

Deciphering the Indian Boardroom: Russell Reynolds Associates' 2024 India Board Analytics & Insights

Building on the foundation set by [last year's inaugural analysis](#), Russell Reynolds Associates proudly presents the second annual **Board Matters: India Board Analytics Report**. This year's report continues to delve into the composition of the top 200 National Stock Exchange (NSE) listed companies in India, hereafter referred to as the TOP 200.* Our analysis extends to compare these demographics with other leading markets globally, offering a wider perspective and deeper insights into how India's boards are evolving.

[Here's what we learned.](#)

*TOP 200 - Russell Reynolds Associates analyzed the top 200 listed companies from the National Stock Exchange of India Limited (NSE) companies, excluding public sector enterprises (wholly or partially government owned). Data was collected in September 2024.

Quick Facts: Board Demographics for India's TOP 200

64

Average age of independent director, vs. 65 years old in 2023

9.8

Average board size, -0.4 vs. 2023

2.1

Average publicly listed board memberships

21%

Of board members are women, +2% vs. 2023

53%

Of board members are independent, -1% vs. 2023

Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2023, n = 1,639 directors analyzed & September 2024, n = 1,962 directors analyzed

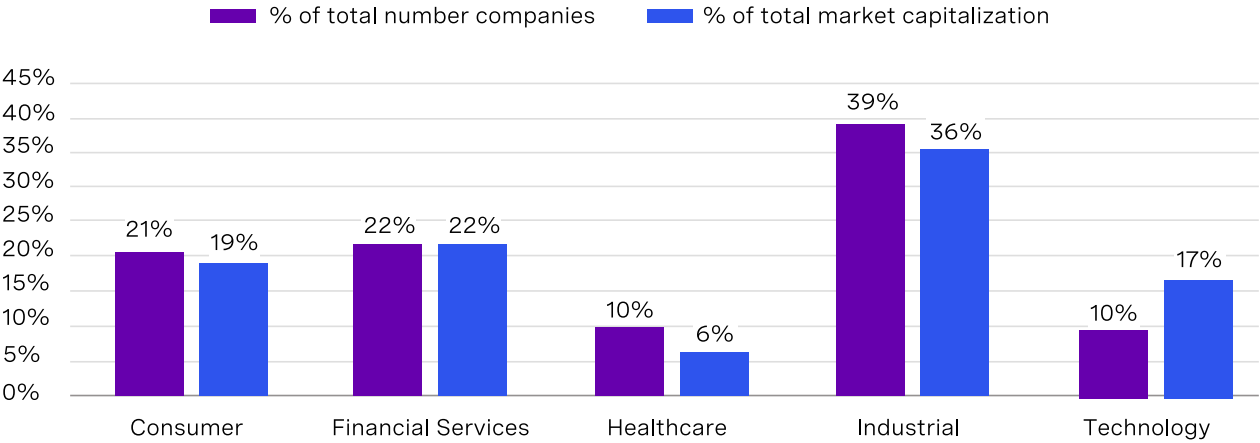


Industry and market capitalization breakdown

The TOP 200 companies represent approximately 75% of the total market capitalization of the 500 largest NSE-listed companies in India. The industrial sector is the most prominently featured, representing 39% of the TOP 200 and 36% of its total market capitalization, making it the largest sector. It's closely followed by financial services, consumer, technology, and healthcare sectors.

Though technology firms only account for 10% of the TOP 200, they command a notable 17% of the total market capitalization. In contrast, healthcare companies—also 10% of the TOP 200—account for just 6% of the total market capitalization (Figure 1).

Figure 1: Breakdown of TOP 200 companies by industry
Share of companies vs. market capitalization by industry



Source: Russell Reynolds Associates' TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2024, n = 200



India board size and independence: How does India compare to other countries?

The TOP 200 saw a marginal decrease in average board size that aligned with other geographies

In 2024, the average TOP 200 board size is 9.8 directors, down from 10.2 in 2023. We observed this reduction across all industries, with the technology sector seeing the most notable decrease from 10.1 to 9.3 directors. Despite these changes, board sizes remained relatively consistent across the industries, ranging from 9.3 to 10.2 directors (Figure 2a).

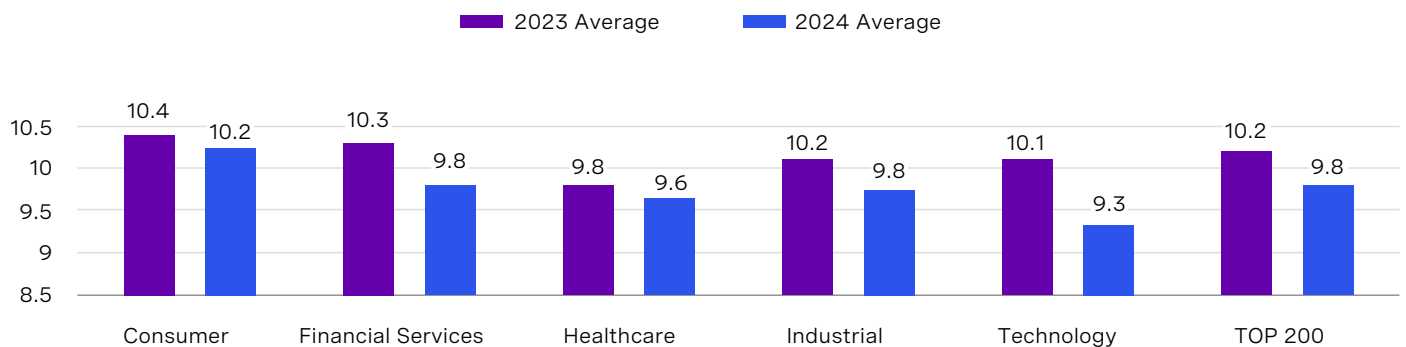
The reduction in board size may be attributed to 2023/4's mandatory retirement rule for non-executive directors, in

accordance with [regulatory stipulations governing term limits and tenure](#). Companies appear to have used this regulation as an opportunity to reassess and streamline their board composition, consequently leading to a decrease in the number of board members.

India's average board size aligns with those in other geographies. Companies on Singapore's STI 30 average 10.1 directors per board, and the UK's FTSE 100 averages 10.4 directors. In contrast, boards in the US's S&P 100 are larger, averaging 11.9 directors (Figure 2b).

Figure 2a: YoY TOP 200 board size by industry

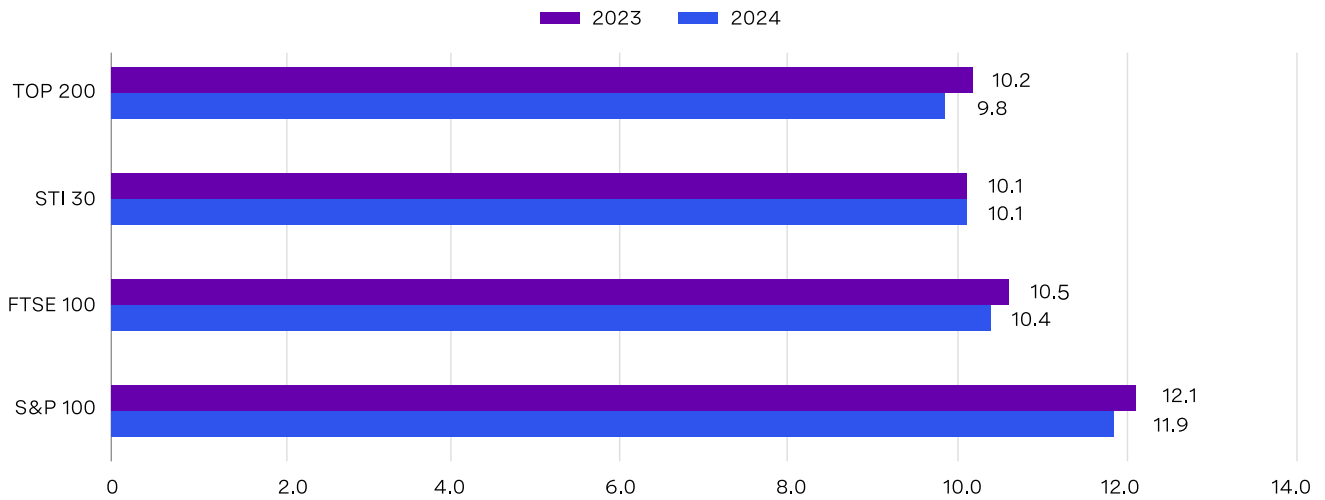
TOP 200 average board size by industry (2023 vs. 2024)



Source: Russell Reynolds Associates' TOP 200 board analysis, data collected from Prime Infobase in September 2023 & September 2024, n = 200

Figure 2b: YoY board size across markets: TOP 200 (India), STI 30 (Singapore), FTSE 100 (UK), S&P 100 (USA)

Average board size across markets (2023 vs. 2024)



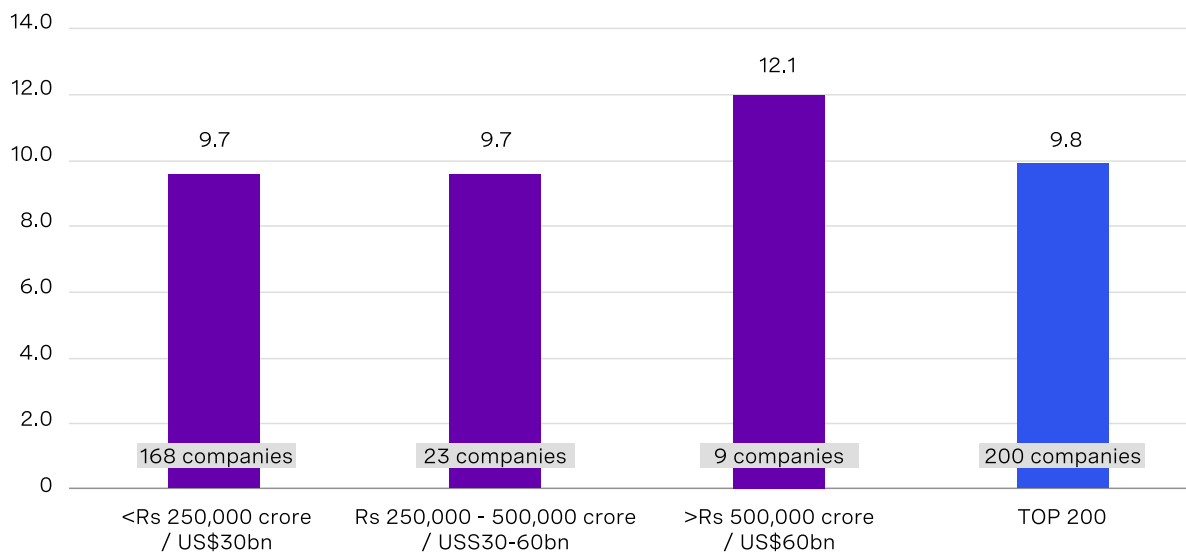
Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2023 & September 2024, n = 200. STI30, FTSE 100 and S&P 100 board analysis, data collected from BoardEx in September 2023 & September 2024, n = 30, 100, 100, respectively.

Market capitalization vs. board size in the TOP 200

Companies with market capitalization below Rs. 500,000 crore (\$60 billion) have an average board size of 9.7 directors, while those above Rs. 500,000 crore (\$60 billion)

average 12.1 directors (Figure 2c). The correlation between market capitalization and board size is generally weak, except for the nine organizations that fall into this market capitalization over Rs. 500,000 crore range. However, given the limited sample size, it's challenging to derive robust conclusions from this alone.

Figure 2c: TOP 200 board size by market capitalization



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2024, n = 200

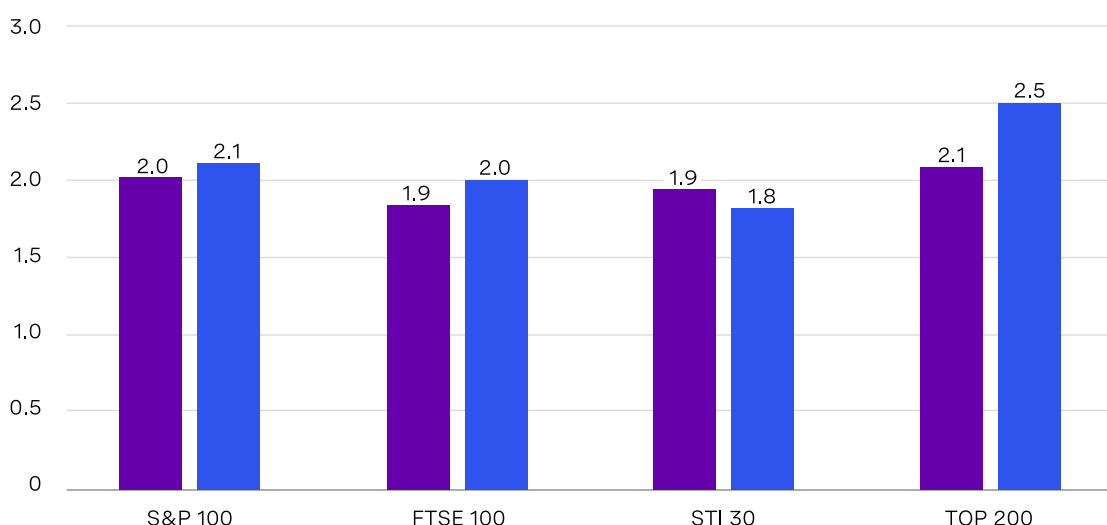
Despite over-boarding perceptions, directors in India don't hold significantly more board seats than their global peers

SEBI regulations limit directors to serving on a maximum of seven listed company boards. While there is a perception that directors in India are over-boarded, our analysis shows

that the average director among India's TOP 200 companies hold 2.1 listed board seats, which aligns closely with their global counterparts, where directors typically hold 1.9 to 2.0 listed board seats (Figure 2d). However, independent directors in the TOP 200 companies hold slightly more, with an average of 2.5 listed board seats, compared to 1.8 to 2.1 seats in other markets.

Figure 2d: Listed board directorships per director across markets: TOP 200 (India), STI 30 (Singapore), FTSE 100 (UK), S&P 100 (USA)

Average number of listed board seats per director across markets



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2024, n = 1,962. STI30, FTSE 100 and S&P 100 board analysis, data collected from BoardEx in September 2024, n (STI30) = 302; n (FTSE100) = 1,036; n (S&P 100) = 1,185.

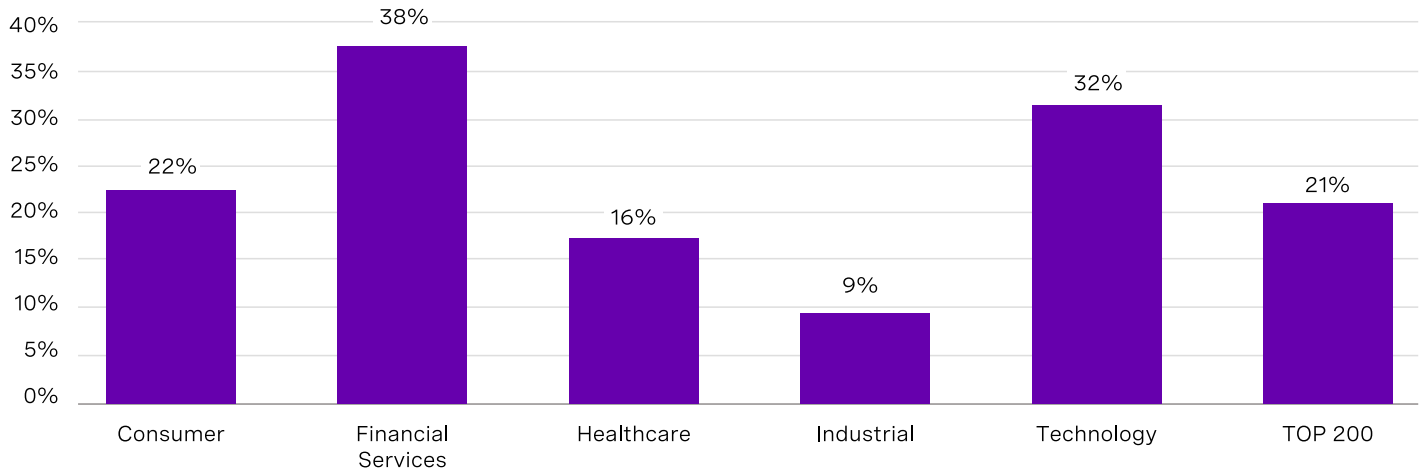
TOP 200 board independence

Independent board chair representation behind other markets

The proportion of independent board chairs among the TOP 200 companies stands at 21% (Figure 3a). The financial services sector maintains the highest proportion of independent board chairs at 38%, driven by specific

regulatory requirements. For instance, the Reserve Bank of India mandates that the board chair of commercial banks be an independent director. While there is not an equivalent mandate for insurance companies, as of May 2024, these organizations must seek prior [approval](#) from the Insurance Regulatory and Development Authority before appointing their board chair.

Figure 3a: TOP 200 boards with independent board chair by industry
 TOP 200 - Percentage of boards with independent board chair by industry

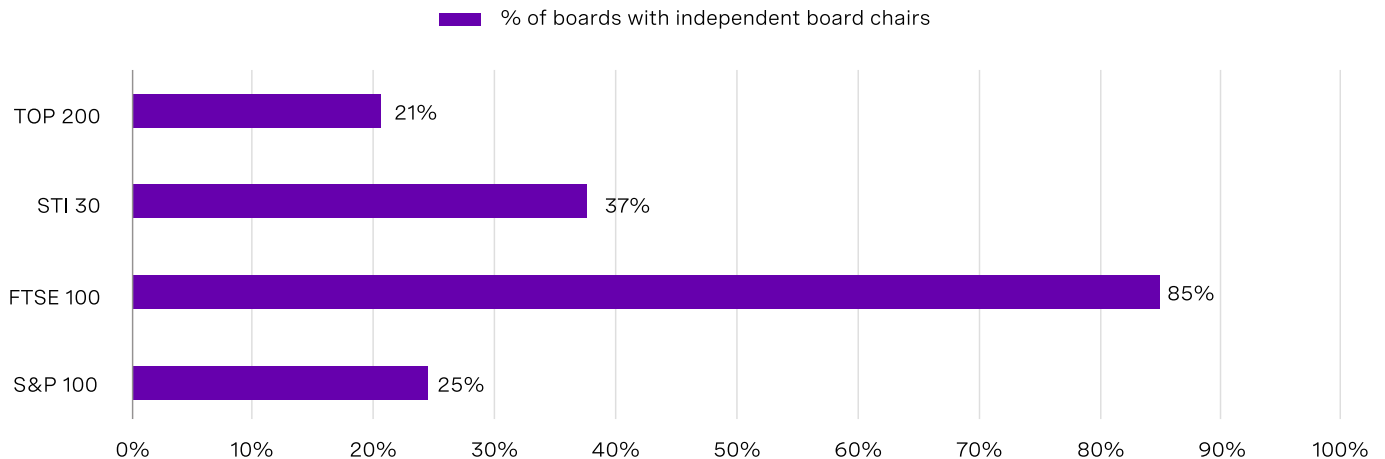


Source: Russell Reynolds Associates' TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2024, n = 200

Compared to their global counterparts, the TOP 200 has the lowest proportion of independent board chairs—only 21%. This is significantly behind the FTSE 100, which leads with 85% board chair independency.

Figure 3b: Boards with independent board chairs across markets: TOP 200 (India), STI 30 (Singapore), FTSE 100 (UK), S&P 100 (USA)

Percentage of board with independent chair across markets



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2023 & September 2024, n = 200. STI30, FTSE 100 and S&P 100 board analysis, data collected from BoardEx in September 2023 & September 2024, n = 30, 100, 100 respectively



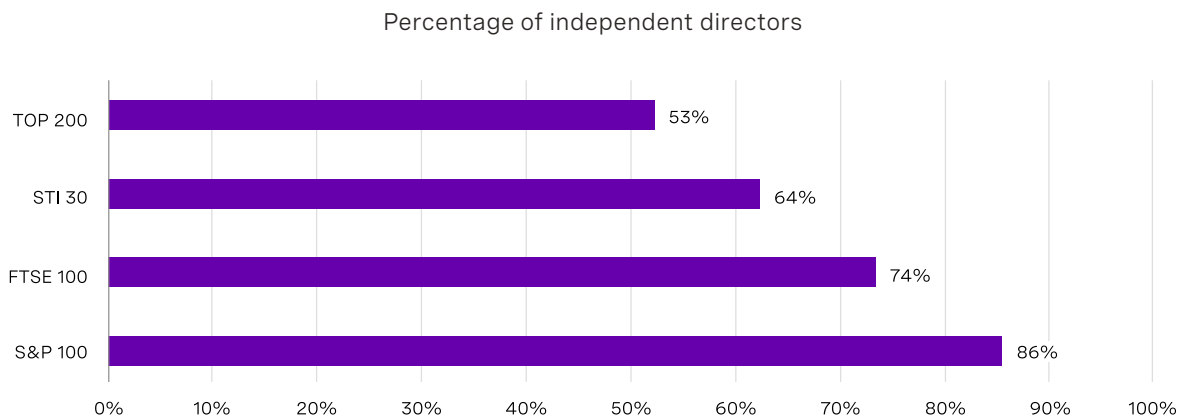
TOP 200 board independence lags behind global peers

Within the TOP 200, 53% of directors are independent. By comparison, this is lower than other markets, as 64% of STI 30 directors, 74% of FTSE 100 directors, and 86% of S&P 100 directors identify as independent (Figure 3c).

SEBI regulations stipulate that boards must include at least 50% independent directors if the chair is an executive, and one-third if the chair is non-executive.

In India, there has been a significant cultural and regulatory shift toward ensuring publicly listed companies maintain a majority of independent directors on their boards. However, while the proportion of independent directors in India might appear modest compared to other countries, it's important to recognize the context within which Indian businesses operate. Many companies in India are family-owned, which inherently influences board composition. Consequently, direct comparisons with countries where family-owned businesses are less prevalent may not provide an accurate conclusion.

Figure 3c: Independent directors across markets: TOP 200 (India), STI 30 (Singapore), FTSE 100 (UK), S&P 100 (USA)



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2024, n = 1,962. STI30, FTSE 100 and S&P 100 board analysis, data collected from BoardEx in September 2024, n (STI30) = 302; n (FTSE100) = 1,036; n (S&P 100) = 1,185.

TOP 200 board diversity

Incremental progress towards gender parity on India's boards

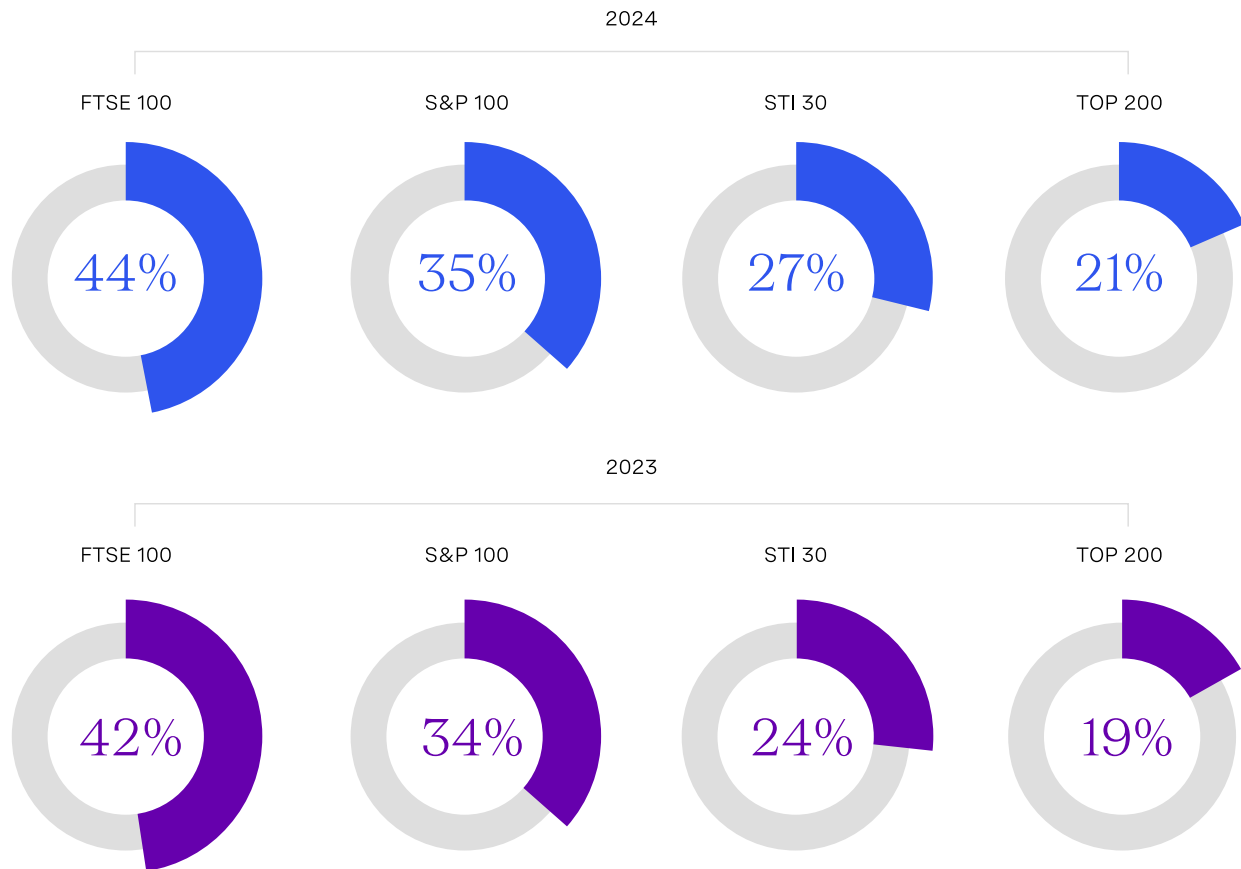
India is making gradual progress in enhancing gender diversity within its boardrooms. As of this year, women account for 21% of all directors in the TOP 200, up from 19% in 2023. Despite these gains, India remains behind global standards, where women make up 44% of FTSE 100 directors and 34% of S&P 100 directors (Figure 4a).

The Companies Act of 2013 mandated that all listed companies must have at least one woman director. Further,

the SEBI regulations require the top 1,000 listed entities to include at least one independent woman director. While these regulations mark a significant step forward, India's journey towards gender parity on boards is comparatively recent, especially when viewed against longer-standing efforts in the UK and US, where organizations like Catalyst and the 30% Club have been advocating for increased women representation on boards since the early 2000s.

As corporate India continues to promote gender diversity in its C-suite, we expect these efforts to positively influence boardroom compositions over time.

Figure 4a: Board gender diversity across markets: TOP 200 (India), STI 30 (Singapore), FTSE 100 (UK), S&P 100 (USA)
Percentage of women directors across markets



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2023, n = 1,639 & September 2024, n = 1,962. STI30, FTSE 100 and S&P 100 board analysis, data collected from BoardEx in September 2023, n (STI30) = 303; n (FTSE100) = 1,051; n (S&P 100) = 1,205 & September 2024, n (STI30) = 302; n (FTSE100) = 1,036; n (S&P 100) = 1,185.

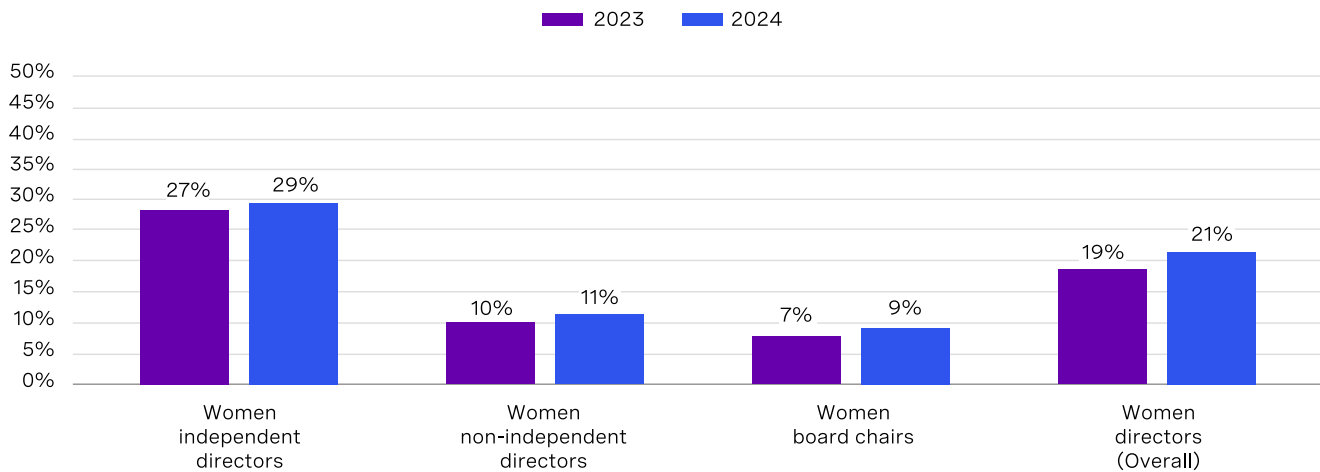
Women independent directors are nearly 3x more common than women non-independent directors in the TOP 200

Women’s representation on TOP 200 boards highlights a significant disparity between independent and non-independent roles. Women hold 29% of the TOP 200’s independent director roles, a 2pp increase from 27% last year. In contrast, women hold only 11% of the non-

independent director positions, a nominal increase from last year’s 10% (Figure 4b).

While small, these improvements in the independent director segment can largely be attributed to the “at least one independent woman director” mandate. This directive has evidently begun to influence board compositions, enhancing gender diversity more substantially in independent roles than in non-independent ones.

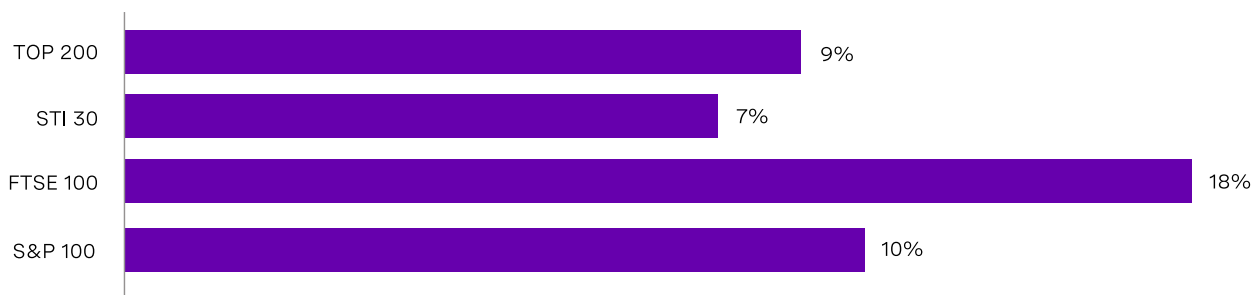
Figure 4b: YoY TOP 200 board gender diversity
Percentage of women across director roles (2023 vs. 2024)



Source: Russell Reynolds Associates’ NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2023, n = 394 women directors & September 2024, n = 401 women directors

Among the TOP 200 boards, 9% of board chairs are women, an increase from 7% last year. This figure aligns with STI (7%) and S&P 100 (10%), while FTSE 100 leads with 18% women board chairs (Figure 4c).

Figure 4c: Board chair gender diversity across markets: TOP 200 (India), STI 30 (Singapore), FTSE 100 (UK), S&P 100 (USA)
Percentage of boards with woman board chair



Source: Russell Reynolds Associates’ NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2023 & September 2024, n = 200. STI30, FTSE 100 and S&P 100 board analysis, data collected from BoardEx in September 2023 & September 2024, n = 30, 100, 100 respectively



Women independent directors in India are younger than their male counterparts

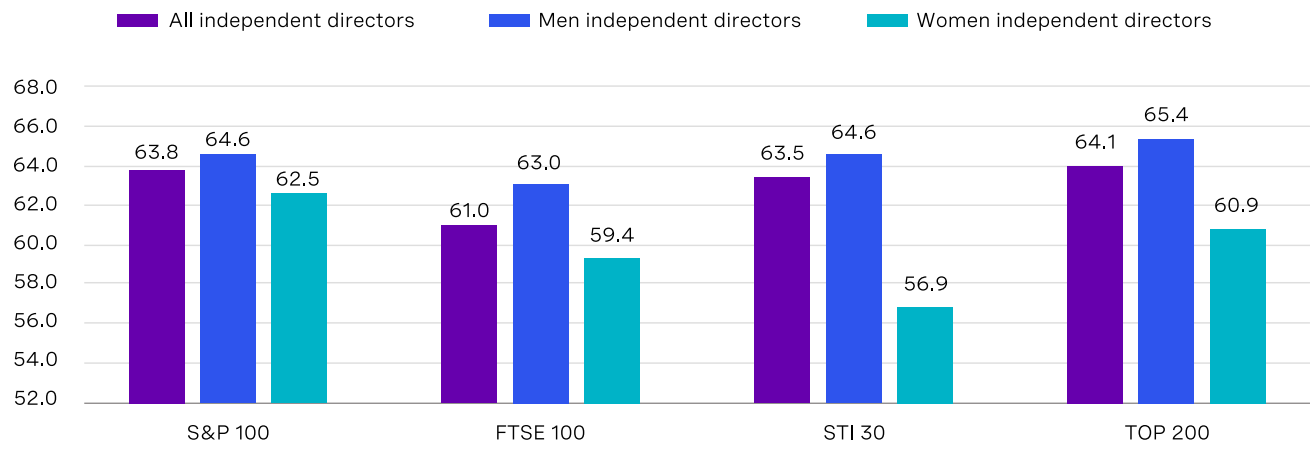
The average age of independent directors in India's TOP 200 companies is 64.1 years, roughly in line with other markets.

On average, women independent directors in these Indian companies are 4.5 years younger than their male counterparts.

We observe similar age gaps between men and women board directors in other geographies as well, with the largest gap occurring in the STI 30 (where men are, on average, 7.7 years older than women directors) and the smallest in the S&P 100 (with a 2.1-year difference) (Figure 4d).

Figure 4d: Age of independent directors across markets by gender: TOP 200 (India), STI 30 (Singapore), FTSE 100 (UK), S&P 100 (USA)

Average age of independent directors by gender across markets



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from Prime Infobase in September 2024, n = 1,962. STI30, FTSE 100 and S&P 100 board analysis, data collected from BoardEx in September 2024, n (STI30) = 302; n (FTSE100) = 1,036; n (S&P 100) = 1,185.

TOP 200 board committees demographics

Women are better represented across committee chair roles

In India's TOP 200 companies, there has been a notable increase in women's representation across key committee chair roles (Figures 5a and 5b):

- **NRC chairs** have seen the most significant growth, with women's representation rising to 33% from 26% in 2023
- Women hold 31% of **CSR chair** roles, up from 28% last year

- Women hold 14% of **audit chair** roles, up from 10% last year

- **Board chairs** have also seen an increase, with women holding 9% of these positions, up from 7%

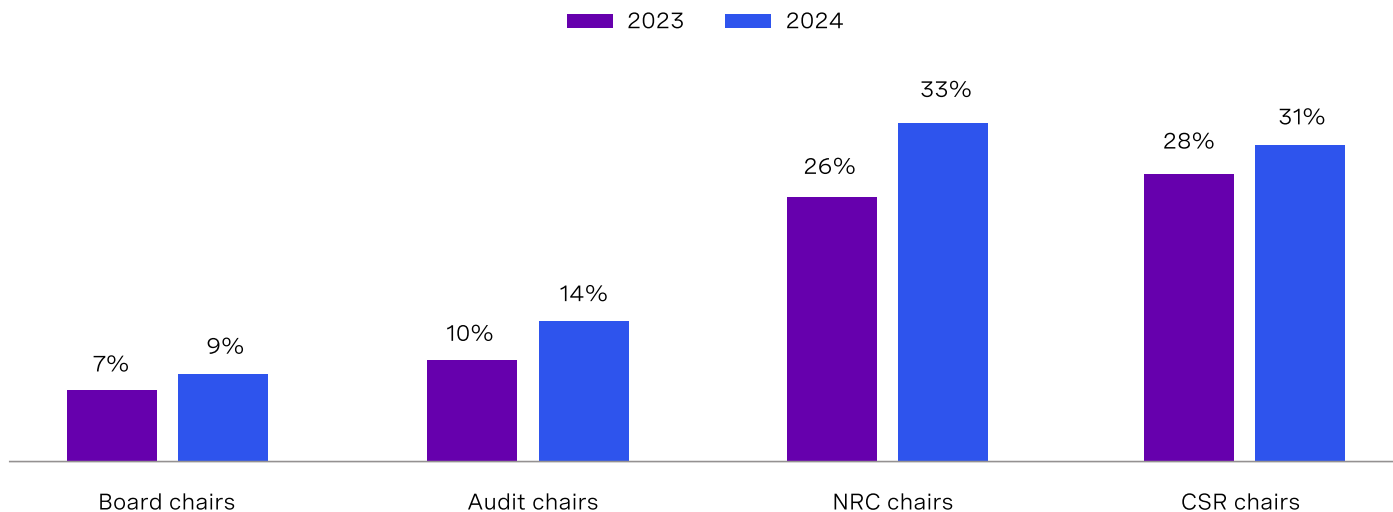
While women saw better representation in CSR chair roles in 2023, the 2024 data reveals that the NRC chair role has taken the lead on gender diversity, indicating a shift in where women leadership is most prevalent.

Figure 5a: TOP 200 chair demographics snapshot (2024)

Industry	Avg age of board chair	Board chair gender diversity (% women)	Avg age of audit chair	Audit chair gender diversity (% women)	Avg age of NRC chair	NRC chair gender diversity (% women)	Avg age of CSR chair	CSR chair gender diversity (% women)
Consumer	65	7%	66	12%	64	45%	64	23%
Financial Services	64	0%	66	14%	65	29%	63	21%
Healthcare	71	21%	66	5%	67	21%	69	44%
Industrial	63	9%	67	13%	65	34%	64	36%
Technology	63	16%	66	26%	65	26%	58	39%
TOP 200	65	9%	66	14%	65	33%	64	31%

Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2024, n = 200

Figure 5b: YoY TOP 200 gender diversity in chair roles
 Percentage of women in TOP 200 chair roles (2023 vs. 2024)

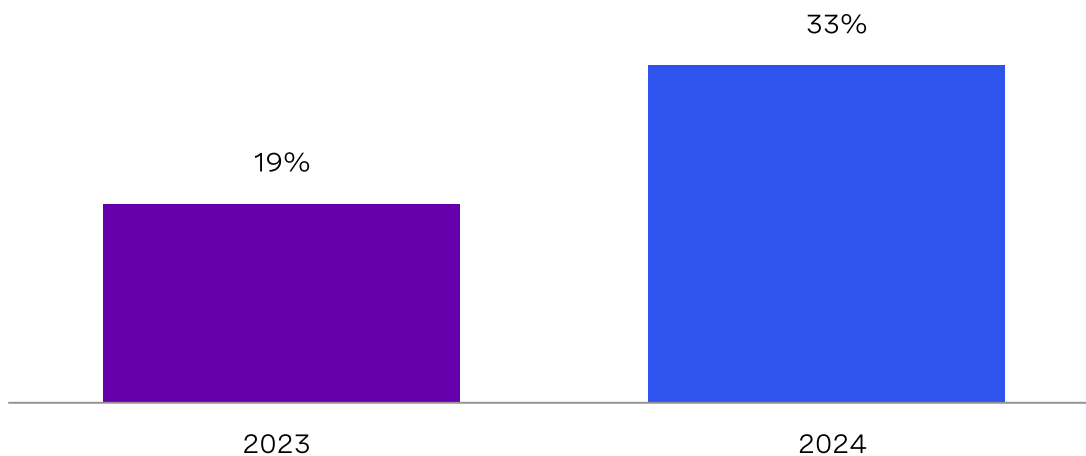


Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from Prime Infobase in September 2024, n = 200

Rise in audit chairs coming from an accounting firm background

In 2023, only 19% of audit chairs among the TOP 200 companies came from an accounting firm background. This year, that figure increased to 33%, reflecting a growing preference for the technical expertise and cross-sector exposure that these professionals bring to the audit role.

Figure 5c: TOP 200 audit chairs from accounting firm background
 Percentage of TOP 200 audit chairs from accounting firm background (2023 vs. 2024)



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from Prime Infobase in September 2024, n = 200

While incrementally improving, HR expertise among NRC chairs remains low

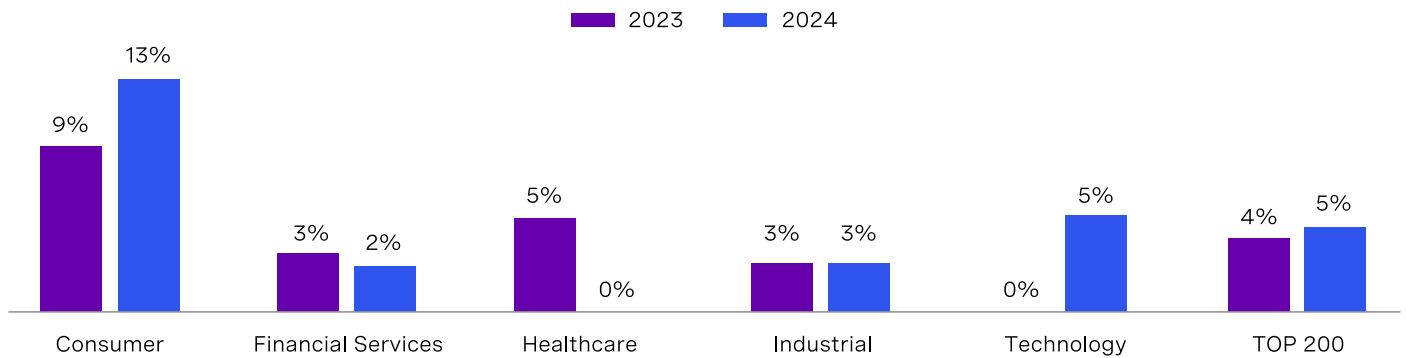
In India's TOP 200 companies, 5% of NRC chairs now bring chief people officer or head of HR experience to the role, up from 4% in 2023 (Figure 5d). Notably, the TOP 200's technology industry, which did not include any NRCs with HR expertise in 2023, now see 5% of its NRCs bringing this skillset to the table.

The role of the NRC chair is crucial, covering essential governance areas such as C-suite succession planning,

executive compensation, organizational culture, and DE&I initiatives. These tasks are critical for aligning corporate strategy with the challenges and opportunities of modern business. Given the complex nature of these responsibilities, it's beneficial for boards to have NRC chairs with extensive HR experience.

Organizations should aim to increase the share of HR leaders in NRC roles, as experience managing complex human capital issues is key to fostering strategic alignment and supporting sustainable business success.

Figure 5d: YoY TOP 200 NRC chair with CHRO/ Head of HR experience by industry
Percentage of TOP 200 NRC chairs with CHRO or head of HR experience by industry (2023 vs. 2024)



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2024, n = 200

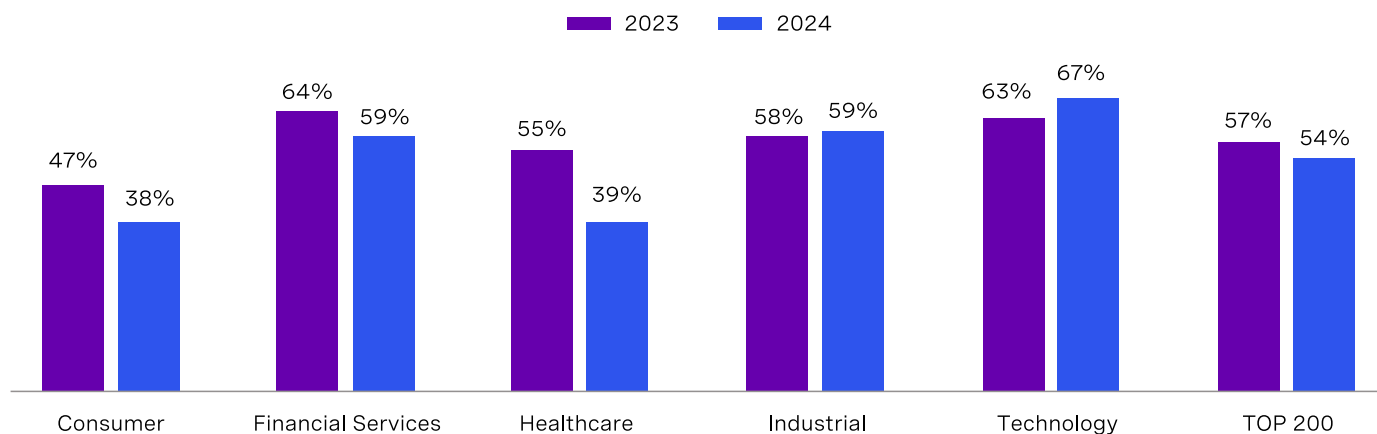
More than half of CSR chairs are independent, highlighting a modest decline from last year

In India, companies above certain financial thresholds are mandated to spend at least 2% of their average net profits from the last three years on CSR initiatives. This

emphasizes the necessity for effective governance in overseeing CSR spending.

Despite a modest 3pp decline in the proportion of TOP 200 independent CSR chairs since 2023, the majority remain independent (Figure 5e). This ensures that CSR committees are led by those who can provide objective oversight.

Figure 5e: YoY TOP 200 CSR chairs who are independent by industry
 Percentage of TOP 200 independent CSR chairs by industry (2023 vs. 2024)



Source: Russell Reynolds Associates' NSE TOP 200 board analysis, data collected from [Prime Infobase](#) in September 2024, n = 200

Furthermore, the data shows that 26% of TOP 200 board chairs are CSR chairs, consistent with the previous year. This underlines the critical importance attributed to CSR roles, showcasing the strategic commitment of top

executives to uphold and advance CSR objectives within their governance practices. This ongoing dedication is pivotal for aligning CSR initiatives with broader corporate strategy and ensuring their effective execution.

Mid-term NSE board cessation

Across all NSE-listed companies (not just the TOP 200), there are approximately 9,500 independent director positions. In the first three quarters of the year, 3.2% (or 304) of these independent directors terminated their positions prematurely, with 94% of them (285 directors) resigning (Figure 6a).

Of the 285 independent directors who resigned in 2024, 54% cited preoccupation with other commitments as their reason, up from 47% in 2023.

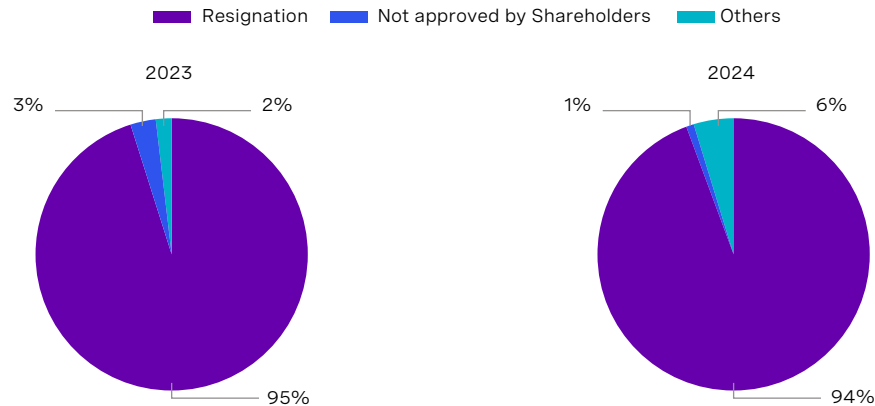
Other common reasons included personal issues (27%) and health or age (6%). Notably, 2% (5 directors) mentioned conflicts such as disagreements with management, up from 1% (2 directors) in 2023 (Figure 6b).

SEBI requires companies to disclose detailed reasons for the premature resignations of independent directors.

Companies must report these reasons to the stock exchanges within seven days, including the full resignation letter. Furthermore, directors are required to affirm that there are no undisclosed reasons beyond those provided, aiming to prevent evasive explanations. If reasons such as pre-occupation or personal reasons are stated in the resignation letter, then a one-year cooling off period is required before the individual can seek appointment in another listed entity.

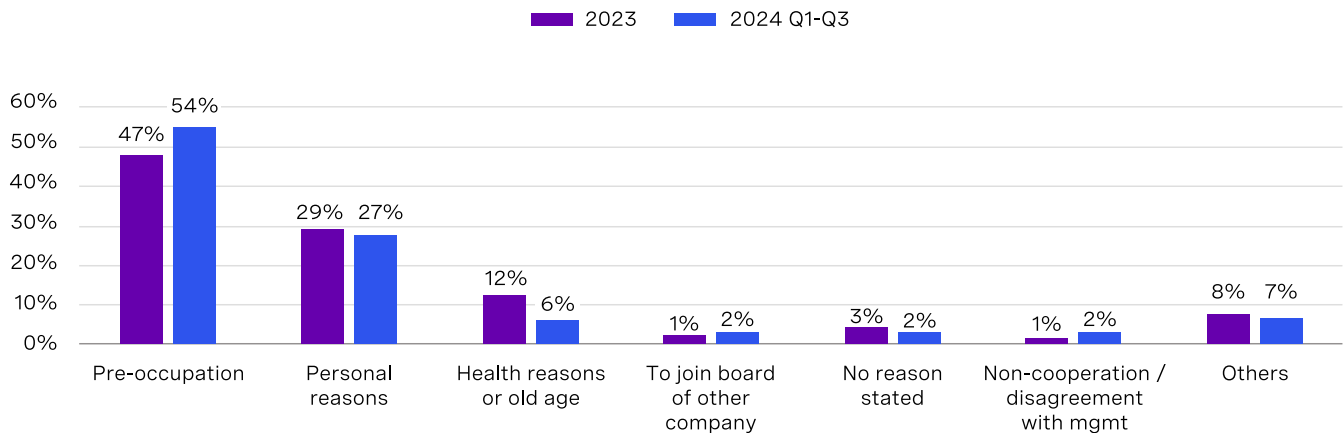
With SEBI's oversight, more directors are addressing governance and ethical issues. This is evidenced by the slight increase in the number of directors citing disagreements with management, although the overall number remains small. Still, this push for transparency is expected to foster a culture of accountability and ethical governance within corporate boards.

Figure 6a: Reasons for mid-term independent director board cessations of all NSE-listed companies
 Breakdown of reasons for mid-term board cessation of independent directors across all NSE-listed companies
 (2023 vs. 2024)



Source: Data collected from Prime Infobase in September 2024, n = 390 (2023), n = 304 (Q1 - Q3 2024). Others include non-attendance of board meetings, disqualification under Companies Act, and miscellaneous.

Figure 6b: Reasons given by independent directors who resign mid-term across all NSE-listed companies
 Reasons given by independent directors who resign mid-term (2023 vs. Q1-Q3 2024)



Source: Data collected from Prime Infobase in September 2024, n = 372 (2023), n = 285 (Q1 - Q3 2024). Others include due to resolution plan, to comply with SEBI/COMPANIES ACT/ RBI/IRDAI regulations, due to NCLT/SEBI/RBI/court order, due to change of role or management, etc.

Looking Forward: The Future of India's TOP 200 Boards

Regulatory reforms in India have continuously evolved, redefining and enhancing the importance of independent directors. The role of independent directors is crucial in navigating the rapidly changing business landscape and ensuring effective governance. This report has outlined key trends and demographics within India's TOP 200 boards,

including insights into independence, board diversity, and independent director mid-term cessation.

We hope that this report can serve as a benchmark for organizations aiming to elevate governance standards. We are encouraged by the improvements in most of the metrics assessed, some of which now align with other leading markets. These regulations are fostering a culture of excellence that we expect to continue advancing in the coming years.



Authors

Sanjay Kapoor leads Russell Reynolds Associates' Board & CEO Advisory in India. He is based in New Delhi.

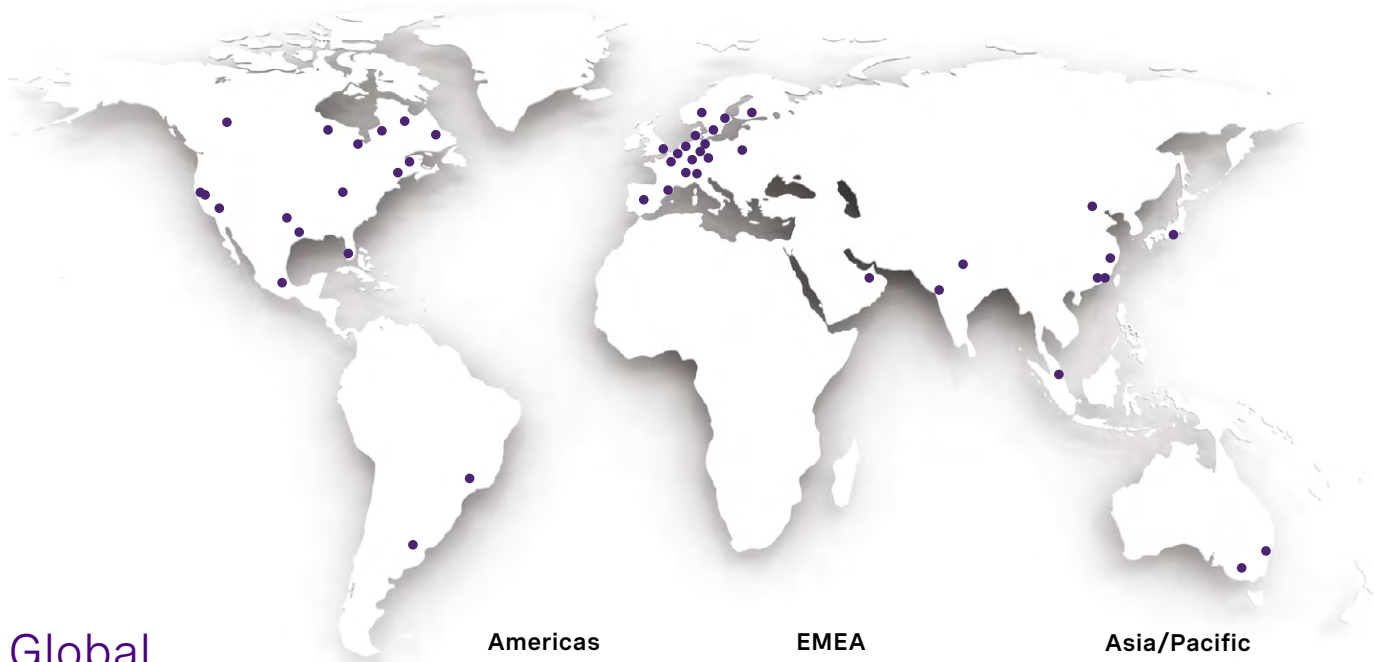
Sanchit Jain is a member of Russell Reynolds Associates' Technology Practice and Board & CEO Advisory in India. He is based in New Delhi.

Laura Syn leads Russell Reynolds Associates' Knowledge team in Asia Pacific. She is based in Hong Kong.

About Russell Reynolds Associates

Russell Reynolds Associates is a global leadership advisory firm. Our 500+ consultants in 47 offices work with public, private, and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today's challenges and anticipate the digital, economic, sustainability, and political trends that are reshaping the global business environment. From helping boards with their structure, culture, and effectiveness to identifying, assessing and defining the best leadership for organizations, our teams bring their decades of expertise to help clients address their most complex leadership issues. We exist to improve the way the world is led

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