

THE **2022** BOARD GOVERNANCE & DIVERSITY REPORT



A STUDY OF METRICS IN BOARD OPERATIONS AND DIVERSITY



The **2022 Board Governance & Diversity Report** analyses board operations and diversity metrics for Directors on the Boards of listed and unlisted companies in India. This edition covers 1,998 companies and 21,735 Directors in its analysis. The report covers the following areas:

Board Operations Metrics



Board size and trends • number of IDs and NEDs • share of IDs on Company Boards • Board independence • promoter presence on the Board • total Board pay bill • number of Board meetings held each year • what makes ESG different?

Gender Diversity and Equality



Male vs female representation across executive levels • company with no female representation • gender-wise pay split by level • changes in pay FY18-22 • female pay composition.

DETAILED PEER COMPARISONS & CROSS TABULATION



1,998 listed and unlisted
companies studied



5 years of
compensation trends



6 top Exec and NED
positions covered



21,735
Executives/Directors
reviewed



11 sectors
analysed



7-way
Cross tabulation

In addition to sector, revenue, profits and ownership splits, detailed cross-tabulations are made on the basis of the following parameters:

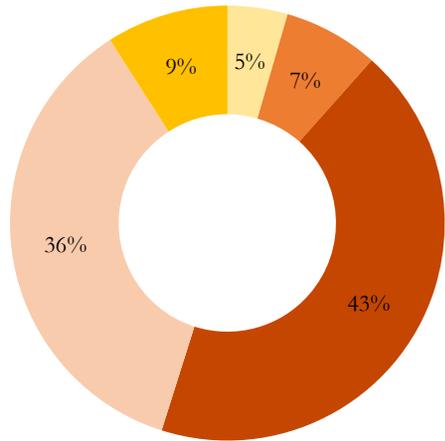
- **Designation:** CMD, CEO, CFO, CS, NED and Non-Exec Chairman
- **Market cap:** Large cap, mid cap, small cap, micro cap and unlisted companies
- **Company Age group:** <Pre liberalisation (<1991); Liberalisation to GFC (1991-2007); Post GFC (2008 and after)
- **Gender**
- **Environmental, social and governance (ESG) criteria:** Large and mid cap ESG-rated and non-ESG-rated companies

The report is based on latest data (FY22) that is collated and distilled from company annual reports, which are available in the public domain, and from filings with the Ministry of Corporate Affairs (MCA), Government of India.

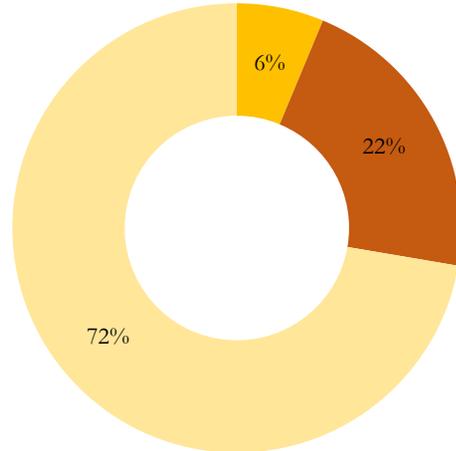
IN-DEPTH COVERAGE ACROSS SECTORS, OWNERSHIP LEVELS AND MORE



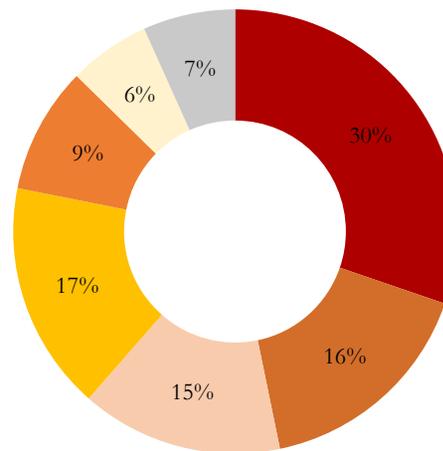
Market Cap (FY22)



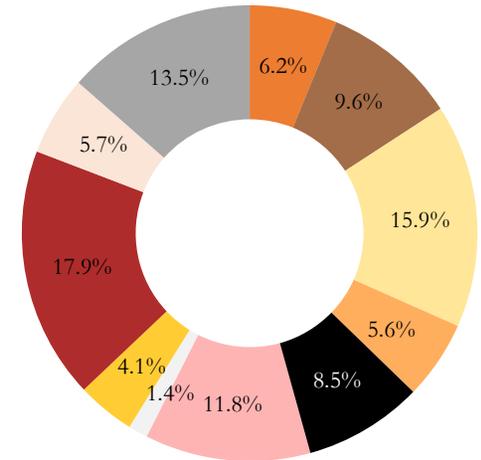
Ownership



Revenue (FY22)



Sectors



- Large Cap
- Small Cap
- Unlisted
- Mid Cap
- Micro Cap

- Foreign MNC
- Indian MNC
- Indian domestic

- Rs 0.5-2.5bn
- Rs 5-10bn
- Rs 25-50bn
- >Rs 100bn
- Rs 2.5-5.0bn
- Rs 10-25bn
- Rs 50-100bn

- Automotive
- Chemicals
- Consumer goods
- Healthcare
- Industrials
- Resource-Based Industries
- BFSI
- Construction
- General services
- IT & ITeS
- Pharmaceuticals

Other parameters include: company age, private vs PSU and PAT split

ENABLING CXOs WITH THOUGHT PROVOKING INSIGHTS

The **report** helps to:

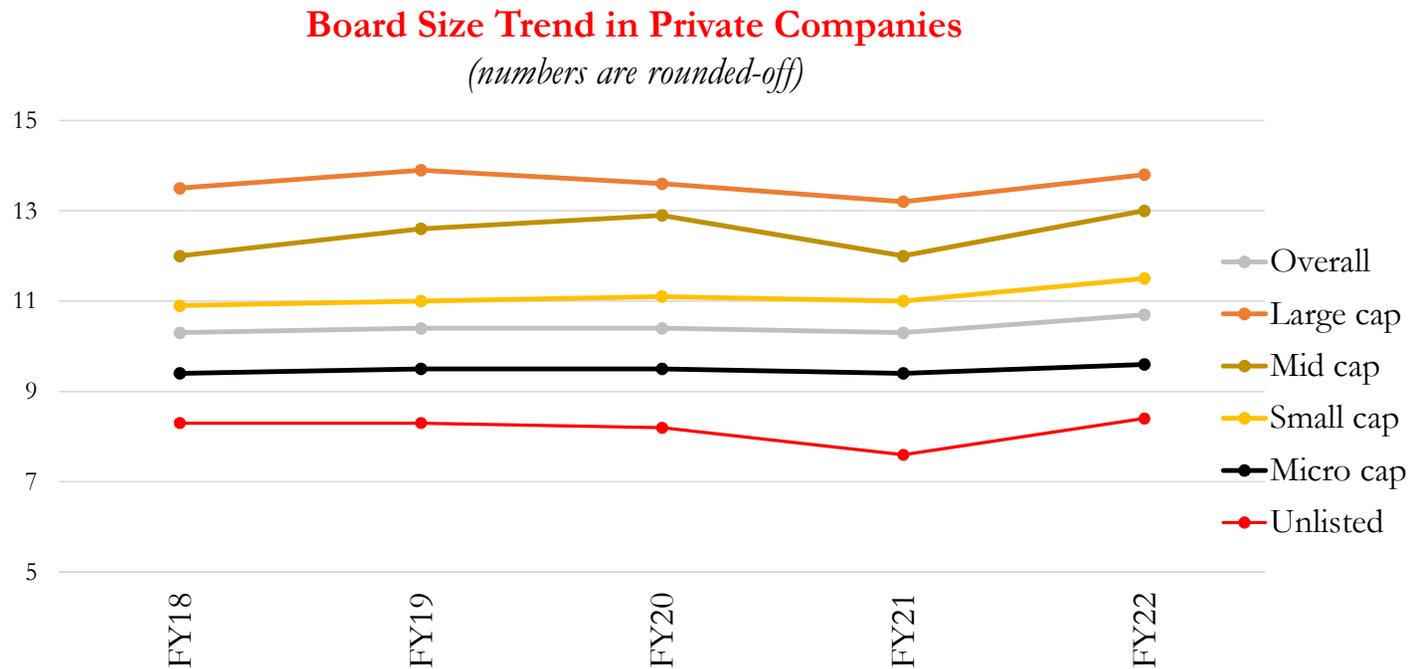
- ✓ **Identify** trends in top-executive and Board-level pay
- ✓ **Understand** the composition of Boards across India
- ✓ **Recognise** gender pay gaps across executive levels



HIGHLIGHTS AND KEY FINDINGS FROM THE REPORT

BOARD SIZE TREND

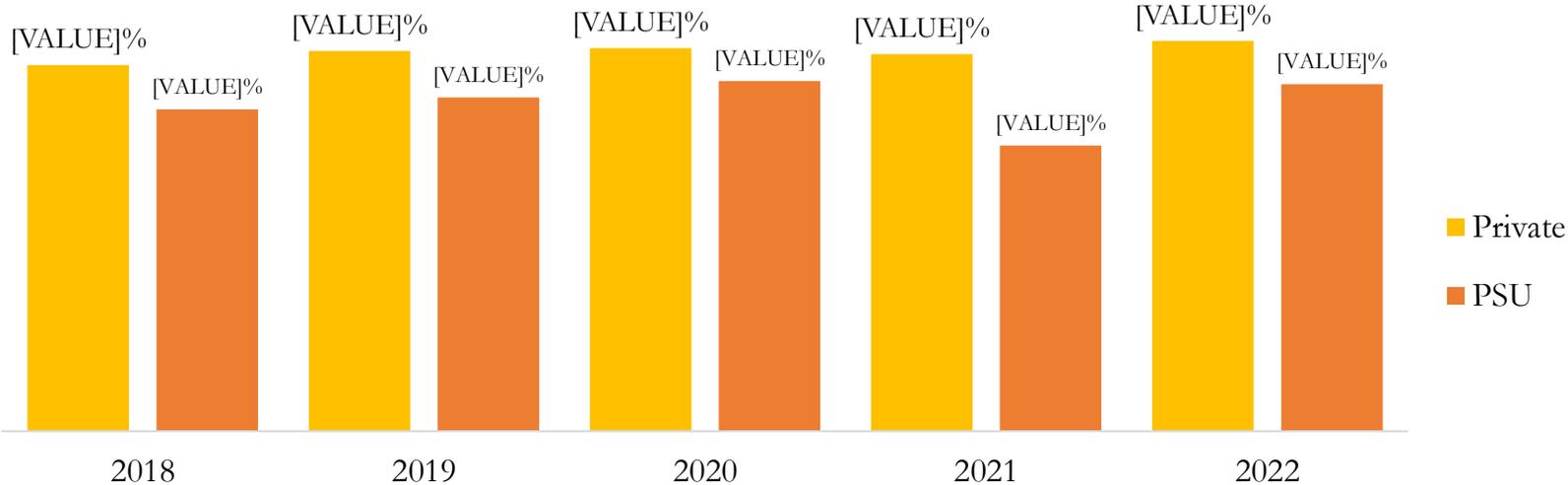
- Board size strongly correlates with company size.
- In the case of private companies, Board size has remained largely the same over the years.



NUMBER OF INDEPENDENT DIRECTORS

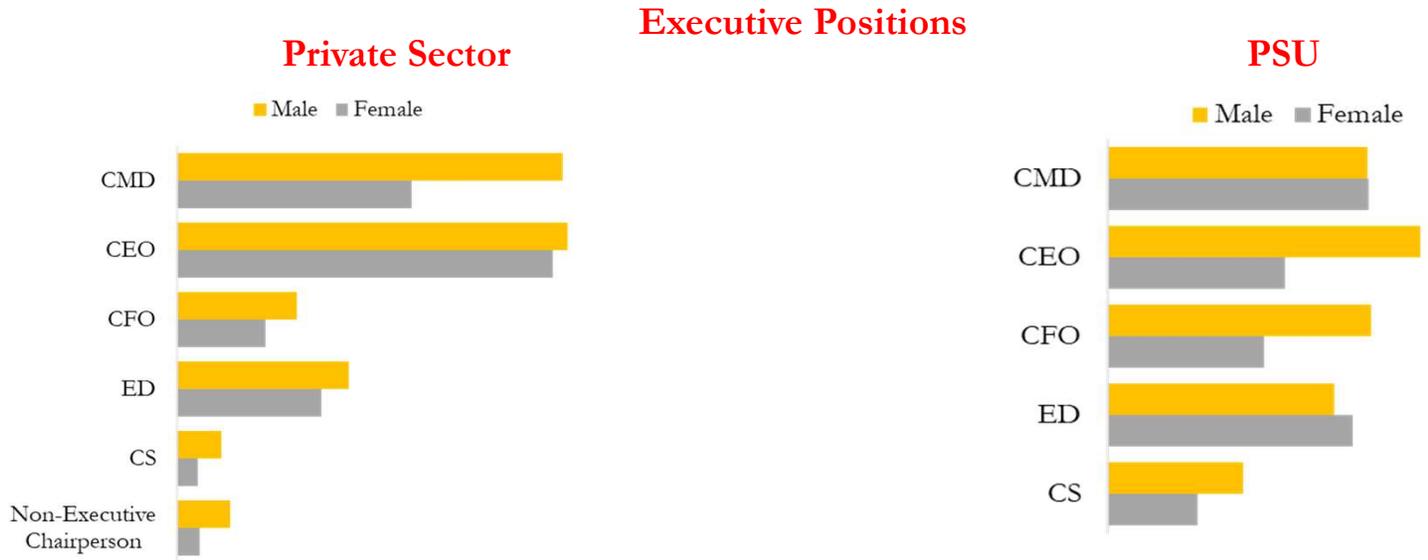
- Despite bigger Boards in PSUs, their share of IDs remain less compared to private companies.
- The ratio of IDs to total Board size has edged up mildly in the last 5 years, from 37% to 39%. Among PSUs, it has tended to move around sharply.
- Foreign MNCs have the lowest percentage of IDs on their Boards amongst all categories of firms.

Share of IDs on Company Boards
FY22



GENDER PAY GAPS

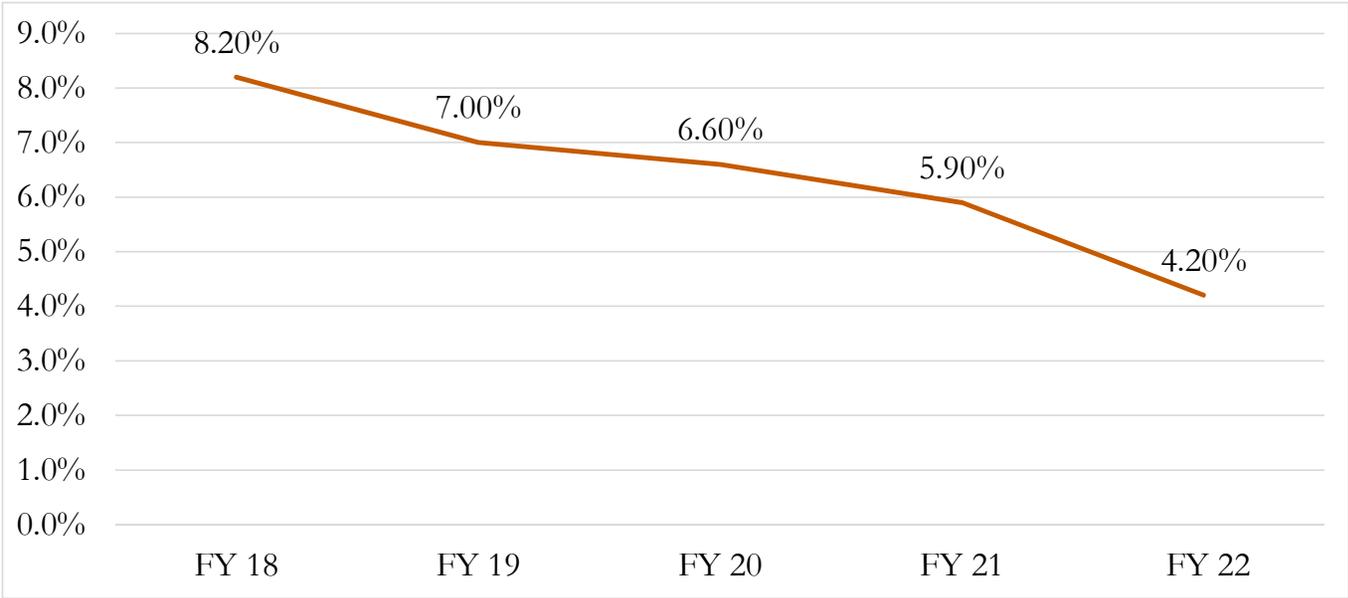
- Substantial gender-related pay gaps exist across designations in the private sector, with men earning more than twice as much as women in some positions.
- The ED and CMD for PSUs, and Non-Executive Director positions in both sectors are exceptions – here, the average woman earns either as much or more than the average man.
- There are significant pay gaps, as well, in the PSU world. Men in CEO and CFO positions earn close to twice as much as their female peers.



GENDER DIVERSITY ON THE BOARD

- Over the last 5 years, there has been a steep fall in the number of companies with *no* female directors on the Board. This suggests that diversity is starting to receive some attention.

% Companies with No Female Directors



OTHER HIGHLIGHTS

- **Women remain grossly under-represented** in C-Suite and Board positions. Private sector and PSU Boards, have 2 female Directors on average as opposed to 9/12 males.
- **Only 5.7% of CMDs, 4.9% of CEOs and 6% of CFOs** are women.
- Across positions, **women tend to earn a higher share of their pay as variable**, compared to men.

The above highlights are some high-level examples. The full report contains detailed insights, cross-tabulations and role specific segmentations.

THE 2022 BOARD GOVERNANCE & DIVERSITY REPORT: TABLE OF CONTENTS



Introduction and Overview



- Scope and methodology
- Company demographics
- Glossary of terms
- Executive summary

Company Board Metrics



- Board Size
- Number of NEDs
- Board composition:
 - Independent vs Non-Dependent Directors
 - Male vs female Representation on the Board
- Number of Board Meetings held
- Presence of the promoter on the Board
- Board Independence
- Cost of Running a Board
- What Makes ESG Different?

**by sector, ownership, function, age, tenure, highest qualification, education at post graduate level*

THE 2022 BOARD GOVERNANCE & DIVERSITY REPORT: TABLE OF CONTENTS



Gender Diversity and Equality



- Male-Female Representation by Level
- Companies with no Female Representation
- Gender-wise Pay Split by Level
- Female Pay Composition

**by sector, ownership, function, age, tenure, highest qualification, education at post graduate level*

PRICE



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The 2022 Board Governance &
Diversity Report
(PDF)

Rs 30,000 + GST

Rs 20,000 + GST



An Additional 15% Discount for Companies that purchased the 2021 Report

***Full Report** including Executive Compensation, Board Governance and Diversity Metrics are also available. [Click to know more](#)*

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OTHER RELATED REPORTS

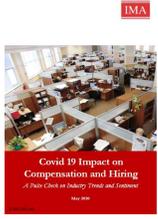
[Click here](#) to know more

- **The 2022 Board Remuneration and Governance Report:** The full report provides a detailed analysis of Board level compensation and Governance Metrics including a number of non-compensation parameters such as Board size, independence, governance, gender diversity, and so on.
- **The 2022 Executive and Board Remuneration Report:** The report analyses compensation trends for Directors and Non-Executive Directors.



OUR PORTFOLIO OF RESEARCH REPORTS

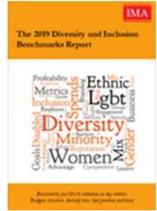
HR



▶ Covid-19 Impact on Compensation and Hiring



▶ The 2021 Executive & Board Remuneration Report



▶ The 2019 Diversity and Inclusion Benchmarks Report



▶ Salary Increment Benchmarks FY22



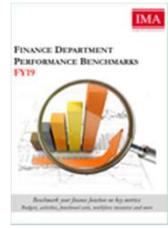
▶ FY22 Attrition Benchmarking Study

Other

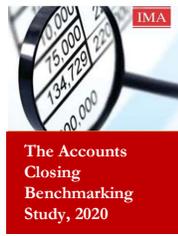


▶ CXO Diaries: Life after Covid-19

Finance

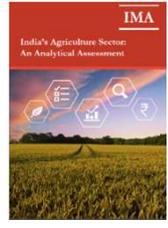


▶ Finance Department Performance Benchmarks



▶ The Accounts Closing Benchmarking Study, 2020

Industry



▶ Indian Agriculture: An Analytical Assessment

Marketing

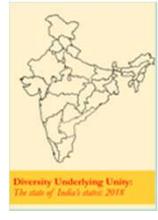


▶ The 2020 Digital Marketing Benchmarking Survey

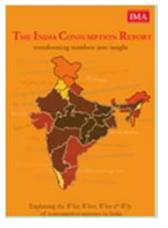
Economic and Thematic Studies



▶ The India Employment Report 2017



▶ Diversity Underlying Unity: A Study of India's States 2018



▶ The India Consumption Report 2016

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28+

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Member Companies

76%

of NSE 50 Brands

6

Cities of operations across India