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INDEPENDENCE OF WOMEN DIRECTORS IN INDIAN LISTED COMPANIES: FORMAL STATUS VERSUS SUBSTANTIVE INDEPENDENCE

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Abstract—*India is among the few jurisdictions that require listed companies to appoint a woman director and, since 2019, a woman independent director. Headcount, however, is not independence. This study assesses whether the women directors who now occupy Indian boardrooms are independent in form and in substance. It uses a descriptive-analytical design that combines the statutory framework (the Companies Act, 2013 and the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, as amended) with director-level data published by Institutional Investor Advisory Services India Limited (IiAS), the National Stock Exchange and Prime Database for NIFTY-500 companies as at 31 March 2022, supplemented by Prime Database releases for NSE-listed companies up to February 2026. Four hypotheses are tested with proportion tests and a chi-square test of independence. The results show that 71.6 per cent of women's directorships are held in an independent capacity ($z = 12.41$, $p < 0.001$), that the share of companies with two or more women independent directors rose from 15.2 to 20.8 per cent between FY20 and FY22 ($p = 0.021$), and that women's directorships are significantly shorter in tenure than men's ($\chi^2 = 124.36$, $p < 0.001$). The promoter-family share of women's directorships fell from 16.5 to 14.5 per cent, but the change is not statistically significant. About three in four NIFTY-500 companies still have a single woman independent director, only 11 per cent of women's directorships are executive, and published evidence points to dependence on personal networks in appointments. The study concludes that formal independence has largely been achieved while substantive independence remains unproven, and recommends disclosure of appointment routes, tenure and attendance, a move from one to three women independent directors, and a six-stage nomination and assurance process.*

Keywords: *Board Independence, Corporate Governance, India, SEBI LODR, Women Directors.*

INTRODUCTION

The independent director is the main device through which corporate governance codes try to protect minority shareholders from insiders. Agency theory treats outside directors as a form of decision control over managers (Fama & Jensen, 1983; Jensen & Meckling, 1976), and the argument is strongest where ownership is concentrated. Corporate India is such a setting. Of the 500 companies in the NIFTY-500 index analysed by IiAS (2022), 320 were family-owned promoter companies, against only 69 public sector undertakings and 18 widely held companies. Where a promoter family can nominate most of the board, the credibility of the independent director rests on whether that person is truly free of the promoter.

Over the past decade Indian law has also set out to change who sits on boards. The Companies Act, 2013 made the appointment of at least one woman director mandatory for listed companies and for large public companies, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 carried the requirement into the listing regime. In 2018, following the report of the Kotak Committee on Corporate Governance, SEBI tightened the rule: the top 500 listed entities by market capitalisation had to appoint at least one independent woman director by 1 April 2019, and the top 1,000 by 1 April 2020 (IiAS, 2022). The tightening addressed a concern, voiced when the quota was first introduced, that promoters would satisfy it by seating family members (IiAS, 2022).

On the numbers, the policy has worked. Prime Database reports that 98 per cent of the 2,285 companies on the NSE main board had at least one woman director on 23 February 2026, that 88 per cent had at least one independent woman director, and that women held 28 per cent of independent directorships, up from 17 per cent in 2018 (Business Standard, 2026). The policy question has therefore moved from how many women sit on boards to what kind of directors they are. This paper asks whether the women independent directors of Indian listed companies are independent in two senses. **Formal independence** means that the director meets the statutory test and is classified as independent. **Substantive independence** means that the director is, in practice, free of promoter influence in being chosen, in how long she serves, and in the weight she carries in board decisions.

The paper proceeds as follows. The review of literature sets out the theory, the statutory concept of independence and the Indian evidence. The methodology and hypotheses follow, then the analysis, findings, recommendations and conclusions.

REVIEW OF LITERATURE

THEORETICAL PERSPECTIVES

Terjesen, Sealy and Singh (2009) reviewed more than 400 publications on women on corporate boards and found that the work draws on agency, resource dependence, tokenism and social network theories, applied at the levels of the individual, the board, the firm and the environment. Two strands matter here. The first is tokenism. Kanter (1977) argued that a very small minority in a group is highly visible yet isolated, and is pressed to conform to the majority. A lone woman director, appointed to meet a quota, faces exactly that pressure. The second is critical mass. Kramer, Konrad and Erkut (2006) interviewed 50 women directors, 12 chief executives and seven corporate secretaries in Fortune 1000 companies and concluded that boards gain most from women's contributions when three or more women serve together, because women then stop being seen as outsiders and can shape both the content and the process of discussion.

STATUTORY CONCEPT OF INDEPENDENCE IN INDIA

Indian law defines independence by exclusion. Under section 149(6) of the Companies Act, 2013, an independent director is a non-executive director who is not a managing director, whole-time director or nominee director and who satisfies a set of conditions. Among them are integrity and relevant expertise, no connection with the promoters or directors of the company or its group, no pecuniary relationship with the company other than remuneration as a director (subject to a transaction threshold of 10 per cent of the director's total income), no relatives with such relationships, and no recent employment or professional links with the company or its auditors. Each independent director must declare compliance at appointment and annually thereafter under section 149(7), and may serve up to two consecutive terms of five years each under section 149(10) and (11). Regulation 16(1)(b) of the SEBI LODR Regulations mirrors these criteria for listed entities. Table 1 summarises the milestones that link gender and independence.

Table 1: Regulatory milestones linking gender diversity and board independence

Year	Instrument	Provision
2013–14	Companies Act, 2013, s.149(1) with Rule 3 of the 2014 Rules	Every listed company, and every other public company with paid-up capital of at least ₹100 crore or turnover of at least ₹300 crore, to appoint at least one woman director.
2013–14	Companies Act, 2013, s.149(4), (6), (7), (10), (11)	One-third independent directors on listed public company boards; statutory criteria of independence; declaration at appointment and annually; term of up to five years, maximum two consecutive terms.
2015	SEBI (LODR) Regulations, 2015, Reg. 17(1)(a)	At least one woman director, with an optimum combination of executive and non-executive directors and not less than half non-executive.
2017	Kotak Committee report (5 October 2017)	Recommended at least one independent woman director on the board of every listed company.
2018	SEBI (LODR) (Amendment) Regulations, 2018 (9 May 2018)	At least one independent woman director: top 500 listed entities by 1 April 2019 and top 1,000 by 1 April 2020, ranked by market capitalisation at the end of the previous financial year.

Source: Compiled by the author from the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as reproduced in IiAS (2022), and from the SEBI Committee on Corporate Governance (2017).

The statutory test is a test of relationships on paper. It does not ask who proposed the director, how she was found or whether she dissents. Those questions define substantive independence and are left to the board's own nomination process.

EMPIRICAL EVIDENCE

Adams and Ferreira (2009), using United States data, found that women directors have better attendance records, are more likely to sit on monitoring committees and make boards tougher monitors of chief executives. They also found that the average effect of gender diversity on firm performance was negative, and that mandating quotas can reduce value in well-governed firms. The Indian evidence is more specific about independence. In a study of manufacturing firms listed on the NSE, Sarkar and Selarka found that women independent directors raise firm value and profitability, while women "grey" directors, who have personal or economic ties to the firm, have no effect. They also found that the benefit of women directors weakens as promoters tighten their grip on key board positions, and they read the null result for grey directors as tokenism (Sarkar & Selarka, n.d.). Kaur and Mahajan (2021), studying BSE 100 firms from 2009 to 2018, reported a negative association between board gender heterogeneity and firm value and a negative moderating effect of women independent directors.

On how women reach boards, Haldar, Datta and Shah (2020) analysed 100 large listed Indian firms and found counter-intuitive negative effects of women's social capital on their appointment as independent directors, an effect that reverses once ownership structure is taken into account. IiAS (2022) notes that more than half of the 192 respondents in an IIM Ahmedabad and FICCI survey said that their board appointments came through professional networks, and that search firms and mentoring programmes were the least used routes. A recent study of BSE 200 companies by Khaitan & Co, Aon and Ladies Who Lead reports that 77 per cent of companies have only one or two women on the board, that only 11 per cent of women directors hold executive positions, and that more than one in three women directors interviewed had met dismissive attitudes, stereotyping or tokenism. In the same study, 97 per cent of the 40 women independent directors interviewed said that networks and allyship were important to their entry, and over half obtained their first board role through external connections such as mentors and leader networks (Khaitan & Co et al., 2025).

RESEARCH GAP

Existing Indian studies mostly ask whether women directors affect firm value. Few treat independence itself as the object of study, or ask whether independent women directors are independent of the promoter in how they are appointed and how long they stay. This paper addresses that gap by reading the verified public data against the statutory test.

SIGNIFICANCE OF THE STUDY

For regulators, the study shows what the 2018 amendment has and has not delivered, and where disclosure rules could be sharpened. For institutional investors and proxy advisers, it identifies which indicators separate a compliant board from an independent one. For boards and nomination committees, it argues that appointing a single woman independent director meets the law but may not meet the purpose of the law. For researchers, it offers an organised set of verified figures and testable propositions on independence that later director-level studies can extend.

NEED FOR THE STUDY / STATEMENT OF THE PROBLEM

Compliance statistics are now so favourable that they can hide the problem. When 98 per cent of listed companies have a woman director, the headline number says little about whether she is independent. Promoter-controlled companies can meet the quota formally and still keep control of the nomination process. The problem addressed here is therefore stated as follows: to what extent do the women directors of Indian listed companies hold, and keep, a position that is independent of promoter influence, in form and in substance, and has that extent changed since the 2018 amendment?

OBJECTIVES OF THE STUDY

1. To trace the statutory framework that links gender diversity and independence on Indian listed company boards.
2. To measure the capacity (independent, promoter-linked or other) in which women hold directorships in NIFTY-500 companies.
3. To examine the depth of women's independent representation, measured by the number of women independent directors per board, between FY20 and FY22.
4. To compare the tenure of women's and men's directorships as an indicator of entrenchment.

5. To suggest measures that move Indian boards from formal to substantive independence of women directors.

SCOPE OF THE STUDY

The study covers companies listed on the NSE. Director-level analysis relates to the NIFTY-500 companies as at 31 March 2022 (4,694 directorships, of which 827 were held by women), with comparative data for 30 March 2020 and 31 March 2021. Wider-universe indicators for NSE main board companies are taken from Prime Database releases of March 2025 and February 2026. The study concerns women directors' independence and does not estimate any effect on firm performance.

LIMITATIONS OF THE STUDY

First, the analysis rests on published aggregate figures and not on director-level microdata, so independence in substance can only be inferred from proxies such as promoter linkage and tenure. Second, a woman may hold several directorships (604 women held the 827 directorships in 2022), so the observations in the tests are not fully independent; the p-values should be read as indicative. Third, the tenure data cover all directorships and not independent directorships alone. Fourth, the latest published and verifiable director-level breakdown by capacity is the IiAS (2022) report; no later edition with the same breakdown was found, and the Khaitan & Co et al. (2025) data on BSE 200 companies do not split directors by capacity. The later Prime Database figures cover a wider universe, so the two sets are not strictly comparable. Fifth, some Prime Database figures were taken from press reports of its releases. Finally, regulatory provisions are stated as understood at the date of writing and should be confirmed against the latest notifications.

RESEARCH METHODOLOGY

RESEARCH DESIGN

The study is descriptive and analytical. It reads statutory provisions against secondary data and tests four directional hypotheses on published frequencies.

DATA SOURCES AND VERIFICATION

Every figure in the paper was traced to a named source. The primary data source is the IiAS report *Corporate India: Women on Boards* (November 2022), prepared with APG Asset Management Asia using data from the NSE and Prime Database; it supplies the counts of directorships by capacity (Exhibit 10), the number of women independent directors per company (Exhibit 11) and the tenure of directorships (Exhibit 18). Statutory text is taken from the Companies Act, 2013, the SEBI LODR Regulations and the Kotak Committee report, as reproduced in the IiAS report and in professional compliance guides. Recent indicators come from Prime Database releases as reported in Business Standard and NewsBytes. Academic claims are drawn from peer-reviewed journals, regulator-sponsored research papers and working papers whose abstracts or full text were consulted. Figures that could not be traced to a source were excluded.

STATISTICAL TOOLS

A one-sample z-test for a proportion tests H1. A chi-square test of independence, with Cramér's V as the effect size, tests H2; the two longest-tenure bands (above 20 years and above 50 years) were combined so that no expected cell count fell below five. A two-proportion z-test tests H3 and H4. The significance level is 5 per cent. All calculations were run in Python (SciPy) from the published counts.

HYPOTHESES

H1: The proportion of women's directorships in NIFTY-500 companies held in an independent capacity exceeds 50 per cent.

H2: The tenure distribution of women's directorships differs from that of men's directorships.

H3: The proportion of NIFTY-500 companies with two or more women independent directors was higher in FY22 than in FY20.

H4: The promoter-family share of women's directorships was lower at 31 March 2022 than at 30 March 2020.

DATA ANALYSIS AND INTERPRETATIONS (RESULTS AND DISCUSSION)

PRESENCE OF WOMEN AND INDEPENDENT WOMEN DIRECTORS

Table 2 shows the wider NSE picture from Prime Database releases. Presence is near-universal: 98 per cent of companies have at least one woman director. Depth is thinner. Only 47 per cent have two or more women directors and only 21 per cent have two or more women independent directors, although both shares have risen since 2021. The 88 per cent of companies with at least one independent woman director is lower than the 95 per cent recorded for the NIFTY-500 in 2022 (IiAS, 2022). The two figures cover different universes and dates, but the gap is consistent with the mandate applying only to the top 1,000 entities. Women hold 28 per cent of independent directorships against about 21 per cent of all directorships in March 2025, so independence is where women are concentrated. The same release reports a median remuneration for independent directors of ₹4.9 lakh for women and ₹4.8 lakh for men, so there is no pay gap among independent directors, in contrast to the gap among executive directors (Business Standard, 2026).

Table 2: Women directors in NSE-listed companies – Prime Database indicators

Indicator	Earlier value	Latest value
Companies with at least one woman director	97% (March 2025)	98% (23 Feb 2026)
Companies with two or more women directors	35% (March 2021)	47% (Feb 2026)
Companies with at least one independent woman director	Not reported	88% (Feb 2026)
Companies with two or more independent women directors	10% (March 2021)	21% (Feb 2026)
Women's share of independent directorships	17% (2018)	28% (Feb 2026)

Source: Prime Database releases as reported in Business Standard (2025, 2026) and NewsBytes (2026). The universe was 2,133 companies in March 2025 and 2,285 companies in February 2026.

CAPACITY IN WHICH WOMEN HOLD DIRECTORSHIPS

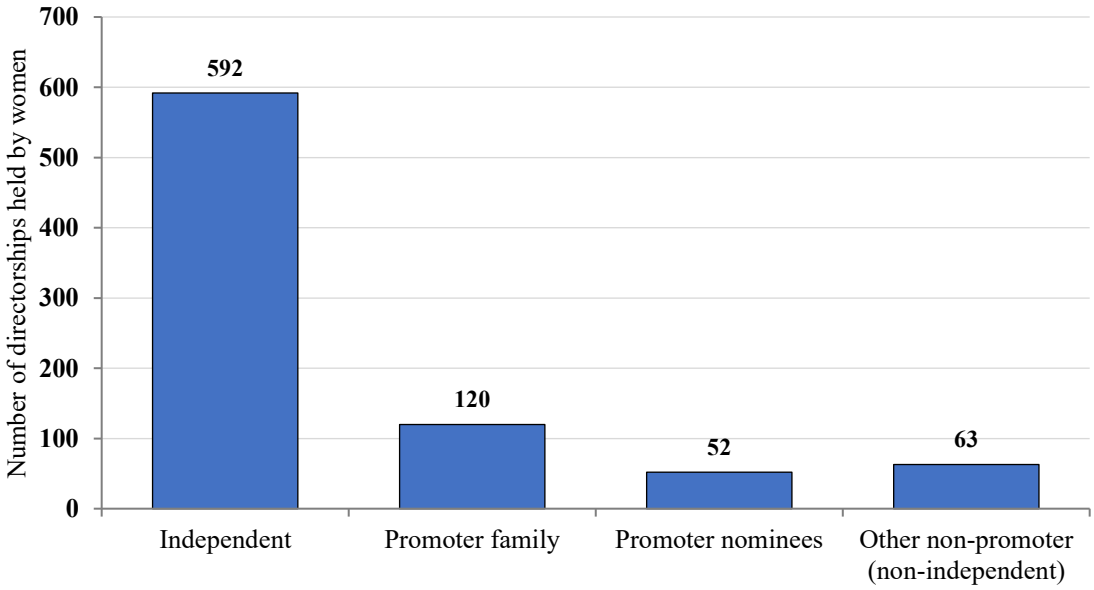
Table 3 and Figure 1 break down the 827 directorships held by women in the NIFTY-500 on 31 March 2022. Of these, 592 (71.6 per cent) were independent. Promoter-family members held 120 (14.5 per cent), promoter nominees 52 (6.3 per cent) and other non-promoter, non-independent directors 63 (7.6 per cent). Promoter-linked seats, taken together, account for 172 directorships, or 20.8 per cent. The result for H1 is clear: the independent share exceeds 50 per cent ($z = 12.41$, $p < 0.001$), and it also exceeds the one-third statutory floor for board independence ($z = 23.33$). The IiAS series shows that the independent share was 69 per cent in 2017, 71 per cent in 2020 and 71.5 per cent in 2022, so it has plateaued rather than risen (IiAS, 2022). The concern voiced in 2014, that family members would fill the quota, has not been borne out by the data.

Table 3: Directorships held by women in NIFTY-500 companies by capacity, 31 March 2022

Category	Executive	Non-executive	Total	Share (%)
Promoter family	54	66	120	14.5
Promoter nominees	2	50	52	6.3
Non-promoters (non-independent)	31	32	63	7.6
Independent	0	592	592	71.6
Total	**87**	**740**	**827**	**100.0**

Source: IiAS (2022), Exhibit 10; shares computed by the author. Non-promoters include professional executives and representatives of controlling shareholders such as MNCs, PSUs and investors.

Figure 1: Directorships held by women in NIFTY-500 companies by capacity, 31 March 2022



Source: IiAS (2022), Exhibit 10; percentages computed by the author.

Independence in this headline sense coexists with limited executive power. Only 87 of the 827 women's directorships (10.5 per cent) were executive, and 54 of those 87 were held by promoter family members; just 31 were professional, non-promoter executives. Executive roles, which carry the most decision-making power, are therefore held mostly by women linked to promoters and not by independent professionals.

DEPTH OF INDEPENDENT REPRESENTATION

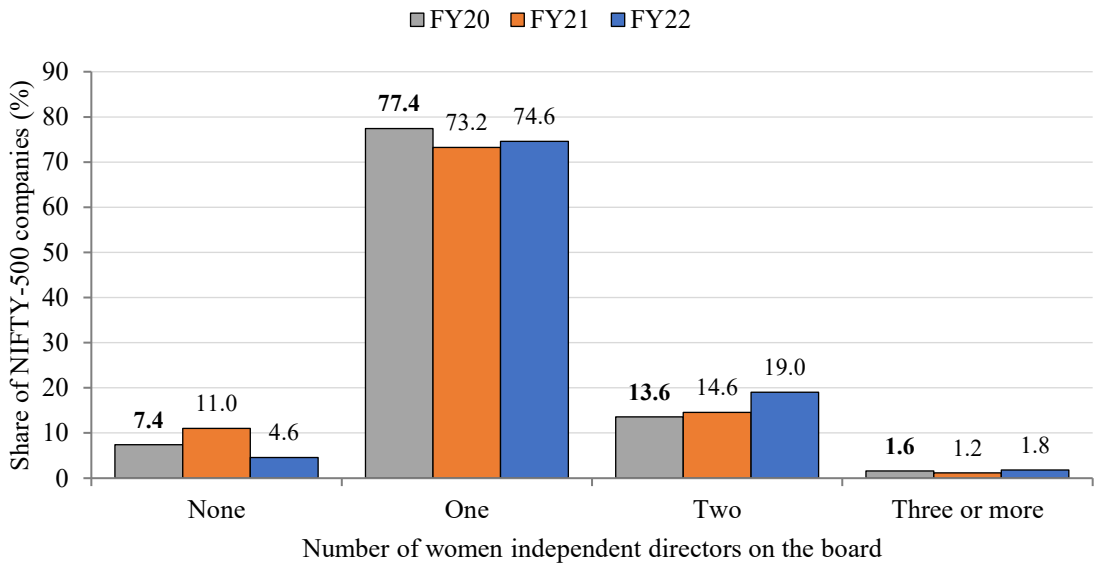
Table 4 and Figure 2 show how many women independent directors each NIFTY-500 company had. The share of companies with none fell from 7.4 per cent in FY20 to 4.6 per cent in FY22, which reflects the phased enforcement of the 2018 amendment. The share with two or more rose from 15.2 per cent (76 companies) to 20.8 per cent (104 companies), and the change is significant ($z = 2.30$, $p = 0.021$), so H3 is supported. Progress, however, is shallow. In FY22, 74.6 per cent of companies still had exactly one woman independent director, and only nine companies (1.8 per cent) had three or more. Measured against the critical-mass benchmark of Kramer, Konrad and Erkut (2006), almost all boards are in the stage in which a single woman is visible but outnumbered. Even counting all women directors, only 13.8 per cent of NIFTY-500 companies had three or more (IiAS, 2022).

Table 4: Women independent directors per NIFTY-500 company, FY20 to FY22

Women independent directors	FY20, n (%)	FY21, n (%)	FY22, n (%)
None	37 (7.4)	55 (11.0)	23 (4.6)
One	387 (77.4)	366 (73.2)	373 (74.6)
Two	68 (13.6)	73 (14.6)	95 (19.0)
Three or more	8 (1.6)	6 (1.2)	9 (1.8)
Total companies	**500 (100.0)**	**500 (100.0)**	**500 (100.0)**

Source: IiAS (2022), Exhibit 11; percentages computed by the author. One company in FY22 had no independent director of either gender.

Figure 2: Share of NIFTY-500 companies by number of women independent directors



Source: IiAS (2022), Exhibit 11; percentages computed by the author.

PROMOTER LINKAGE OVER TIME

Promoter-family members held 128 of 777 women's directorships (16.5 per cent) on 30 March 2020 and 120 of 827 (14.5 per cent) on 31 March 2022 (IiAS, 2022). The decline is in the expected direction but is not statistically significant ($z = -1.09$, $p = 0.277$), so H4 is not supported. The data do not show a retreat of promoter families from the seats reserved for women; they show only that the share has not grown.

TENURE AND ENTRENCHMENT

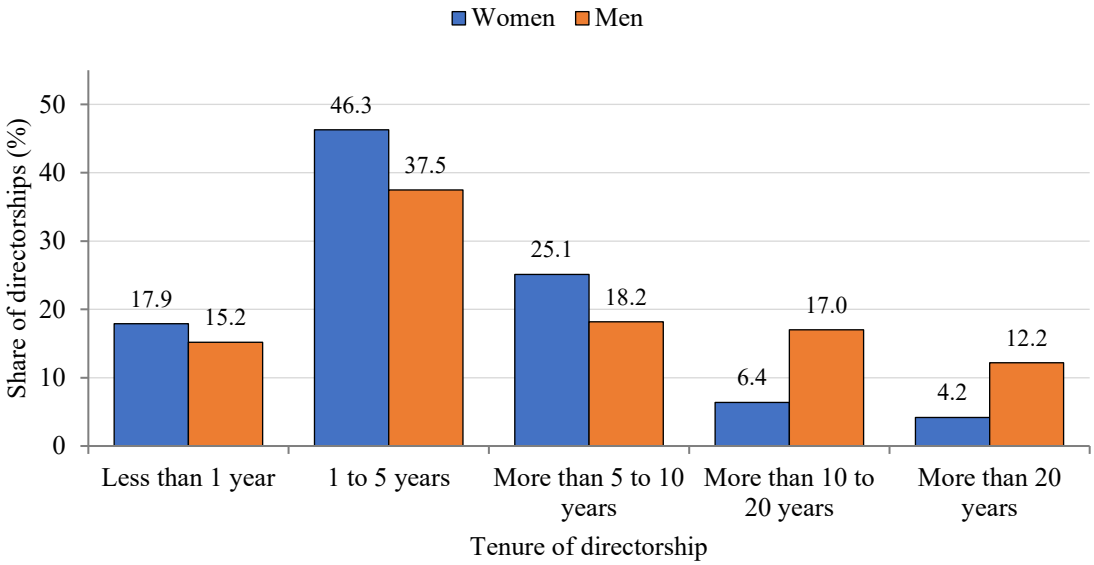
Long tenure erodes independence because familiarity with management builds ties. For this reason the Companies Act caps an independent director's service at two five-year terms. Table 5 and Figure 3 compare tenures in NIFTY-500 boards on 30 March 2022. Women's directorships were markedly shorter: 64.2 per cent had run for five years or less, against 52.7 per cent for men, and only 10.6 per cent had passed ten years, against 29.2 per cent for men. The difference in distribution is highly significant ($\chi^2 = 124.36$, $df = 4$, $p < 0.001$), and Cramér's V of 0.163 indicates a small effect, so H2 is supported. The average tenure was 5.3 years for women and 8.4 years for men (IiAS, 2022).

Table 5: Tenure of directorships in NIFTY-500 companies by gender, 30 March 2022

Tenure	Women, n	Women, %	Men, n	Men, %
Less than 1 year	148	17.9	588	15.2
1 to 5 years	383	46.3	1,449	37.5
More than 5 to 10 years	208	25.1	702	18.2
More than 10 to 20 years	53	6.4	656	17.0
More than 20 years	35	4.2	472	12.2
Total	**827**	**100.0**	**3,867**	**100.0**

Source: IiAS (2022), Exhibit 18; percentages computed by the author. The 13 male directorships above 50 years are included in the last band.

Figure 3: Tenure distribution of directorships by gender, 30 March 2022



Source: IiAS (2022), Exhibit 18; percentages computed by the author.

The result needs careful reading. Women entered boardrooms mainly after 2014, so shorter tenure is partly an artefact of recent entry and is not proof of independence. It does, however, show that women directors are less likely than men to be long-serving insiders. The same recency limits influence: women directors have had less time to build the standing that makes dissent effective. The data cover all directorships and not independent ones alone.

Table 6: Summary of hypothesis tests

No.	Test	Statistic	p-value	Decision
H1	One-sample z-test for a proportion (592 of 827 against 0.50)	$z = 12.41$	< 0.001	Supported
H2	Chi-square test of independence (df = 4); Cramér's V = 0.163	$\chi^2 = 124.36$	< 0.001	Supported
H3	Two-proportion z-test (76 of 500 against 104 of 500)	$z = 2.30$	0.021	Supported
H4	Two-proportion z-test (128 of 777 against 120 of 827)	$z = -1.09$	0.277	Not supported

Source: Author's calculations from the counts in IiAS (2022).

DISCUSSION

Table 6 summarises the four tests. Read together, the results describe an independence that is real in form and unproven in substance. The formal test is met: nearly three-quarters of women's directorships are independent, and promoter-family women hold a minority of seats. Women independent directors are also, by Sarkar and Selarka's evidence, the group whose presence is associated with higher firm value, whereas grey directors are not, although Kaur and Mahajan (2021) report a negative moderating effect, so the evidence is mixed. The substantive test is where doubt remains. Three-quarters of boards rely on a single woman independent director, a configuration that tokenism theory (Kanter, 1977) and the critical-mass study (Kramer et al., 2006) both identify as the weakest. Appointment routes depend heavily on personal networks (IiAS, 2022; Khaitan & Co et al., 2025), and a network that runs through the promoter's circle can compromise independence at the point of entry. Women also chair 21.5 per cent of nomination and remuneration committees but only 12.0 per cent of audit committees (IiAS, 2022), so their influence is stronger over appointments than over financial

reporting. Influence over appointments is a lever that could widen the pool beyond the promoter's network, provided the nomination committee is itself independent.

FINDINGS OF THE STUDY

1. Presence of women on Indian boards is now near-universal: 98 per cent of NSE main board companies had at least one woman director in February 2026 and 88 per cent had at least one independent woman director.
2. Women's directorships are predominantly independent. In the NIFTY-500, 71.6 per cent were held in an independent capacity on 31 March 2022, and the share has plateaued since 2020 (H1 supported).
3. Promoter-linked women hold 20.8 per cent of women's directorships. The promoter-family share fell from 16.5 to 14.5 per cent between 2020 and 2022, but the fall is not statistically significant (H4 not supported).
4. Depth is limited. Three-quarters of NIFTY-500 companies had a single woman independent director in FY22, although the share with two or more rose significantly from 15.2 to 20.8 per cent (H3 supported).
5. Women's directorships are significantly shorter in tenure than men's, with 10.6 per cent beyond ten years against 29.2 per cent for men (H2 supported); this reflects recent entry as well as lower entrenchment.
6. Executive power remains scarce: only 10.5 per cent of women's directorships are executive, and most of those are held by promoter family members.
7. Published evidence points to appointment through professional networks rather than search firms (97 per cent of 40 women independent directors interviewed in 2025 said networks mattered), which leaves the route into the boardroom open to promoter influence.

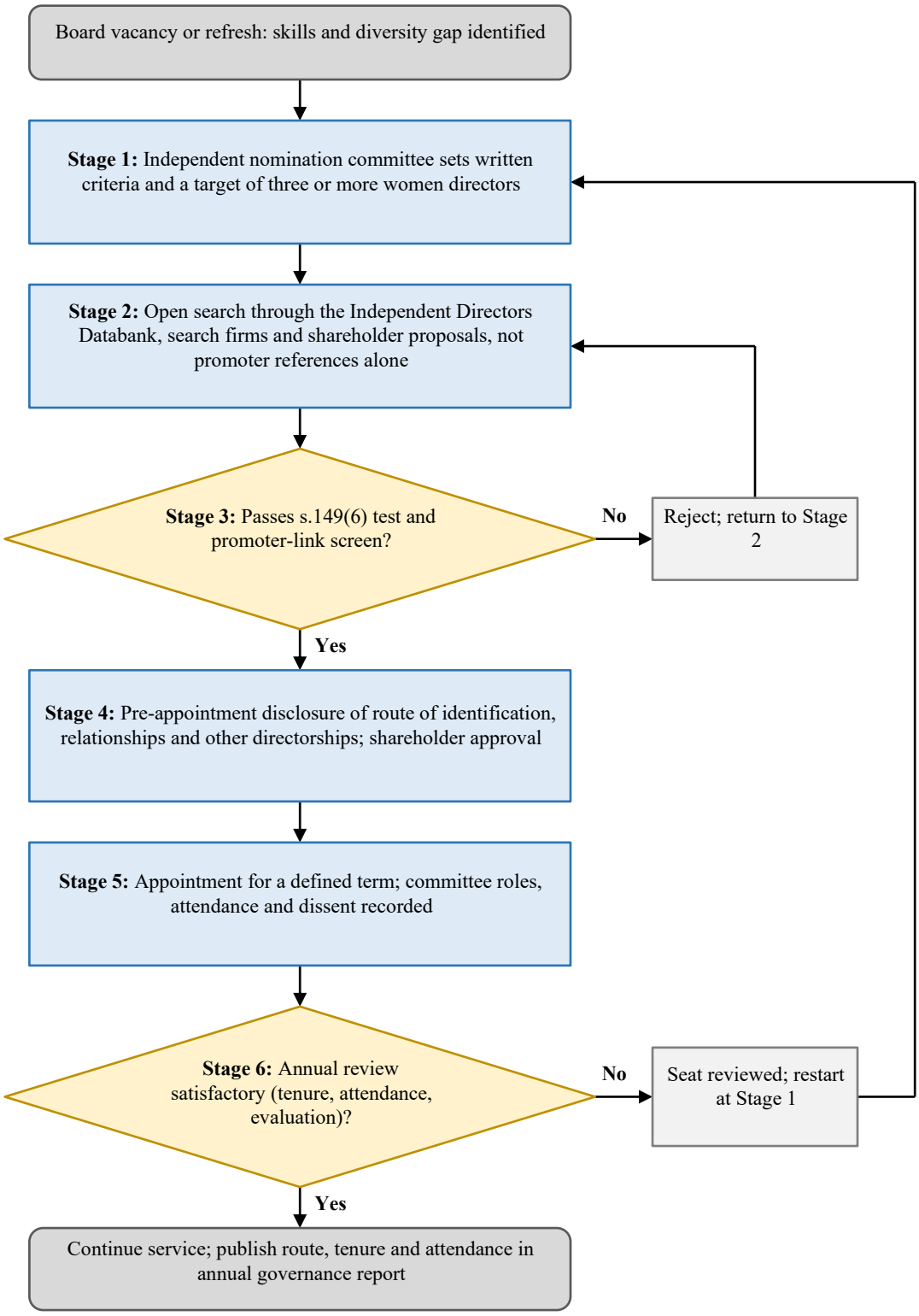
SUGGESTIONS / RECOMMENDATIONS OF THE STUDY

1. **Disclose appointment routes.** Listed companies should state in the corporate governance report how each independent director was identified (search firm, databank, promoter reference or shareholder proposal), together with tenure, attendance, committee roles and other directorships. These items allow substantive independence to be monitored.
2. **Strengthen nomination committees.** Nomination and remuneration committees should be chaired by an independent director and use a written, merit-based search process. The Independent Directors Databank maintained under the Companies (Appointment and Qualification of Directors) Rules, 2014 and external search firms should be used alongside personal networks.
3. **Move from one to three.** SEBI could consider requiring at least two women independent directors in the largest listed entities and encourage three as the critical-mass level, building on the 30 per cent target that IiAS (2022) proposed for the 2024 board refresh.
4. **Use investor voting.** Institutional investors and proxy advisers should adopt voting policies that link support for nomination committee members to board diversity, as APG's emerging-market policy does (IiAS, 2022).
5. **Build the executive pipeline.** With only 10.5 per cent of women's directorships executive, companies should develop women in executive and senior management roles to enlarge the pool of professional directors.
6. **Publish better data.** Prime Database, NSE and the regulator could publish a regular independence indicator for each company, covering promoter linkage, tenure and multiple directorships, so that researchers can test substantive independence directly.

PROPOSED NOMINATION AND INDEPENDENCE-ASSURANCE PROCESS

Figure 4 turns the recommendations into a sequence that a board can adopt voluntarily, without any change in law. It answers the weaknesses found in the analysis. The single-woman pattern (Table 4) is met by the target of three women directors set in Stage 1. Network-based appointment is met by the open search in Stage 2. Promoter linkage is met by the screen in Stage 3, which asks who introduced the candidate as well as whether the statutory criteria are satisfied. Hidden routes are met by the disclosure in Stage 4. Entrenchment and weak influence are met by the defined term, committee roles and recorded attendance in Stage 5, and by the annual review in Stage 6, where a failed review sends the seat back to the nomination committee. Because each stage leaves a record that investors and regulators can read, the process turns the formal test of independence into one that can be observed.

Figure 4: Nomination and independence-assurance process for women independent directors



Source: Developed by the author from the findings of this study and the provisions of section 149 of the Companies Act, 2013.

CONCLUSION

India's two-step reform, first a woman director and then a woman independent director, has produced board-level presence at a speed few markets have matched. The data show that most women's directorships are held in an independent capacity, that the promoter-family share is modest, and that the depth of independent representation is slowly growing. They also show that independence is thin: one woman independent director remains the norm, executive roles are rare, and appointment routes rely on personal networks. Formal independence has therefore largely been achieved, but substantive independence has not been shown. The next stage of reform should shift attention from counting women to checking how they are chosen, how long they serve and how much influence they hold. Future research with director-level microdata on appointment routes, board dissent and committee roles can test this directly.

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