

# Top 100 listed firms improve corporate governance score

**REPORT CARD.** Survey results based on annual reports, disclosures made on websites

**Our Bureau**  
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The top-100 listed entities seem to be doing better when it comes to meeting corporate governance targets, per the third edition of Excellence Enablers' Survey on Corporate Governance. Excellence Enablers is backed by former SEBI Chairman M Damodaran.



M Damodaran, former SEBI Chairman

According to the survey, there is improvement in corporate governance parameters over the last few years. For instance, SEBI rules require that the Board of Directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than 50 per cent of the Board of Directors shall comprise

non-executive directors. While nine companies were found to be non-compliant with this requirement in 2021, as of March 31, 2022, all companies had more than the prescribed minimum of 50 per cent.

Similarly, at least one-third of the Board of Directors shall comprise independent directors. As on March

31, 2021, 17 companies (of which 11 were PSUs and two were PSBs) were non-compliant, but as on March 31, 2022, only one company (non-PSU) has been found to be non-compliant.

"It has been noticed that every effective Board has an appropriate mix of EDs and NEDs. Without this optimum mix, the Board will not get the benefit of the insight of persons who have executive responsibilities and experience," the survey said. The agency has used the annual reports and website disclosures of Nifty 100 companies as a base to look at parameters that impact on, and manifest, the corporate governance standards of companies.

## WOMEN IDS

When it comes to appointing

women independent directors (IDs) on the board, as on March 31, 2022, five companies (including three PSUs and one PSB) did not have any women IDs. As on March 31, 2021, 12 companies did not have a single woman as ID. "While the presence of a woman ID on Boards has been mandated, there is no similar provision for women executives graduating to Board positions. This can happen only if a sufficient number of competent women are identified and are provided with appropriate career progression in the organisation. It is equally important to focus on more women occupying positions of Chair/ MD, as well as being on a number of Board committees, and chairing some of them," the report said.