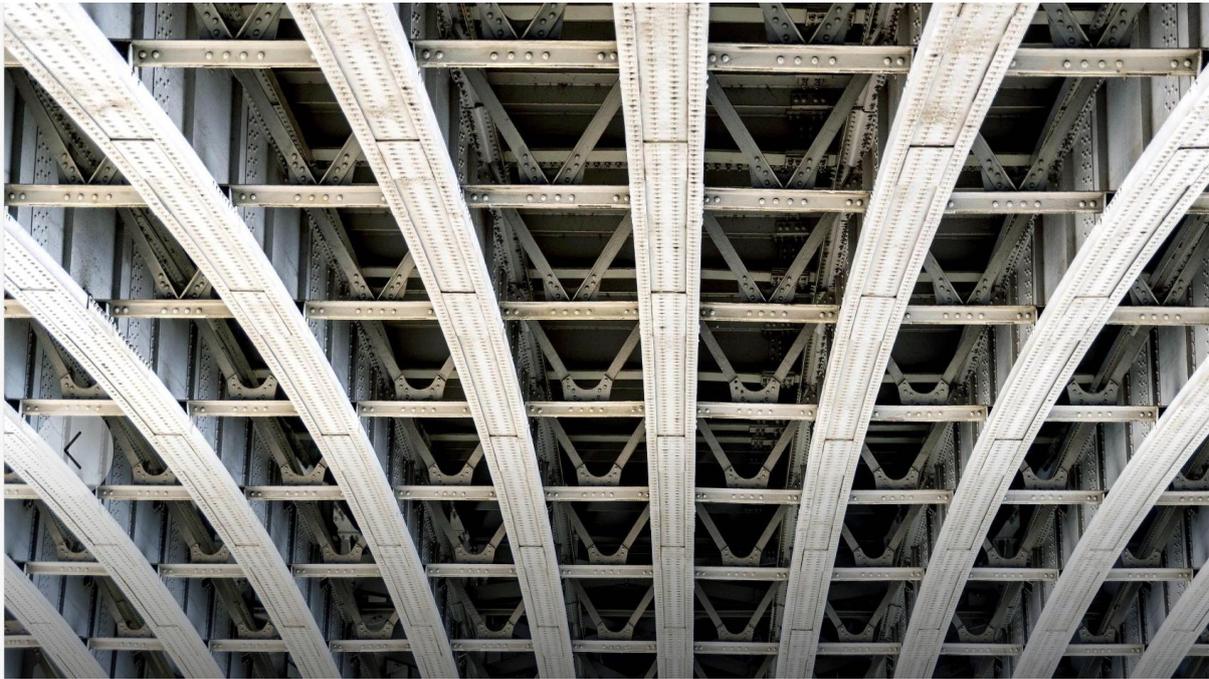


The boards 2026 agenda

Even as the agenda largely remains unchanged, compliance will continue to dominate the discussions. The undertone however will change, weighed by some cases that made headlines during the year.



As Indian companies commence their board evaluations, directors will begin to prioritize what should be on the board's agenda. My conversations tell me most believe that *'plus ça change, plus c'est la même chose.'* Even as the agenda largely remains unchanged most expect compliance to dominate – it always does. The undertone however will change, weighed by some headline cases: Gensol Engineering (weak internal controls; unmonitored related-party transactions); Indigo Airlines (risk management is operational - not just financial; proactive risk assessments for known regulatory changes) and IndusInd Bank (culture matters as much as control; timely disclosures are critical). Here is what to expect.

1. Geopolitics

It's now a discussion within the boardroom rather than a conversation in a post meeting soiree. Companies face intensifying geopolitical headwinds, from disrupting supply chains to market access and tariffs. Concentration risks in critical inputs, dual sourcing where the competition is friend-shoring to allies (e.g., Vietnam, Mexico). Boards must stress test 'what breaks first'? because of tariffs or sanctions or both, review single-source dependencies, and logistic chokepoints to ensure resilience and capex efficiency.

Boards should view US anti-immigration policy as a structural business risk, affecting talent (- both positive and negative), cost structures and pricing, leadership mobility – while US may remain an attractive market, it may not be the best base.

2. Strategy, capital, and regulatory overhang

Strategy discussions should be viewed through the prism of India's \$5 trillion-economy ambition, regulatory tightening, and global macro volatility.

Boards need to constantly review growth plans against a backdrop of shifting trade regimes that impact supply chains, industrial policy (production-linked incentives, localisation) and sector-specific regulations.

Regulatory pressures have shifted from episodic to continuous. The Securities and Exchange Board of India (SEBI), through its evolving Listing Obligation and Disclosure Requirements (LODR) regime, nudges companies toward enhanced disclosures on related party transactions, fund raising, and use of proceeds. With heightened investor scrutiny on leverage, off-balance sheet structures, and promoter pledging, risk and audit committees must now rigorously test whether capital structures can withstand interest rate shocks and liquidity disruptions.

Boards need to grapple with informed institutional investors who now demand that they grasp not just “what is legal,” but “what preserves shareholder trust”.

3. AI, cyber, and data governance

AI is no longer a “technology topic”; it has become a board-level strategic and risk issue in India, just as it has globally. Boards will be expected to examine how AI is reshaping business models - across credit and underwriting, fraud detection, customer journeys, logistics, and internal controls - and to satisfy themselves that robust governance guardrails exist around model risk, bias, explainability, and accountability.

Indian-specific nuances will increasingly shape board agendas. Data localisation requirements, implementing the Digital Personal Data Protection Act, and sectoral data rules will force boards to treat data governance as a core fiduciary responsibility rather than a back-office concern.

Cyber resilience will also draw sharper scrutiny. For example, RBI's governance guidelines for banks already require clearer demarcation of board and management responsibilities for IT and cyber risk, and similar expectations are likely to extend to NBFCs, market infrastructure institutions, and eventually all listed companies.

Boards will assess whether they have access to credible technology, cyber, or AI expertise and how AI is being deployed within the organisation for surveillance, underwriting, HR, and compliance, or to create a new revenue stream. These are precisely the areas where algorithmic bias, data misuse, and opacity can quickly escalate into material regulatory and reputational risks if not actively overseen at the board level.

4. ESG, BRSR Core, and sustainability

There was a time when sustainability was a Corporate Social Responsibility (CSR) adjacent discussion. This now sits at the intersection of risk management, access to capital, and long-term strategy.

This shift of substance over form is driven as much by SEBI's Business Responsibility and Sustainability Reporting (BRSR) and BRSR Core frameworks as it is by funds integrating ESG into their investment decisions. The expectation today is that sustainability reporting will increasingly mirror financial reporting.

Three strands will be in focus. First, reporting and assurance and the board's oversight over ensuring data integrity. Second, transition and physical climate risks: sectors such as energy, heavy industry, autos, real estate, and finance must explicitly link climate and environmental risks. Third, social and governance issues, based on reputational and even ethical grounds.

5. Board independence, and effectiveness

Since 2018, SEBI's approach to corporate governance has steadily evolved from a box-ticking focus on numerical compliance - such as the presence of women directors - towards a definition of independence. It is now pivoting to a sharper emphasis on the quality of independence and board processes, has been articulated by Tuhin Kanta Pandey, SEBI's current chair (https://www.business-standard.com/opinion/columns/true-test-of-independent-directors-lies-in-their-integrity-not-box-ticking-125082101585_1.html).

Boards will face greater pressure to demonstrate credible succession planning for the CEO, key executives, and committee chairs, and to add capabilities in

areas such as technology, digital finance, ESG, and global markets. At the same time, investors will scrutinise independence, including promoter influence (seen in RBI actions on banks), [cross-group directorships, and extended tenures in company groups](#).

6. Shareholder engagement

India's promoter-heavy ownership structure, combined with rising institutional and retail participation, is reshaping shareholder engagement. Boards will need to treat engagement as a continuous, structured process rather than an annual AGM ritual. Executive pay will face sharper scrutiny as remuneration levels rise and companies increasingly use stock options and restricted stock units alongside other performance-linked incentives, with investors questioning the alignment of metrics with performance parameters including ESG goals and long-term value. Related-party transactions and complex group structures will remain flashpoints, requiring audit committees and independent directors to question and call for greater disclosure discipline. At the same time, engagement will intensify through FPIs, domestic stewardship obligations, and increasingly vocal retail shareholders, empowered by digital voting and proxy research.

Overseeing how regulations affect strategies and processes, in an uncertain environment, amidst sharper scrutiny from institutional and retail investors, will shape the priorities for the year ahead.

Related:

[The Boards AI Agenda](#), 29 August 2025

[The Boards 2025 Agenda](#), 7 January 2025

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A modified version of this blog by Amit Tandon was published in the print edition of Business Standard on 14 January 2025. The article is behind a paywall. The newspaper's subscribers can access the blog through this [link](#) or typing the following url:

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