



GLOBAL JOURNAL OF MANAGEMENT AND BUSINESS RESEARCH: B
ECONOMICS AND COMMERCE

Volume 16 Issue 5 Version 1.0 Year 2016

Type: Double Blind Peer Reviewed International Research Journal

Publisher: Global Journals Inc. (USA)

Online ISSN: 2249-4588 & Print ISSN: 0975-5853

A Study of Women Workforce in Corporate Sector: With Reference Provision of Companies Act, 2013

By Dr. Soma Roy Dey Choudhury

Assam University

Abstract- Gender inequality, which is sometimes called sex discrimination, means receiving unequal treatment based solely on gender. Women are most commonly the subject of gender inequality in the workplace. The contribution of women in corporate sector is essential for the success and prosperity of nations across the world. In spite of many odds women across the globe continued to make incredible progress. However the role of women in economic value creation has not been recognized universally rather they are playing a supportive role in economic value creation. According to NASSCAM, the ratio of men and women in Information Technology and Information Technology Enabled Services sector is 65:35 by the year 2010. The Watson Wyatt study says that the younger generation of women in India is expected to achieve educational parity with men by 2016. So corporate recruiters, are also enthusiastic to hire women for successful management practices and adopted a new provision for women representation on Board in Companies Act 2013.

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GJMBR - B Classification : JEL Code : E29



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Abstract- Gender inequality, which is sometimes called sex discrimination, means receiving unequal treatment based solely on gender. Women are most commonly the subject of gender inequality in the workplace. The contribution of women in corporate sector is essential for the success and prosperity of nations across the world. In spite of many odds women across the globe continued to make incredible progress. However the role of women in economic value creation has not been recognized universally rather they are playing a supportive role in economic value creation. According to NASSCAM, the ratio of men and women in Information Technology and Information Technology Enabled Services sector is 65:35 by the year 2010. The Watson Wyatt study says that the younger generation of women in India is expected to achieve educational parity with men by 2016. So corporate recruiters, are also enthusiastic to hire women for successful management practices and adopted a new provision for women representation on Board in Companies Act 2013. The present paper focuses on the status of women workforce in corporate sector by emphasizing on gender inequality and income disparity. Since the development and empowerment of women is imperative for the inclusive growth of the nation. The study also emphasized on the contribution made by the New Companies Act 2013 for empowerment of women.

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I. INTRODUCTION

Women have always helped men and the society, for achieving well-rounded development and progress, significantly both in domestic and social life. Again, in the occupational and professional domains, women have an ever-increasing participation in almost all fields of the broad economic sectors of business and commerce, professions, industries, and services, at the levels varying from lower to higher hierarchies. Women have also entered the board rooms of many companies, of course in a limited way.

The importance of women's participation in economic activities bringing women in reach of the development process is widely recognised as vital for the advancement and growth of women in India. History says women has participated in developmental activities but has remain un-recognised. In a country like India, agriculture continues to absorb and employ 2/3rd of the

female work force but fails to give them recognition of employed labour (Ghosh and Ghosh, 2014).

The Government of India declared 2001 as the Year of Women's Empowerment (Swashakti). The National Policy for the Empowerment of Women was passed in the same year. According to a report by Thomson Reuters, India is the "fourth most dangerous country" in the world for women, India was also noted as the worst country for women among the G20 countries, however, this report has faced criticism for its inaccuracy. In 9 March 2010, one day after International Women's day, Rajya Sabha passed the Women's Reservation Bill requiring that 33% of seats in India's Parliament and state legislative bodies be reserved for women.

On March 9th 2010, one day after International Women's Day, Rajya Sabha passed the Women's Reservation Bill, ensuring 33% reservation to women in Parliament and state legislative bodies.

According to the findings of a new study by Grant Thornton, titled International Business Report, the position of women in senior positions in the Indian work force fell from 19% in 2013 to 14% in 2014. What is even more alarming the report notes, is that despite the increasing impetus to improve female participation in the work force and address the lack of women at the top, half of all Indian business have no program to support or mentor women nor do they plan one in the near future. The Universal Declaration of Human Rights, adopted in 1948, enshrines "the equal rights of men and women", and addressed both the equality and equity issues. In 1979 the United Nations General Assembly adopted the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) for legal implementation of the Declaration on the Elimination of Discrimination against Women. Described as an international bill of rights for women, it came into force on 3 September 1981.

Any distinction, exclusion or restriction made on the basis of sex which has the effect or purpose of impairing or nullifying the recognition, enjoyment or exercise by women, irrespective of their marital status, on a basis of equality of men and women, of human rights and fundamental freedoms in the political, economic, social, cultural, civil or any other field.

Inequalities in India can be seen indifferent areas like

Sex ratio-survival inequality

Life expectancy at birth-natality inequality

Women literacy, women in politics-unequal facilities

Employment and property rights-ownership inequality

Domestic violence and physical victimization

The Gender related Development Index (GDI) is an indication of the standard of living in a country developed by the United Nations (UN)

It aims to show the Inequalities between men and women in the following areas

Life expectancy

Education (the adult literacy rate and the combined primary to tertiary gross enrollment ratio

Estimated Earned Income

Human Development Report 2004-05

HDI Value 0.619 Rank 128	Life Expectancy at Birth 63.7 (in Years)	Adult Literacy Rate (% of ages 15 and older) 61.0	Combined Gross School Enrollment Ratio (%) 63.8	GDP per capita (PPPUS \$) 3452
GDI as % of HDI 97.0% Rank 138	Life Expectancy at Birth (in Years) 104.7%	Adult Literacy Rate (% of ages 15 and older) 65.2%	Combined Gross School Enrollment Ratio 87.7%	

Taking into consideration the productive and optimistic participation of women in corporate sector, the present study "Analysis of Women Participation in Indian corporate Sector has been undertaken with the following specific objectives

II. OBJECTIVES OF THE STUDY

- To study the trend of women participation in corporate sector in India
- To study the contribution made the Companies Act 2013 for the development and empowerment of women in India.

III. METHODOLOGY

The present research paper is based on the secondary data. The data has been collected from, different annual reports and other websites. The data covered is from 2004-05 to 2013-14. The data is analysed by using different Table.

Only five percent of working women in India make it to senior leadership positions in the corporate sector, compared to the global average of 20 percent, said a study released by NDTV.

The gender-based research carried out by Anupriya Singh of Delhi-based Lal Bahadur Shastri Institute of Management said there was "gender inequality" in placement of women in the corporate sector in India. According to the study, women's representation at the board level was lesser at just two percent.

The study said that in India, women's strength in the labour force stands at 28 percent at the junior level,

14.91 at the middle level and 9.32 percent at the senior level.

From being the lowest in the list of overall women's participation in the workforce, India ranks at the top in the dropout rate as well. The primary reasons for high dropout rate in India are child care and family responsibilities, including care for the elderly. Women often succumb to the 'daughterly guilt' where they take upon themselves the responsibility for the care of elders in the family and are thus forced to push their careers behind as 'secondary'," Singh said. India is once again the worst performer in this regard, with 48 percent of women dropping out between the junior and middle level, Singh said.

The research was carried out following the Companies Act 2013 - that made it mandatory for public and private companies with a given yearly turnover to have at least one woman director - and now the SEBI's extended deadline to enforce the same.

a) *Trend of women participation in corporate sector in India*

"Women make 70% of the purchasing decisions at home. Yet, women entrepreneurs get only 1% of the global procurement business. They are missing in the supply chain. They need to understand the needs of the market better (Elizabeth Vazquez, CEO of WeConnect International).

In 2012, an international consulting and management firm called Booz & Company released "The Third Billion", a global ranking of the level of economic empowerment attained by woman on 128 countries. The indicators used included equal pay for

equal work, non-discrimination policies, the male-to-female employee ratio, and equality in terms of female managers and senior business leaders. India rated quite poorly at spot 115. Further, the International Labour Force recently reported that the rate of female participation in the total labour force in India has fallen from 37% in 2004-05 to 29% in 2009-10, leaving India at the 11th lowest spot out of 131 countries.

Gathering of quantitative and qualitative data from the six largest publicly-traded Indian software

companies, provide insight into state of female employment in one of the most important and rapidly growing economic sectors in the country. Using NASSCOM's annual industry ratings from 2007-2012, the study has put together a list of the six software companies headquartered in India that appeared in the top five spots at least twice between the years 2007-2012. These companies are Tata Consultancy Services Ltd., Infosys Ltd., Wipro Ltd., HCL Tech Ltd., Tech Mahindra and Mahindra Satyam.

Table 1.1 : Representation of Women in Indian IT Industry

Name of IT Industry	Number of Women on Board	Number of Women Holding Executive Management Position
Tata Consultancy Services Ltd	1/14	2/30
Wipro Ltd	0/12	2/23
Infosys Ltd	1/15	1/14
HCL Tech Ltd	1/19	0/18
Tech Mahindra	0/11	1/7
Mahindra Satyam	1/16	0/6

Source: NASSOCAM's Annual Report

Women's participation in the organized workforce in India is lower than in the other countries due to historic, traditional and cultural reasons, says Subash A.K. Rao, director of human resources at Cisco's India arm. "They (the other countries) have had their women participate in the organized workforce earlier than us (Indians). It is a journey... and we are only going up."

The percentage of women in multinational companies in India is just 25% compared with 42.9% in China, a study has found.

In India, the percentage of women in junior management in the 11 multinational firms surveyed is at least 30, but drops to less than 10 at the senior level.

In a study on four countries the Gender Diversity Benchmark for Asia was done, the proportion of women in multinationals across junior, middle and senior management levels was the lowest in India. The proportion of women employees in Japan and Singapore is 33.8% and 43.8%, respectively.

Women exit from corporate sector due to family pressure and child rearing which is one of the biggest problems, says Jessie Paul, chief marketing officer and

a member of the diversity council at Wipro Technologies Ltd, the global arm of India's third largest software firm by revenues. "It is not so easy to come back after passing a long time at home. The other people (whom you worked with) would have reached a certain place" (Poornima Mohandas, 2009). Motherhood is traditionally the fulcrum of an Indian women's identity her highest achievement (kakar 1988). It confers on her a sense of respectability and authority, thus strengthening her position in her conjugal home.

Chaplin, (1985) stated that women rarely engage in paid employment as it is stigmatized as a sign of financial misfortune and a claim on their husband's bread winning capabilities.

Fernandes, (2006) argues that due to restructuring and retrenchment many multinational companies are offloading complex managerial tasks to secretarial staff. In spite of having their management degrees many secretarial and administrative staff find it difficult to join the management track due to their lack of cultural capital. They remain in administrative jobs which are usually associated with short term contracts and often at risk of retrenchment.

Table 1.2 : Gender wise Estimates of Employment in India

Employment Measures	Men	Women	Total
Workforce (in thousands) ^a	3,36,592	1,29,678	4,66,270
Workforce Participation Rate (%) ^a	81.1 % of Population aged over 15 years	33.1% of Population aged over 15 years	57.8% of Population aged over 15 years
Employment in Organised Sector (in thousands) ^b	45,784	10,716	56,450
Gender Composition of Organised Sector (%) ^b	81%	19%	100%

IT Workforce in (in thousands) ^c	1629	671	2300
Gender Composition of IT workforce (%) ^c	70% of IT workers	30% of IT workers	100%

a ILO EAPPEP (Estimate and Projections for Economically active population for 2008

b National Informatics Centre, Ministry of Labour, Government of India (2009); the above estimates are for the year 2006, published in 2009

c Estimates for 2008 based on (NASSCOM, 2010a) and (NASSCOM, 2009)

The above Table 1.2 states the proportion of adult women in paid employment in India is only about 33%. The unorganized sector itself accounts for over 90% of the total workforce according to the National Sample Survey 2004-05

b) *Has Companies Act, 2013 really enhanced position of women in Corporate World?*

Section 149(1) of Companies Act 2013[1] makes it necessary for the listed companies and certain other public companies to appoint at least one women director on its board. As per the new Companies Rules of 2014, the following categories of companies are mandatorily compelled to appoint at least one woman director to their respective board of directors:

1. Every listed Company
2. Every Other Public Limited Company which has
 - a. Paid-up Share Capital of One Hundred Crore Rupees or more; Or
 - b. Turnover of Three Hundred Crore Rupees or more

Companies incorporated under Companies Act, 2013 shall be required to comply with its provision within six months from date of incorporation. In case of companies incorporated under Companies Act, 1956, companies are required to comply with the provision within a period of one year from the commencement of the Act. Gender bias has been the problem not only in India, but even in developed countries like USA, UK, Germany, etc. The present Act can give equal opportunities to female employees for betterment of humanity. To reduce this gender bias a provision in law is not enough rather they should be treated in such a way so that they can really add value to the company. So presence of women on Board of Directors appears to have a positive influence on shareholder value at the global level. According to the Report of Research Organisation, 'Catalyst' stated that companies with the highest representation of women Board Directors attained significantly higher financial performance than those with the lowest representation of women board directors.

According to the Report published on Economic Times online edition on July 10, 2014 listed the name of several companies and their recently appointed women directors and also mentioned that appointed women directors are either too popular or a family member.

The Report published the Business Standard noted that only 4% of Indian company directors are women according to a report. India has two companies

in the Fortune 500, Reliance Industries and Indian Oil, but only one of their Directors is a woman among thirty Directors.

According to the Report of Economic Times of India dated 07-07-2014, 904 listed companies were yet to appoint women Directors. This non-compliance is a serious issue unless the Securities and Exchange Board of India (SEBI) consider it seriously.

As India is one of the major and fast growing economies of the world, this initiative taken by Ministry of Corporate Affairs for empowerment of women in the giant and pivotal corporate world, is indeed, highly commendable. Thus, facilitating the lawful entry of woman to the Board of Directors of prescribed class of companies is surely a bright and prudent decision for enhancement of the cherished contributions of women in the economic progress and growth of the country.

The Companies Act, 2013 has Done its part by putting provisions but now it is up to these companies to use these provisions in a constructive manner. One of such constructive way is to build a pipeline of women executive Directors from within the rank along with rigorous mentoring programmes. The programme is initiated by Shriram Capital, TCS, Aditya Birla Group, Vodafone and Capgemini as they are the members of the WILL forum and have been putting high potential women executives to build their aspiration level for acquiring board position.

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