



# The 2018 Executive & Board Remuneration Report

# A STUDY OF TRENDS IN BOARD COMPENSATION AND PAY STRUCTURE

The **2018 Executive and Board Remuneration Report** analyses compensation trends for Directors on the Boards of publicly listed companies in India.

It helps to:

- ✓ **Identify** trends in top-executive and Board-level pay
- ✓ **Understand** the composition of boards across India
- ✓ **Establish** benchmarks for compensation to Directors based on leading industry practices
- ✓ **Compare** compensation structures against others in the same sector or size band
- ✓ **Evolve** strategies for pay increases in line with wider market trends

The study looks at **compensation** for Executive Chairmen, CEOs/MDs, CFOs, Whole-time Directors, Company Secretaries and Non-Executive Directors (NEDs) in **248 publicly-listed companies**, over a 5-year period, from 2012-13 to 2017-18.

The data and analysis are both **current** and relevant, and were collated from company annual reports that were made public in recent months.

**The largest companies** – measured by market-cap each year – were short-listed from each of the three groups, as classified by the Bombay Stock Exchange: BSE 100, Mid-cap, and Small-cap.

Detailed **splits** by sector, market cap, revenue and net-profit band, and combinations thereof, are also provided.



**5** years of  
compensation trends



**8** top Exec and NED  
positions covered



**248** BSE-listed  
companies studied



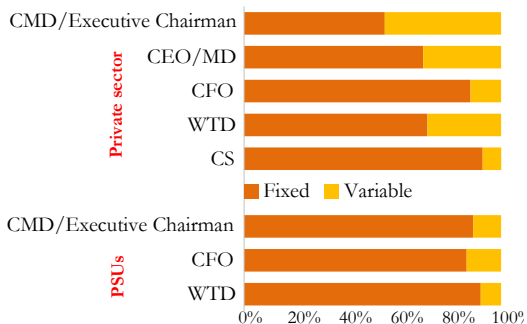
**8** sectors analysed



**5** levels of Data Split:  
Sector, Revenue, Profit  
Ownership, Market cap

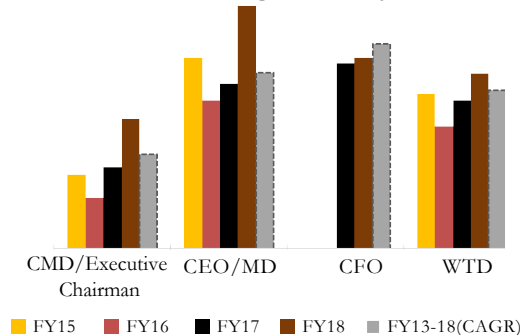
# DEEP-DIVE INTO KEY AREAS

**Composition of Pay**



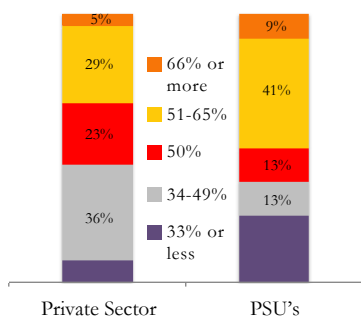
Top Board executives in the private sector earn 15-45% of their income as variable pay; in the public sector the ratio is 8-13%.

**Changes To Pay**



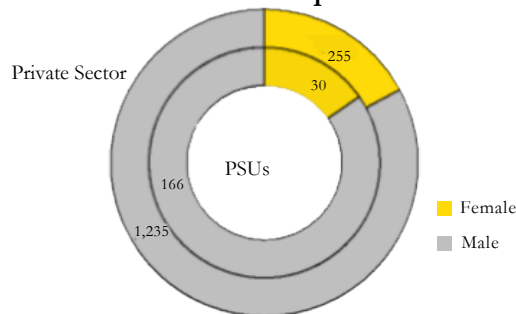
FY18 saw the highest pay increase in the last 5 years; CEO pay rose by 25% while incomes of CFOs and WTDs increased by ~15%.

**NED Pay Distribution**



In 60% of firms, Independent Directors make up half the Board; however, they constitute 2/3 of the Board in less than 10% of companies.

**NED Female Representation**



Women account for 18-20% of NEDs, yet female representation at executive levels remains abysmally low.

## Other Highlights

- ✓ At the median, Chairmen earn Rs 7.9 crores a year while CEOs take home Rs 5.5 crores annually.
- ✓ Board level salaries are highly correlated with company size.
- ✓ Multinational companies are not always the highest pay masters.

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Non-Members	—	<b>Rs. 1,20,000 + taxes</b>

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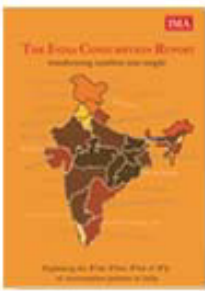
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The India Employment Report



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The India States Study



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of NSE 50 brands  
represented

**77%**  
of BSE Sensex brands  
represented

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