-performance-and-culture> (Accessed: 9 April 2026).

²⁶ Vohra, N., Sud, K. and Bhayana, C. (2026) 'Gender Diversity and Inclusion on Indian Boards: Post the Introduction of the Mandate in 2015 and 2019', Business Perspectives and Research, DOI: 10.1177/22785337241249557. Available at: <https://journals.sagepub.com/doi/10.1177/22785337241249557> (Accessed: 9 April 2026).

track records, built over years within an organisation or sector. They are embedded in existing power hierarchies. Statutory compliance with a board mandate does not automatically generate a pipeline of women qualified for these roles and it does not, by itself, dismantle the structural barriers that prevent women from reaching them in the first place.

The KPMG–AIMA Women Leadership in Corporate India 2024 report provides supporting texture.²⁷ While 51 per cent of surveyed organisations reported having women at CEO or CXO level, 56 per cent of organisations had between only ten and thirty per cent women in leadership roles more broadly. Read together, these two findings reveal a telling pattern: many organisations have placed a single woman at the apex, satisfying the optics of diversity. While the leadership population beneath her remains male-dominated. One woman at the top and nine men below her is not a diverse organisation. It is a more visible one.

D. Structural Patterns: Sectors, Family Appointments, Over boarding

Aggregate national figures suppress significant variation across sectors, appointment types, and individual companies. Examining each structural pattern in turn reveals that the overall deficit is not evenly distributed and that some of the mechanisms producing it are more tractable than others.

Begin with sector variation. The 2024 empirical study of 1,944 NSE-listed companies by Vohra, Sud, and Bhayana, the most comprehensive academic analysis of Indian board gender diversity published to date found sharp sectoral divergence in the character of women's board appointments, tracking not just numbers but committee participation, tenure, compensation, and reasons for exit.²⁸ Corroborating analysis from the CFA

²⁷ KPMG Assurance and Consulting Services LLP and All India Management Association (2024) Women Leadership in Corporate India 2024 Report. KPMG in India, April 2024. Available at: <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2024/04/women-leadership-in-corporate-india-2024.pdf> (Accessed: 9 April 2026).

²⁸ Vohra, N., Sud, K. and Bhayana, C. (2024) 'Gender Diversity and Inclusion on Indian Boards: Post the Introduction of the Mandate in 2015 and 2019', Business Perspectives and Research, DOI:

Institute found that the IT sector recorded the highest female board participation at approximately thirty per cent, with financial services at 22.4 per cent.²⁹ Manufacturing, energy, and infrastructure clustered at the lower end, with women in KMP roles in these sectors falling below ten per cent. Since manufacturing constitutes a substantial share of India's listed corporate economy, this sectoral drag is consequential at the aggregate level, what looks like modest national progress is, in part, IT-sector progress pulling up a heavier average.

The concern about family appointments has a longer history than the mandate itself. The worry was that the Companies Act requirement would be satisfied through promoter-family placements like daughters, wives, or sisters of the controlling shareholder family appointed to the boardroom in a manner that fulfilled the legal requirement while defeating its substantive purpose. Post-2015 data presents a more nuanced picture. The share of independent women directors on NSE-listed boards increased after the mandate and, by several measurements, exceeded the share of independent male directors in comparable categories.³⁰ That is a genuine improvement and deserves acknowledgement. But it does not fully resolve the concern. Family-controlled enterprises, which remain the dominant ownership structure in Indian listed markets, still channel women's corporate appointments through networks of personal connection rather than transparent merit-based processes. The independence of the appointment form says nothing about the independence of the appointee in practice.

10.1177/22785337241249557. Available at:

<https://journals.sagepub.com/doi/10.1177/22785337241249557> (Accessed: 9 April 2026).

²⁹ CFA Institute (2023) Gender Diversity in Boards: India Analysis, FY2021–22. CFA Institute. Cited in secondary analysis at The Secretariat (2024). Available at: <https://thesecretariat.in/article/breaking-the-glass-ceiling-it-s-time-india-inc-made-way-for-more-women-in-boardrooms> (Accessed: 9 April 2026).

³⁰ Sahay, R., Srivastava, N. and Vasishth, M. (2024) Female Leadership in India: Firm Performance and Culture. Center for Global Development Working Paper. Available at: <https://www.cgdev.org/publication/female-leadership-india-firm-performance-and-culture> (Accessed: 9 April 2026).

Perhaps the clearest structural signature of compliance-driven rather than pipeline-driven diversity is the overboarding pattern. Around the 2015 compliance deadline, the same women directors were appointed to multiple boards in rapid succession, drawing from a shallow pool of women deemed board-ready and concentrating appointments among a small professional class rather than expanding participation.³¹ The IiAS-APG Board Refresh analysis documented this effect quantitatively: the stretch factor for women directors, the average number of board seats held per individual stood at 1.30 globally, compared to 1.17 for men, reflecting the systematic overextension that results when demand outstrips a deliberately underdeveloped supply.³² Overboarding is not simply a corporate governance concern about director bandwidth. It is evidence of a structural failure to invest in identifying and developing new talent and that failure did not happen by accident.

E. Global Snapshot: Developed vs. Emerging markets

India's position in the global picture is neither as strong as its decade-old regulatory framework might suggest nor as weak as the more pointed international comparisons sometimes imply. Context matters but it does not flatter India's position.

The Deloitte Global Women in the Boardroom 8th edition, covering over 18,000 companies across fifty countries as of early 2024, reports a global average board representation for women of 23.3 per cent.³³ India at 18.67 per cent falls over four percentage points below that average. The MSCI Women on Boards and Beyond 2024 report covering MSCI ACWI Index constituents as of October 2024, places representation

³¹ Vohra, N., Sud, K. and Bhayana, C. (2024) 'Gender Diversity and Inclusion on Indian Boards: Post the Introduction of the Mandate in 2015 and 2019', *South Asian Journal of Human Resources Management* [VERIFY: journal title], DOI: 10.1177/22785337241249557. Available at: <https://journals.sagepub.com/doi/10.1177/22785337241249557> (Accessed: 9 April 2026).

³² IiAS (2024) The 2024 Board Refresh. Institutional Investor Advisory Services, in association with APG. Available at: https://iias-cms.s3.ap-south-1.amazonaws.com/The_2024_Board_Refresh_efd61be455.pdf (Accessed: 9 April 2026).

³³ Deloitte Global (2024) *Women in the Boardroom: A Global Perspective*, 8th edn. Deloitte Touche Tohmatsu Limited, 7 March 2024. Available at: <https://www.deloitte.com/global/en/about/press-room/deloitte-global-latest-women-in-the-boardroom-report.html> (Accessed: 9 April 2026).

at 27.3 per cent of director seats globally.³⁴ For emerging market companies, the more directly relevant peer group, MSCI records women holding 17.7 per cent of board seats, with 16.1 per cent of EM constituents maintaining entirely male boards. India's figure of 18.67 per cent marginally exceeds the EM average but that comparison cannot be read without the following qualification: India has had a comprehensive legislative mandate in force for a decade, a structural advantage that most emerging market peers simply do not have. Marginally exceeding a peer group that has done far less, by means of a framework that promised far more, is not a strong result.

In developed markets, the picture is materially stronger, and the contrast is instructive. Norway, which enacted its mandatory quota legislation in 2003 (with mandatory enforcement becoming operative between 2006 and 2008), now reports approximately 43 to 44 per cent women on corporate boards. France's Copé-Zimmermann Law of 2011, subsequently tightened, has pushed representation above forty-three per cent. The United Kingdom, through the voluntary Davies and Hampton-Alexander review targets, has moved FTSE 350 companies to approximately forty per cent. The United States, without a federal mandate but with California's SB 826 and Nasdaq's Board Diversity Rule, is approaching thirty per cent across the S&P 500.³⁵ At the CEO and CFO level, the divergence is still more pronounced. The Deloitte 8th edition records that only six per cent of CEOs globally are women, with parity in that role not projected before 2111 at present rates.³⁶ India's figures sit below even that low global average: Grant Thornton and KPMG data from 2024 indicate that women hold approximately nine per cent of CEO positions and six per cent of CFO positions among listed Indian companies.³⁷

³⁴ MSCI ESG Research (2024) *Women on Boards and Beyond: 2024 Progress Report*. MSCI Inc., data as of October 2024. Available at: <https://www.msci.com/research-and-insights/research-reports/women-on-boards-and-beyond-2024> (Accessed: 9 April 2026).

³⁵ Deloitte Global (2024), *ibid.* Country-level data for Norway, France, the United Kingdom, and the United States drawn from the geography-specific findings in the 8th edition report.

³⁶ *Ibid.*

³⁷ Grant Thornton (2023) *Women in Business 2023: The push for parity*. Available at: <https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/women-in-business-india-2023.pdf> (Accessed: 13 April 2026).

F. Country wise comparative table

The table below draws on data from the Deloitte Global Women in the Boardroom 8th edition (2024), the MSCI Women on Boards and Beyond 2024 report, and the MCA/PIB data for India.³⁸ Country-level legislative mechanisms are included to contextualise the link between regulatory design and outcomes.

Table A: Women's representation in corporate leadership - Selective Country Comparison (2024)

Women's Representation in Corporate leadership Selective Country Comparison (2024)			
Country	Women on Board (%)	Primary Legislative Mechanism	Women in Senior Leadership (%)
Norway	~41%	Mandatory quota (40%), Enacted 2003, enforced 2005-2008	~5-7% CEOs (global range proxy)
France	~44%	Mandatory quota (40%), Copé-Zimmermann Law, 2011	~5-7% CEOs (global range proxy)
United Kingdom	~40% (FTSE 350)	Voluntary targets (Hampton-Alexander Review)	~9%~10% FTSE 100 CEOs
United States of America	~31%-32% (S&P 500)	Nasdaq Board diversity Rule (2021): CA SB 826 (AS OF 2024, NO LONGER OPERATIVE)	~28%~30% C-Suite
Germany	~27%	Mandatory quota (30%), 2015	~5-7% CEOs (global range proxy)
India	18.67% (Listed)	Mandatory (Minimum 1 women director), Companies Act, 2013	~14.08% KMPs
Emerging Markets Average	17.7% (MSCI EM)	Varies	~6-8% senior leadership (est.)
China	~14%	No Legislative mandate	Very Low (<5%)

³⁸ Table compiled from three sources: Deloitte Global (2024) Women in the Boardroom: A Global Perspective, 8th edn, available at <https://www.deloitte.com/global/en/about/press-room/deloitte-global-latest-women-in-the-boardroom-report.html> ; MSCI ESG Research (2024) Women on Boards and Beyond: 2024 Progress Report, available at <https://www.msci.com/research-and-insights/research-reports/women-on-boards-and-beyond-2024> ; and Ministry of Corporate Affairs (2024) Data on Women Directors in Indian Companies, PIB Press Release PRID:2085198, 17 December 2024, available at <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2085198®=3&lang=2> (all accessed: 9 April 2026).

Sources: Deloitte Global (2024)³⁹; MSCI (2024)⁴⁰; Ministry of Corporate Affairs (2024)⁴¹

One pattern in the table demands particular attention. Five of the six countries with the highest female board representation in the Deloitte sample have some form of mandatory quota or binding target, ranging from Norway's pioneering forty per cent to Germany's more recent thirty per cent.⁴² India's single-director minimum mandate is, by design, at the softest end of this spectrum. The correlation is not coincidental. While quota-based jurisdictions such as Norway and France have achieved near-parity at the board level, the persistence of single-digit CEO representation globally suggests that regulatory interventions have been more effective in altering board composition than in redistributing executive power.

G. The Business Performance case for Diversity

Any data chapter on gender representation would be analytically incomplete without engaging in the performance literature. The normative argument for inclusion does not stand or fall on financial returns but the evidence speaks directly to the opportunity cost of India's governance inaction, and it deserves honest examination.

The MSCI 2024 report provides the most current and methodologically credible finding available. MSCI ACWI Index constituents with at least thirty per cent female directors achieved cumulative returns that were 18.9 per cent higher than those without such representation, measured across the five-year period from July 2019 to September 2024,

³⁹ Deloitte Global (2024) Women in the Boardroom: A Global Perspective, 8th edn. Deloitte Touche Tohmatsu Limited, 7 March 2024. Available at: <https://www.deloitte.com/global/en/about/press-room/deloitte-global-latest-women-in-the-boardroom-report.html> (Accessed: 9 April 2026).

⁴⁰ MSCI ESG Research (2024) Women on Boards and Beyond: 2024 Progress Report. MSCI Inc., data as of October 2024. Available at: <https://www.msci.com/research-and-insights/research-reports/women-on-boards-and-beyond-2024> (Accessed: 9 April 2026).

⁴¹ Ministry of Corporate Affairs (2024) Data on Women Directors in Indian Companies, PIB Release PRID:2085198. Available at: <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2085198®=3&lang=2> (Accessed: 9 April 2026).

⁴² Deloitte Global (2024) Women in the Boardroom: A Global Perspective, 8th edn. Deloitte Touche Tohmatsu Limited, 7 March 2024. Available at: <https://www.deloitte.com/global/en/about/press-room/deloitte-global-latest-women-in-the-boardroom-report.html> (Accessed: 9 April 2026).

rebalanced monthly.⁴³ That is not a marginal spread. It is the kind of differential that institutional investors with fiduciary obligations take seriously, and it reframes the gender diversity question from one of social policy to one of portfolio governance.

The McKinsey and LeanIn Women in the Workplace 2024: 10th Anniversary Report drawing on the most longitudinal pipeline dataset of its kind records that women now comprise twenty-nine per cent of C-suite positions in the United States, up from seventeen per cent in 2015.⁴⁴ The report draws a distinction that matters analytically: women's gains in C-suite representation have, over the past decade, occurred increasingly in line roles which are operationally significant positions rather than staff roles, which are advisory in character. That shift toward line roles tends to produce stronger organisational pathway effects and reinforces the performance link. Companies in the top decile for women's representation showed C-suite composition improvements averaging seven percentage points since 2021 alone.

The academic evidence from India itself is consistent with this pattern and adds a finding of particular significance to this paper's argument. The CGD 2024 study of NSE-listed firms, combining personnel-level board and management data with financial performance metrics and almost 400,000 employee reviews, found that firms with sustained female board representation showed higher economic performance and financial stability but only when at least one woman was also present in top management.⁴⁵ Where women existed at board level without corresponding executive representation, the positive performance effects did not materialise. That is perhaps the single most important empirical finding for the central argument advanced here. It

⁴³ MSCI ESG Research (2024) Women on Boards and Beyond: 2024 Progress Report. MSCI Inc., data as of October 2024. Available at: <https://www.msci.com/research-and-insights/research-reports/women-on-boards-and-beyond-2024> (Accessed: 9 April 2026).

⁴⁴ McKinsey & Company and LeanIn.Org (2024) Women in the Workplace 2024: 10th Anniversary Report. McKinsey & Company. Available at: <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/women-in-the-workplace> (Accessed: 9 April 2026).

⁴⁵ Sahay, R., Srivastava, N. and Vasishth, M. (2024) Female Leadership in India: Firm Performance and Culture. Center for Global Development Working Paper. Available at: <https://www.cgdev.org/publication/female-leadership-india-firm-performance-and-culture> (Accessed: 9 April 2026).

establishes, with Indian data, that symbolic board inclusion divorced from substantive executive appointment does not deliver the governance benefits it promises. Numbers without power are not merely a social equity concern. They are a corporate governance failure.

The data examined in this unit tells a coherent, if uncomfortable, story. India has made measurable progress in placing women on corporate boards. It has made considerably less progress in placing them where corporate power actually concentrates. The 18.67 per cent board figure masks a KMP deficit, sharp sectoral unevenness, a structural overboarding problem, and a C-suite gap that a decade of statutory compliance has not closed. Against global benchmarks, India sits marginally above the emerging-market average but well below every developed-market jurisdiction that has coupled regulatory ambition with genuine enforcement or binding targets.

The MSCI performance data and the CGD findings on Indian firms converge on a single conclusion: diversity without depth in the executive pipeline produces neither the governance improvement nor the financial returns that the business case promises. The numbers, on their own, are not working. What this unit has established empirically, the next must be explained structurally. Understanding why the compliance framework has produced this result and what structural and cultural barriers have insulated the KMP tier from the changes observed at board level.

VI. THE COMPLIANCE - POWER GAP: WHY MANDATES HAVE NOT DELIVERED REAL INCLUSION

A. Compliance as a floor, not a ceiling

So far, the preceding units have shown that India's legal framework has been effective in ensuring compliance but has fallen short of achieving substantive inclusion. At this point, the issue is no longer whether a gap exists between board representation and executive power, the evidence of that has been discussed in previous units making it sufficiently

clear. The more pressing question is why regulatory design has led to this outcome, and what non-legislative strategies might succeed where the law has not.

If we look at the design itself, Section 149(1) of the Companies Act, 2013 prescribes only a minimum requirement, it mandates the presence of at least a certain number of women directors on company boards. However, it does not establish any aspirational target, such as a specific proportion or percentage of women's representation. In practice, such minimum standards often operate as ceilings rather than floors. Once companies meet the prescribed requirement, they tend to treat it as sufficient and align their behaviour toward the lowest level of regulatory compliance.

This pattern is clearly reflected in the IiAS-APG analysis, which captures the dynamic effectively. It observes that the increase in women's directorships across Nifty 500 companies was driven primarily by the pressure to meet regulatory deadlines, rather than by a voluntary recognition of the governance value of diversity.⁴⁶ After achieving compliance, the pace of new appointments slowed significantly, rising by only about one aggregate percentage point over a three-year period. This reflects a predictable organisational response: companies satisfy the formal requirement without internalising the broader principle of gender inclusion, treating such appointments as a matter of compliance rather than commitment.

A similar trend can be observed in the 2018 amendment to Regulation 17 (SEBI (LODR) Regulations, 2015), which required listed companies to appoint at least one independent woman director.⁴⁷ While this represented a genuine strengthening of the regulatory framework, it did not fundamentally alter the underlying structural logic. Companies largely shifted from appointing dependent women directors to independent ones, but the

⁴⁶ Institutional Investor Advisory Services (IiAS) and APG (2022) *Corporate India: Women on Boards*, 3rd edn. IiAS. Available at: <https://www.iiasadvisory.com/institutional-eye/corporate-india-women-on-boards-1> (Accessed: 9 April 2026).

⁴⁷ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Reg.17, as amended 2018. Securities and Exchange Board of India. Available at: https://www.sebi.gov.in/legal/regulations/nov-2015/sebi-listing-obligations-and-disclosure-requirements-regulations-2015_36269.html (Accessed: 9 April 2026).

nature of these roles remained largely unchanged i.e. non-executive, advisory, and limited in decision-making authority. Thus, although the law marginally improved the quality of representation, it failed to transform the substantive authority or influence exercised by women directors on corporate boards.

B. Non-Executive Appointments: Participation without Authority

What matters most about analysing gender equity in the workplace is the distinction between operational power and oversight power, specifically, whether a director exercises day-to-day executive authority or merely performs a supervisory role. This goes beyond the formal classification of executive and non-executive directors. While non-executive and independent directors attend board meetings, contribute to committee deliberations, and discharge fiduciary duties, they do not run the business. They cannot unilaterally hire or remove senior management, shape organisational culture, determine promotion criteria, or control the informal networks and sponsorships that influence career advancement. These functions are typically reserved for executives such as Managing Directors, CEOs, CFOs, and Chief People Officers.

In the context of Indian listed companies, the vast majority of women directors occupy non-executive roles. According to IiAS Gender Diversity data as of 2024, across Nifty 500 companies, over 70% of women directorships comprised Independent Directors. Of the total directorships held by women, about 21% were held by promoter family members on 31 March 2023, a third of which held executive capacities. Men from the promoter family, however, formed a higher share of directorships (held by men) at 28% on 31 March 2023.⁴⁸ These figures are telling: out of 500 companies, such limited representation in top executive roles points to a stark imbalance. When viewed against the broader landscape of listed companies, this reflects a near-total exclusion of women from the executive tier and from core decision-making authority.

⁴⁸ IiAS (2024) The 2024 Board Refresh. Institutional Investor Advisory Services, in association with APG. Available at: https://iias-cms.s3.ap-south-1.amazonaws.com/The_2024_Board_Refresh_efd61be455.pdf (Accessed: 9 April 2026).

This is not a minor qualification to headline figures on board representation; it is the most critical context. When the law mandates the appointment of a woman director without specifying whether the role must carry executive authority, the corporate response becomes both rational and predictable: companies appoint non-executive directors. By doing so, they formally comply with the requirement while leaving existing power structures undisturbed. As a result, internal decision-making hierarchies remain largely unchanged, and the substantive goal of gender equity in leadership is left unfulfilled.

C. The Spillover Deficit: Why Board Gains have not reached the C-Suite

One of the most important findings in research on India's gender mandate is that a "positive spillover effect" has not really taken place. In simple terms, the idea was this: if more women are appointed to company boards, over time it should become normal to see women in senior roles, and this should naturally lead to more women being considered for top executive positions as well.

However, that expected ripple effect hasn't happened. A longitudinal study by CGD, which tracked NSE-listed companies after the mandate came into force, found that the proportion of women in C-suite roles stayed stuck between 15% and 18%, without any clear upward movement linked to the board mandate.⁴⁹ In fact, in the financial year 2022–23, more than half of these companies did not have a single woman in top management. Another study by The Quantum Hub and LinkedIn in 2024 showed a similar pattern: while overall female participation in India Inc. increased slightly from 24% in 2016 to 27% in 2024, the share of women in senior leadership rose by only two percentage points over those eight years.⁵⁰ What this tells us is that the "leaky pipeline" problem still exists, women enter the workforce in reasonable numbers, but their representation keeps

⁴⁹ Sahay, R., Srivastava, N. and Vasishth, M. (2024) Female Leadership in India: Firm Performance and Culture. Center for Global Development Working Paper. Available at: <https://www.cgdev.org/publication/female-leadership-india-firm-performance-and-culture> (Accessed: 9 April 2026).

⁵⁰ The Quantum Hub and LinkedIn (2024) Women's Leadership in Corporate India. The Quantum Hub. Available at: <https://thequantumhub.com/womens-leadership-in-corporate-india/> (Accessed: 9 April 2026).

dropping as you move higher up the corporate ladder, especially at the most influential levels.

This lack of spillover points to a deeper structural issue in how these mandates operate, particularly in companies where ownership is concentrated in the hands of promoters or founder families. In such setups, an independent woman director often has a limited role in actual decision-making. She can certainly raise objections, question proposals, or vote against certain decisions. But she does not have the authority to appoint a woman as the next CFO, change a succession plan that favours male candidates, or influence the informal systems like mentorship, sponsorship, and visibility that play a big role in career advancement. Those decisions are taken at the executive level, and that is precisely the space where the law has not made a meaningful intervention.

D. Structural and Cultural Barriers

The gap between formal compliance and actual power within companies isn't just because the law sets limited requirements. It also comes from deeper structural and cultural factors that the law, on its own, cannot really fix and right now, those factors remain largely unaddressed.

One of the most significant issues is what we often describe as the mid-career drop-off. In the Indian corporate context, many women face the most intense pressure between the ages of about 32 and 42. This is exactly the phase when careers demand maximum visibility to take on high-stakes projects, being available for leadership roles, and building strong professional backing through sponsors and mentors.⁵¹ At the same time, this period usually overlaps with family and caregiving responsibilities, which, in practice, are still not equally shared. So, what happens is not always a conscious choice but often a practical adjustment where women step back, even if temporarily, from the most demanding roles. But that step back has consequences. The informal advantages is being

⁵¹ Able Ventures (2025) 'Leadership Development for Women in Indian Corporate: Breaking the Pipeline Leak.' Available at: <https://www.ableventures.in/blogs/leadership-development-women-india-corporate-pipeline-leak/> (Accessed: 9 April 2026).

seen as reliable, being part of key networks, getting picked for important assignments tend to shift to male colleagues who remain continuously available. Over time, this creates a gap that becomes harder to close. In that sense, what begins as an imbalance at home gradually shows up as inequality at work. And since board-level mandates don't touch what happens inside households, they can't fully correct what happens inside organisations either.

The way companies hire and promote people also adds to this problem. According to the KPMG-AIMA report, after family responsibilities, bias and stereotyping are the next major barriers women face in advancing within corporate India.⁵² But this bias is not always obvious, it often works through informal systems. Senior-level hiring, especially for key managerial roles, frequently happens through networks that are already well-established. This is what people loosely refer to as the "old boys' club." The IiAS analysis makes a similar point: companies that have operated with a certain leadership structure for years tend to stick with what feels familiar.⁵³ There's a kind of institutional comfort in not changing things too much. While boards are required to think about diversity at their own level, they are not really pushed to apply the same thinking when planning who will move into executive roles. And importantly, the law does not require them to do so.

Even when it comes to disclosure, the impact is somewhat limited. The CFA Institute's Mind the Gender Gap study, which reviewed BRSR disclosures of 300 companies from FY 2022-23 to FY 2024-25, shows that companies are gradually improving in reporting gender-related data.⁵⁴ But the reporting is still uneven, especially at the level of boards

⁵² KPMG and AIMA (2024) Women Leadership in Corporate India 2024 Report. KPMG Assurance and Consulting Services LLP, April 2024. Available at: <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2024/04/women-leadership-in-corporate-india-2024.pdf> (Accessed: 9 April 2026).

⁵³ Institutional Investor Advisory Services (IiAS) and APG (2022) Corporate India: Women on Boards, 3rd edn. IiAS. Available at: <https://www.iiasadvisory.com/institutional-eye/corporate-india-women-on-boards-1> (Accessed: 9 April 2026).

⁵⁴ CFA Institute Research and Policy Centre (2026) Mind the Gender Gap, 3rd edn. CFA Institute, March 2026. Available at: <https://rpc.cfainstitute.org/research/reports/2026/mind-gender-gap-edition-3> (Accessed: 9 April 2026).

and key managerial personnel. Different companies present data in different ways, which makes it difficult to compare or draw firm conclusions. So while disclosure does make the issue more visible and that is definitely a step forward, it doesn't necessarily push companies to act. It tells us what the problem is, but it doesn't ensure that anything is done about it.

E. The Measurement Failure: Counting Bodies, Not Influence

There is also a more subtle issue in the current compliance system, the one that doesn't get as much attention as the bigger, more visible gaps. Simply put, the way we measure "progress" in India is not really designed to capture what meaningful progress actually looks like.

Take the MCA registry, for example. It keeps track of how many directors and key managerial personnel (KMPs) a company has. But what it records is presence, not power. It can tell us that a woman is on the board, but it cannot tell us what role she actually plays. Is she chairing the audit committee? Is she part of the nomination and remuneration committee, where important decisions about leadership succession are made? Or is she being rotated in and out just to meet compliance requirements? These are the questions that really matter, but the data doesn't answer them. In fact, IiAS research showed that as of 2022, women chaired only one out of every ten audit committees in NIFTY-500 companies.⁵⁵ Now, chairing a committee is a strong indicator of real influence in governance and not just symbolic presence. Yet, this detail does not appear in any official regulatory metric; it comes from independent research instead.

A similar limitation exists in the BRSR framework. As discussed earlier, companies are required to disclose gender-wise workforce data, which is definitely a step forward. But the framework does not go far enough when it comes to senior roles. It does not require detailed disclosures at the KMP level that would allow meaningful comparisons to make

⁵⁵ Institutional Investor Advisory Services (IiAS) and APG (2022) *Corporate India: Women on Boards*, 3rd edn. IiAS. Available at: <https://www.iiasadvisory.com/institutional-eye/corporate-india-women-on-boards-1> (Accessed: 9 April 2026).

between companies that are genuinely moving towards inclusion and those that are simply maintaining appearances.

So, the problem is not just about lack of representation; it is also about how we measure representation. Until the system evolves, until companies are asked to disclose not just how many women they have, but what positions they hold, how much authority they exercise, and whether they lead key committees or not, the entire governance discussion will remain somewhat incomplete. We will have numbers that tell us something, but not enough to understand what is really going on underneath.

VII. BEYOND THE LAW: NON-LEGISLATIVE STRATEGIC & RECOMMENDATIONS

A. Investor-Driven Accountability: ESG and Proxy Voting

The case for using non-legislative strategies is not based on the idea that the law has failed. Rather, it comes from recognising that the law, as it currently stands, can only go so far. It has addressed the basics, but beyond that point, other mechanisms need to take over. One of the most important of these is pressure from investors. If you look at global trends over the past five years, there has been a clear shift in how large institutional investors behave. Big asset managers like BlackRock, Vanguard, and State Street are no longer treating board diversity as just a “good to have.” They have built it into their voting policies. In practical terms, this means they may vote against nomination committee chairs in companies that do not meet minimum gender diversity standards. The MSCI 2024 report shows that this kind of investor pressure has played a major role in improving board diversity in developed markets. It also points out something interesting: when nomination committees are chaired by women, those companies are statistically more likely to appoint more women directors overall.⁵⁶

⁵⁶ MSCI (2024) Women on Boards and Beyond: 2024 Progress Report. MSCI ESG Research. Available at: <https://www.msci.com/research-and-insights/research-reports/women-on-boards-and-beyond-2024> (Accessed: 9 April 2026).

In India, the structure for this kind of investor-driven accountability already exists, but it hasn't been fully utilised yet. The updated BRSR Core framework, introduced by SEBI in December 2024 through its Industry Standards on Reporting, now includes gender diversity as a Key Performance Indicator. For the top 150 listed companies, this data must be independently verified starting from FY 2024–25, and this requirement will extend to the top 1,000 companies by FY 2026–27.⁵⁷ This is an important development. When disclosures are verified by third parties, they become more reliable, and investors can use that data to compare companies and hold them accountable. The Observer Research Foundation has even noted that India is well-positioned to lead in gender-focused ESG governance among Global South countries, provided the framework evolves from simply disclosing information to actually enforcing accountability.⁵⁸

The real gap, however, lies on the demand side. Indian institutional investors such as mutual funds and pension funds have not yet used their influence as actively as their counterparts in countries like the UK or the US. Even though SEBI introduced the Stewardship Code in 2019, which applies to mutual funds and alternative investment funds,⁵⁹ its potential has not been fully realised. The framework is there, but it needs to be used more effectively.

For this to work, investors need to move beyond broad statements about supporting diversity and start taking concrete action. This means setting clear gender diversity benchmarks and linking them to voting decisions for example, choosing to vote against

⁵⁷ SEBI (2024) Industry Standards on Reporting of BRSR Core. SEBI Circular, 20 December 2024. Available at: <https://www.sebi.gov.in> (Accessed: 9 April 2026). See also KPMG (2025) 'SEBI Introduces Certain Key Changes in BRSR Reporting.' KPMG India, January 2025. Available at: <https://assets.kpmg.com/content/dam/kpmgsites/in/pdf/2025/01/firstnotes-sebi-introduces-certain-key-changes-in-brsr-reporting.pdf.coredownload.inline.pdf> (Accessed: 9 April 2026).

⁵⁸ Rege, S. (2025) 'Embedding Gender in India's ESG: Strengthening the BRSR.' Observer Research Foundation, July 2025. Available at: <https://www.orfonline.org/expert-speak/embedding-gender-in-india-s-esg-strengthening-the-brsr> (Accessed: 9 April 2026).

⁵⁹ SEBI (2019) Stewardship Code for All Mutual Funds and All Categories of AIFs in relation to their Investment in Listed Equities. SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2019/204, 24 December 2019. Available at: https://www.sebi.gov.in/legal/circulars/dec-2019/stewardship-code-for-all-mutual-funds-and-all-categories-of-aifs-in-relation-to-their-investment-in-listed-equities_45451.html (Accessed: 9 April 2026).

the reappointment of directors in companies that consistently fail to go beyond minimum compliance. SEBI could further strengthen this system by requiring investors to report specifically on how they are engaging with companies on gender diversity issues. That way, the entire chain of accountability right from the regulator to the investor, and all the way to the company becomes visible and more meaningful.

B. The Pipeline Strategy: Building Talent from Within

The “overboarding” issue discussed earlier, where the same few women are appointed across multiple boards is often misunderstood. It is not really because companies don’t want more women. The deeper problem is that there aren’t enough women being prepared and positioned for these roles in the first place. In other words, it’s a supply-side issue. The Companies Act required companies to appoint at least one-woman director, but it did not require them to develop a broader pool of qualified women leaders who could step into such positions. If we want to address the gap at the level of key managerial personnel (KMPs), the approach has to be quite different.

It requires investing in the leadership pipeline, especially at the stages where women are most likely to drop out. Data from The Quantum Hub, based on LinkedIn’s Economic Graph, shows a clear pattern: women’s representation steadily declines as you move up the corporate ladder. It starts at around 29% in entry-level roles but falls to just 15.3% at the C-suite level in India.⁶⁰ The sharpest drop happens at two critical points. First, when employees move into their initial managerial roles (often called the “broken rung”), and second, when they transition into senior leadership. These are the stages where intervention can make the biggest difference.

So, what kind of interventions actually help? The evidence points to some very practical steps. For example, companies can ensure that every shortlist for senior roles includes at least one woman, so that qualified candidates are not overlooked. They can also rethink

⁶⁰ The Quantum Hub and LinkedIn (2024) Women's Leadership in Corporate India. The Quantum Hub. Available at: <https://thequantumhub.com/womens-leadership-in-corporate-india/> (Accessed: 9 April 2026).

policies for both formal and informal, that end up penalising career breaks, which many women take for valid reasons. Another important step is to design leadership development programmes that are targeted, and not generic, specifically programmes that address the points where women tend to exit the pipeline. And finally, companies can rotate high-potential women through roles that involve profit-and-loss responsibility or core operations, since this kind of experience is often essential for reaching top executive positions. What's important to notice is that none of these changes require Introduction of new laws. The framework already allows for them. What is needed is a conscious decision by organisations to actually implement these measures, rather than relying only on minimum compliance.

C. Reforming Recruitment: Dismantling the Old Boy's Network

In many Indian listed companies, the process of choosing senior executives, especially for key managerial roles is still quite informal. Decisions are often shaped by personal networks rather than clear, structured criteria. Senior leaders tend to recommend people they already know or trust, and hiring searches are frequently driven by relationships instead of objective assessments. On top of that, the qualities that are quietly valued, like being "available," fitting into the existing culture, or aligning with the current leadership style often end up favouring male candidates, particularly in organisations where leadership is already male dominated.

Improving this situation does not necessarily require new laws. It's more about how companies choose to govern themselves. In practical terms, companies can make a few straightforward changes. For instance, to begin with, when the companies search for a senior role, they can ensure that the initial list of candidates includes both men and women. They can also make sure that the panel evaluating candidates is not entirely male. Another useful step is to clearly define the selection criteria in advance and apply them consistently, rather than adjusting them depending on the candidate. Boards can also ask for regular updates on how diverse their leadership pipeline is, instead of only reviewing final appointments.

Some large Indian companies like Tata, Mahindra, and HDFC have already started adopting parts of this more structured and inclusive approach. What we see from their experience, and from similar practices globally, is that even these process-based changes without any legal requirement can increase the number of women who make it to the final stages of selection for senior roles.⁶¹ Within the company, the nomination and remuneration committee (NRC) is actually in the best position to drive these changes. Under Section 178 of the Companies Act, 2013, this committee is responsible for setting the criteria for appointing directors and determining senior management pay.⁶² So the authority already exists. Companies can use this mandate to formally include gender considerations in their succession planning and hiring processes, without needing any change in the law. At this point, the real issue is not lack of power, but whether there is enough willingness to use it.

D. The Multiplier Effect: Why the First Senior Appointment Matters Most

The practical implication of the CGD finding warrants emphasis. Companies that had women on their boards and at least one woman in top management demonstrated stronger financial performance and healthier workplace cultures. However, the presence of women on boards alone did not produce measurable improvement. The benefits emerged only when board-level representation was complemented by executive-level inclusion. Accordingly, board and executive representation operate as interdependent, rather than substitutable, components of organisational diversity.

A similar pattern shows up in Deloitte's 8th edition study on global financial services. It talks about what they call a "multiplier effect." In simple terms, when a woman reaches

⁶¹ Forbes India (n.d.) Mahindra Group to turn employees into leaders with a women leaders program. Available at: <https://www.forbesindia.com/article/special/mahindra-group-to-turn-employees-into-leaders-with-women-leaders-program/44245/1> (Accessed: 13 April 2026) ; Tata Group (2019) Women at work. Available at: <https://www.tata.com/newsroom/women-at-work-tata#:~:text=The%20company%20reaches%20out%20to,to%20take%20a%20career%20break>. (Accessed: 13 April 2026).

⁶² Companies Act, 2013, s.178. Ministry of Corporate Affairs, Government of India. Available at: <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html> (Accessed: 9 April 2026).

the C-suite, it doesn't stop there, her presence tends to increase the number of women in the layer just below senior leadership as well.⁶³ The reason for this is quite straightforward. When junior women see someone like them in a top role, it makes that path feel more realistic. It also changes how decisions are made behind the scenes. Senior women are more likely to mentor and support other women, and they can influence succession discussions in ways that break the usual pattern where leaders tend to promote people similar to themselves. Over time, this also reshapes the organisation's idea of what a "leader" looks like.

So, what does this mean in practical terms? It suggests that the first appointment of a woman into a top executive role like a CFO or CEO is incredibly important. That one decision can have a much bigger impact than multiple board-level appointments where the role is limited to oversight. When a woman reaches that level, it changes what seems possible within the organisation. And this is not just a theoretical claim; it's something that has been observed in actual company data where such appointments have been made and their impact tracked.

E. Mentorship, Sponsorship, and Male Allyship

A key idea that often gets misunderstood in corporate diversity efforts is the difference between mentorship and sponsorship. They sound similar, but they are actually quite different in practice. A mentor is someone who guides you, gives advice, shares his experiences, and helps you think through decisions. A sponsor, on the other hand, goes a step further. They use their own influence within the organisation whether it's their credibility, their networks, and their presence in important decision-making spaces to actively create opportunities for you. Now, the problem is that many diversity programmes in India tend to blur this distinction. They focus heavily on mentorship,

⁶³ Deloitte Global (2024) Women in the Boardroom: A Global Perspective, 8th edn. Deloitte Touche Tohmatsu Limited. Available at: <https://www.deloitte.com/southeast-asia/en/services/cxo-programs/perspectives/women-in-the-boardroom-global-perspective-eighth-edition.html> (Accessed: 9 April 2026).

which is useful, but not sufficient. The McKinsey Women in the Workplace 2024 report highlights that men are still more likely to be given high-visibility projects, bigger budgets, and direct exposure to senior leadership.⁶⁴ And these opportunities are exactly what shape career progression. So, the issue is not always about overt bias; it's about who gets access to the kinds of assignments that build a leadership profile. That's where the pipeline starts to "leak."

In fact, research repeatedly shows that women in India are often over-mentored but under-sponsored.⁶⁵ They receive advice, but they don't receive the same level of active backing that turns that advice into real career movement. To fix this, companies need to treat sponsorship as something more formal and accountable. It shouldn't depend on whether a senior leader personally chooses to support someone. Instead, it should be built into the system. For example, if a senior executive helps place a woman into a significant role, that effort should count in their own performance evaluation. When you create that kind of incentive, support becomes more consistent and intentional.

This also brings us to the role of male allyship, which is often talked about in very general terms. But in reality, it's not just a cultural idea, it's a practical necessity. In many organisations, around 70% of C-suite roles are still held by men, and informal support networks tend to operate along similar lines.⁶⁶ So unless male leaders actively participate in supporting women's advancement, the system is unlikely to change. This means more than just passive support, it includes advocating for women in promotion discussions, questioning biased patterns in task allocation, and ensuring fair consideration in

⁶⁴ McKinsey & Company and LeanIn.Org (2024) Women in the Workplace 2024: 10th Anniversary Report. McKinsey & Company. Available at: <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/women-in-the-workplace> (Accessed: 9 April 2026).

⁶⁵ Signium Africa (2025) 'Moving Beyond Mentorship: How Sponsorship Accelerates Women into Leadership.' March 2025. Available at: <https://www.signium.com/news/moving-beyond-mentorship-how-sponsorship-accelerates-women-into-leadership/> (Accessed: 9 April 2026).

⁶⁶ Center for Creative Leadership (2025) 'Drive Sponsorship and Mentorship for Women in Organizations.' Available at: <https://www.ccl.org/articles/leading-effectively-articles/why-women-need-a-network-of-champions/> (Accessed: 9 April 2026).

succession planning. These are not optional gestures; they are part of responsible leadership.

From a governance perspective, boards should be asking a simple but important question: what are senior leaders, especially male leaders, actually doing to improve the leadership pipeline? And the answer to that should not be vague. It should be measurable and reflected in how their performance is assessed.

F. Industry Bodies and Business Schools as Agents of Change

So far, we've been looking at solutions at two levels, first, what the law can do, and second, what individual companies can do. But there's a third level that often gets overlooked: the broader ecosystem. In many ways, this level may be the most important, because it shapes the supply of women who are actually ready to take on senior roles in the future. Corporate leadership pipelines are significantly shaped by elite business schools such as the Indian Institutes of Management (IIMs), the Indian School of Business (ISB), and XLRI. These institutions function not merely as educational spaces but as formative environments in which the next generation of corporate executives is developed. The number of women they admit, the way they design their courses, and even how placements are handled all have long-term effects on who ends up in leadership positions years down the line. If these institutions actively promote gender balance through their inclusive admissions, leadership training, strong professional networks for women, and careful tracking of placement outcomes then they can significantly improve diversity in the corporate pipeline. But if they don't, they simply reproduce the same patterns we already see in leadership today.

Then there are industry bodies like FICCI, CII, ASSOCHAM, and AIMA. These organisations may not make laws, but they have a different kind of influence. What they do is that they bring companies together and help shape what is considered "normal" or acceptable in business practice. For example, AIMA, through its Women Council (ASPIRE), has played a role in pushing conversations around gender diversity forward. The AIMA-KPMG report notes that 83% of organisations surveyed had more women in

leadership roles in 2024 compared to five years earlier.⁶⁷ That kind of shift doesn't happen automatically; it reflects sustained pressure and awareness-building at the industry level. However, there is still a step missing. Most of these bodies focus on encouraging change, but they don't consistently hold companies accountable. For instance, they could publish rankings showing which companies are actually improving on gender diversity, engage directly with those that are lagging behind, or use their influence to make it reputationally uncomfortable for companies that do not move beyond basic compliance. The important point is that they already have the platform and credibility to do this, they don't need new legal powers. What's required is a shift from simply promoting the idea of diversity to actively enforcing it through peer pressure and visibility.

G. Organisational Culture: Flexible Governance and Structural Support

At the end of the day, all these policies and structures only work if the organisation's culture supports them. You can design the best leadership pipeline on paper, but if the workplace expects people to be available all the time, discourages flexibility, and treats family responsibilities like something that still falls more heavily on women as a "personal issue," then those systems won't hold. The problem isn't just policy; it's how the organisation actually functions day to day.

This is where ideas like flexible working need to be understood properly. They are often seen as employee benefits, but that's not really the point. They are, in fact, critical for retaining talent and keeping women in the leadership pipeline. The KPMG–AIMA report makes this quite clear: flexible work arrangements and clear, transparent promotion criteria are two of the most important factors in ensuring that women stay on track for senior roles.⁶⁸ When companies build systems that allow for some flexibility like hybrid work, evaluating employees based on results rather than hours spent in the office, or

⁶⁷ KPMG and AIMA (2024) Women Leadership in Corporate India 2024 Report. KPMG Assurance and Consulting Services LLP, April 2024. Available at: <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2024/04/women-leadership-in-corporate-india-2024.pdf> (Accessed: 9 April 2026).

⁶⁸ Id.

providing structured pathways for those returning after a career break then they make it easier for capable women to continue progressing. On the other hand, companies that don't adapt tend to lose talented women right at the stage when they would otherwise be moving into senior leadership positions.

There is also a legal tool available which was discussed in the early section as well that hasn't been fully used yet. The revised BRSR Core framework, introduced in December 2024, now includes gender diversity as part of its key performance indicators for the top 150 listed companies. Importantly, these disclosures are being moved toward mandatory third-party verification in phases up to FY 2026–27.⁶⁹ This is a meaningful shift because it ensures that companies are not just reporting their own numbers but having them independently checked.

That said, there is still room to strengthen this framework. If SEBI were to require companies to disclose more detailed data, specifically, gender-wise information on key managerial appointments and retention, broken down by function it would make a big difference. Within a few years, this would create a much clearer and more reliable picture of what is actually happening at the executive level. Right now, overall workforce numbers can sometimes hide the real issue, which is the lack of women in top decision-making roles. Better, more detailed data would make it much harder to overlook that gap and much easier for investors and regulators to hold companies accountable in a meaningful way.

H. Conclusion and Recommendations

If we step back and look at the bigger picture, India's experiment with legally mandating gender diversity on corporate boards has now been in place for about a decade. And to be fair, it has achieved quite a bit. Women today hold about 18.67% of board positions in

⁶⁹ SEBI (2024) Industry Standards on Reporting of BRSR Core. SEBI Circular, 20 December 2024. Available at: <https://www.sebi.gov.in> (Accessed: 9 April 2026). See also KPMG (2025) 'SEBI Introduces Certain Key Changes in BRSR Reporting.' KPMG India, January 2025. Available at: <https://assets.kpmg.com/content/dam/kpmgsites/in/pdf/2025/01/firstnotes-sebi-introduces-certain-key-changes-in-brsr-reporting.pdf.coredownload.inline.pdf> (Accessed: 9 April 2026).

listed companies, and there are more than 11.6 lakh women directors across the company registry. The number of independent women directors has increased, and the earlier practice of appointing women from promoter families just to fill seats has reduced noticeably. So, within its limited objective, getting women onto boards, the law has done its job.

But here's the limitation, and it's an important one. The law was designed to ensure presence on board; it was not designed to ensure power within management. And that gap is still very visible. Only about 14.08% of key managerial positions are held by women, the share of women in the C-suite has largely remained unchanged, and as recently as 2023, more than half of NSE-listed companies did not have a single woman in top management. When you put this together with the evidence that board diversity improves governance only when it is matched by diversity at the executive level, a clear picture emerges: the structure has been adjusted on the surface, but the core power dynamics remain largely the same. The central problem identified at the beginning of this paper, i.e. numbers without power, still holds true.

Based on this, a few practical recommendations follow, such as:

1. SEBI could strengthen disclosure requirements under the BRSR Core framework. Instead of just reporting overall workforce numbers, companies should be required to disclose gender-wise data specifically for key managerial roles such as CEO, CFO, Company Secretary, and whole-time directors. This would make the executive-level gap clearly visible and allow for proper tracking overtime.
2. SEBI's Stewardship Code could be made more effective by requiring institutional investors like mutual funds to report on how they are actually engaging with companies in gender diversity. They should also identify companies where repeated engagement has not led to improvement at the KMP level. This would turn general expectations into something more concrete and measurable.

3. The Ministry of Corporate Affairs could consider a relatively simple transparency measure. Nomination and remuneration committees (NRCs), which already oversee senior appointments, could be required to disclose the gender composition of candidate shortlists for key managerial roles. This does not impose quotas, but it simply makes the process more visible.
4. There is a role for institutions outside the government as well. Business schools and industry bodies could start publishing gender diversity scorecards for major companies, focusing not just on-board representation but on executive roles. These scorecards could then be linked to awards, rankings, and public recognition. Since these organisations already influence corporate reputations, they can use that influence to push for meaningful change.

Finally, and this is perhaps the most important shift, the way we frame the issue needs to change. For the past decade, the focus has been on how many women are on boards. That question has largely been addressed. The more relevant question now is: how many women are actually in positions of leadership and decision-making?

The law, in a sense, opened the door. But opening a door is not the same as creating a pathway to the top. That pathway or staircase or escalator still needs to be built. And it won't come from a single legal reform. It will require a combination of efforts: pressure from investors, better disclosure, stronger leadership pipelines, and changes in organisational culture. All the necessary tools are already available. What the data shows quite clearly is that if these tools are not used, the cost is not just borne by women, but it will affect the quality of governance and the long-term performance of companies themselves.

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