

THE **2018** EXECUTIVE & BOARD REMUNERATION REPORT



An Analysis of Compensation Trends in Leading Indian Listed Companies

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Introduction

SCOPE

IMA India's **2018 Executive and Board Remuneration Report** presents a summary and analysis of compensation trends in **248 Indian publicly listed companies**. It covers a 5-year period, from **2012-13 to 2017-18**, and draws representation from both private sector and PSU firms, distributed across the **BSE 100, Mid-cap and Small-cap** segments.

Pay data is presented for Executive and Non-Executive Chairmen, CEOs/MDs, CFOs, Whole-time Directors, Company Secretaries and Non-Executive Directors (NEDs). Detailed data-splits are offered for each type of executive/NED, by sector, ownership (foreign versus Indian), revenue, net profit, and market capitalisation – and combinations thereof.

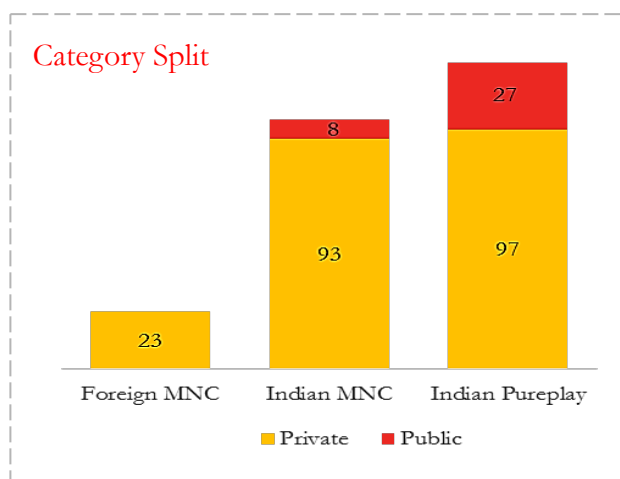
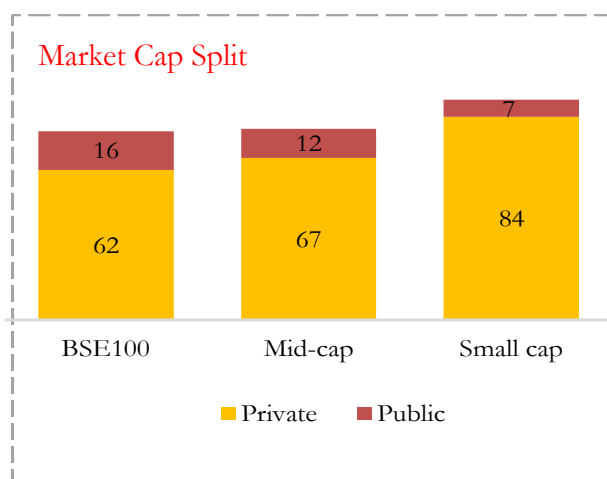
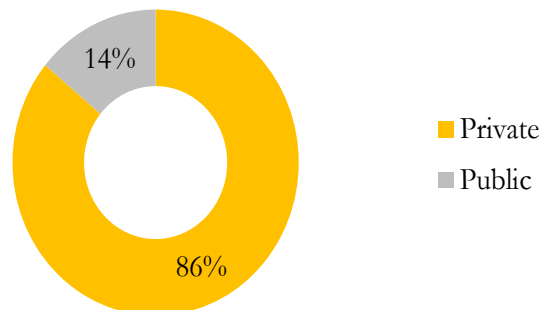
The report includes data and analysis on :

- **Total pay:** medians, 10th, 25th and 75th percentile levels, and distribution by pay-range
- **Composition of Pay:** fixed pay, variable pay, and employee stock options (ESOPs)
- **Changes in pay** in FY15, FY16, FY17 and FY18, and compounded annual change over the full period
- **Gender gaps** in representation and pay
- **Governance metrics:** Board size and composition, number of NEDs and number of Board meetings held each year

COMPANY DEMOGRAPHICS

Number of Companies covered: 248

Total number of Executives/Directors: 17,751
across a 6-year period



Data Source and Definitions

Data was collated and distilled from company annual reports, which are available in the public domain. The 100 largest companies – measured by market-cap each year– were short-listed from each of three groups, as classified by the Bombay Stock Exchange: BSE 100, Mid-cap, and Small-cap. However, there is some overlap between these three groups, with some companies figuring, say, in both the BSE 100 and the Mid-cap indices, and due to recategorisation over a period of time. The total number of unique firms is therefore less than 300.

As a rule, the data coverage is generally limited to individuals, both executive and non-executive, who are members of a company’s Board of Directors.

Companies report compensation data in varying forms, though there is a growing move towards uniformity. In some cases, for years prior to FY16, subjective judgement was required to classify elements of pay as belonging either to the ‘fixed’ or the ‘variable’ part of the equation.

Given that executives sometimes join or leave an organisation mid-year, for purposes of analysis, we have only included observations where the individual completed a minimum of 7 months of service in a particular financial year. This removes some (but not all) of the ‘noise’ that would result if all observations were kept.

About IMA India

IMA India is the country's largest peer group platform for top functional executives, with more than 2,500 participating Indian and global functional heads from over 1,400 member companies.

Since 1994, we have harnessed the collective wisdom of our client base, combining this with our own comprehensive research to offer incisive country intelligence and pragmatic business solutions.

We enable top managers and industry leaders to interpret changes, and forecast developments in the economic and operating environment through authoritative guidance.

20+ Years of Experience

2,500+ Business Professionals

1,400+ Participating Companies

76% of NSE 50 Brands

77% of BSE Sensex Brands

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