

# BOARDS BECOMING SMALLER OVER TIME



Boards of directors overseeing the Nifty 500 firms have become smaller in recent years. There were 4,813 directors in 2018; that number declined to 4,559 in 2020, noted the 'Indian Boards: Structure And Breadth' report from the Mumbai-headquartered

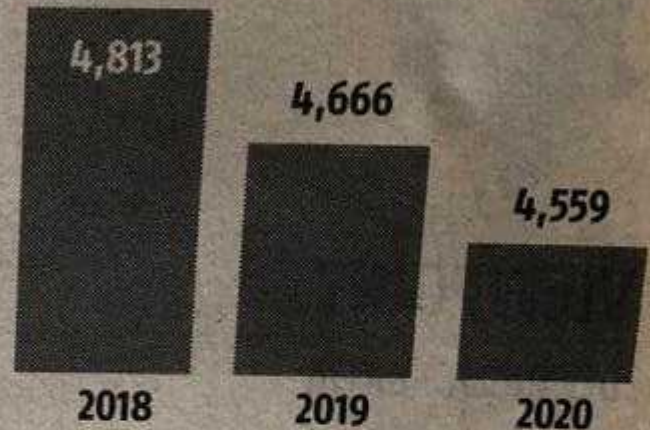
Institutional Investor Advisory Services.

The average number of people on the board of a company shows a decline for multinational firms and PSUs, as well as institutionally controlled and widely held companies. The fall in independent directors, largely led by public sector companies, has played a major role. Many are yet to fill vacancies, noted the report. There were 133 fewer independent directors on PSU boards in 2020 compared to 2019, even as there were 72 such firms in both years. A churn in the composition of the companies which make up the Nifty 500 has also contributed, said the report.

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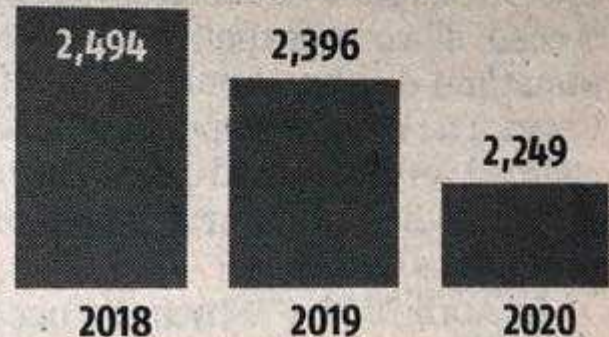
## A steady decline in board members

No. of directorships (Nifty 500 firms)



## Fewer independent directors than before

Total number of independent directors in Nifty 500 firms



Note: As of December 31 for each year given.  
Source: IIAS Research, PRIME Database Group