

COVID DISRUPTIONS prevented formal meetings, but shift to online platforms led to greater interactions among members

Boards Met Less, But Talked More in FY21

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ET Intelligence Group: As India Inc struggled to tide over the challenges brought on by the pandemic, a majority of the leading Indian companies did not conduct as many board meetings in FY21 as they did in FY20.

An analysis of the board meetings of 84 of the Nifty-100 companies, compiled by Prime Database, has revealed that in a little over half (56%) of the companies, the boards met either fewer or as many times as they did the previous year.

Not many companies could conduct formal board meetings in the initial months of FY21 until regulatory clarity emerged on the online mode.

Hence, the number of formal board meetings, therefore, does not provide the complete picture of board engagement during the pandemic.

According to industry experts, the board engagement during the pandemic has been at an unprecedentedly high level — thanks to

frequent informal online meetings, interaction on WhatsApp groups, the option of chatting on virtual calls and overall ease of interaction through digital means. The ease and nominal cost of conducting an online board meeting enabled board members to meet online more often than they might have before the pandemic.

"I have been involved in several instances where individual board members clicked their laptops and sought personal time from each other," said Milind Sarwate, an independent director

on several boards of Indian companies. "The objectives ranged from getting more clarity on a particular point discussed or to be discussed at a formal board meeting to bouncing off new ideas that needed some discussions before they could be taken up at a formal board meeting," he added.

Sarwate told ET that the pandemic has forced many boards to create WhatsApp groups over which they could interact freely, either individu-

Virtually Engaged

Board Meetings in FY21 for 84 of the Nifty100 companies

26 COMPANIES conducted board meetings lesser than FY20

21 COMPANIES conducted as many meetings as in FY20

17 COMPANIES conducted one meeting more than that in FY20

20 COMPANIES conducted two or more meetings higher than that in FY20

Companies with the highest jump in the number of board meetings held

	2019-20	2020-21
ACC	5	12
IndusInd Bank	9	19
ICICI Pru Life Insurance	6	12
HDFC Bank	9	17
Yes Bank	11	20

SOURCE: primeinfobase.com



ally or collectively. "Even during formal board meetings, the chat facility offered by the meeting software does add an elegant platform for dialogues on the side," he said.

"It was chaos for the first three months of April to June of FY21," said SN Viswanathan, a practising

company secretary. "The board members often met virtually to take stock of the changing situation during the pandemic since it was not always feasible to conduct formal board meetings giving advance notice and complying with related procedures."

In June this year, the Ministry of Corporate Affairs removed the restrictions on conducting board meetings via video conferencing. Now all the matters, including approval of financial accounts, can be transacted in an online meeting. This further reinforced the trend of online engagement of the board.

Viswanathan told ET that companies are now conducting hybrid board meetings where executive directors meet physically and those unable or reluctant to join are attending through a video call. Online interaction has also reduced the waiting time of the meeting and some board members are able to pack 4-5 meetings in a day.

Incidentally, banking companies have reported the biggest increase in board meetings over the previous year. IndusInd Bank, HDFC Bank and Yes Bank conducted almost double the number of board meetings held in FY20. In contrast, several pharma companies, such as Divi's Labs, Sun Pharma, Alkem Labs and Lupin, conducted significantly fewer meetings than the previous year.