



CEO Pay at TOP 500 LISTED COMPANIES

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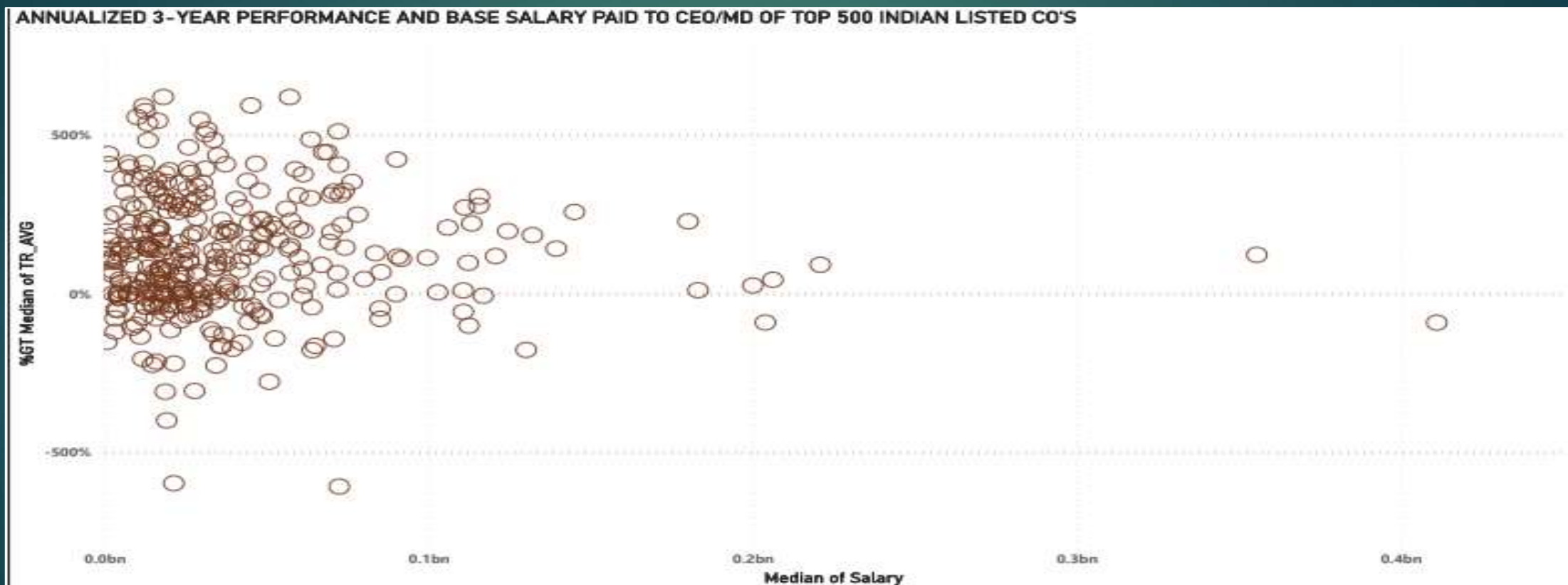
- We have analysed the top 500 companies. Considering the development around increased disclosure requirements and scrutiny for listed Indian organisations, we think this report will provide relevant information for senior executives, Chairs of Boards and Compensation Committees as well as Chief Human Resources Officers.
- As would be expected, there is significant variance among different sectors, organisation ownership and type and organisation sizes in the dataset.
- The data presented in this report has been presented mainly at the Base Pay or Fixed Remuneration level as disclosure in the annual reports corresponding to incentive payout (opportunity vs actual pay) is relatively obscure.
- For this report, we have combined CEO, Managing Director roles although we note pay differences between the 2 roles.
- In addition to Fixed Pay information, we have also provided structural information about STI and LTI that is more prominently found in similar sized organisations.
- This report, although has been produced with the NSE100 companies, can be used as a reference point for organisations outside the top 100.
- Although not provided exclusively, the typical STI and LTI ranges for the CEO are as follows:

	Short-Term Incentive	Long-Term Incentive
Target (as % of Base)	50%-70%	75%-100%
Maximum (as % of Base)	75%-100%	150%-200%

CEO Pay Data – different slices of NSE SMALL CAP 250

PERFORMANCE AND BASE SALARY PAID TO CEO/MD

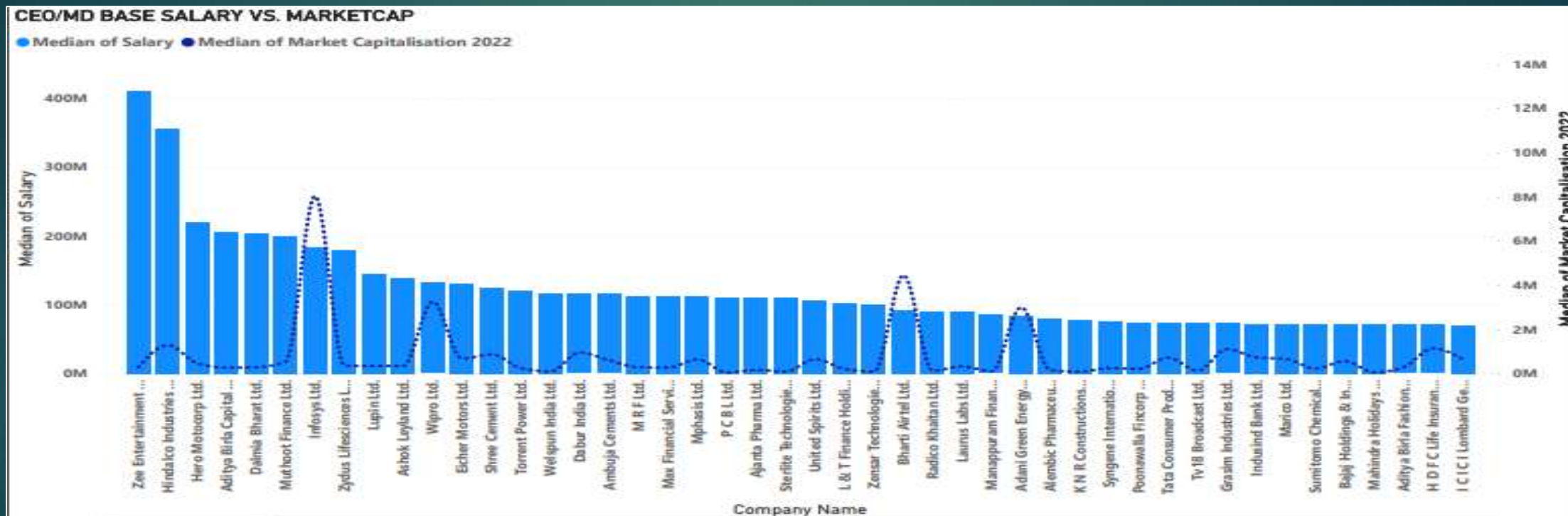
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- The top 500 companies in India are highly concentrated in a few industries, with Technology, Financial Services, and Consumer Discretionary accounting for over 50% of total market capitalization.

CEO pay as a function of company size (Market capitalization)

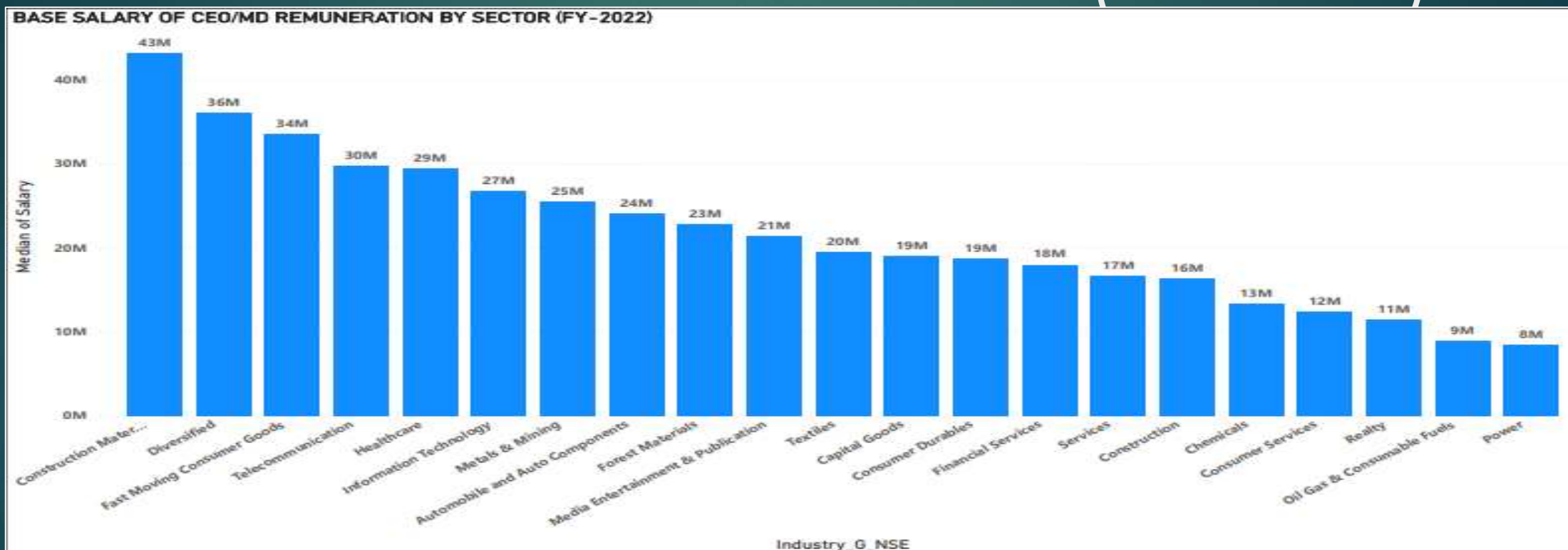
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- Median salary and median market capitalization 2022 are negatively correlated, with the biggest divergence at Zee Entertainment Enterprises Ltd., where median salary is Rs.410,773,083 higher than median market capitalization.
- This suggests that CEO salary is not necessarily correlated with company size (as measured by market capitalization).

BASE SALARY OF CEO/MD REMUNERATION BY SECTOR (FY-2022)

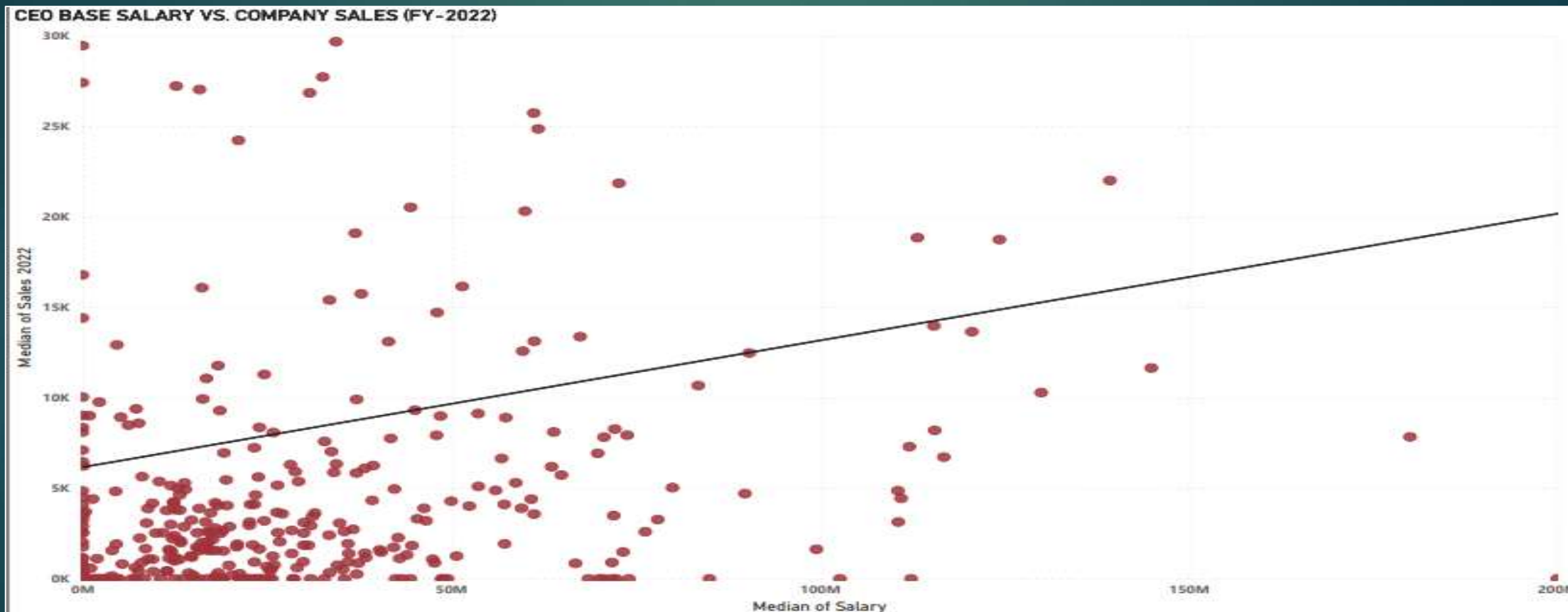
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- Construction Materials had the highest median CEO salary (43,071,750), 412.30% higher than Power, which had the lowest (8,407,503).
- This suggests that CEO salary varies significantly across industries, with some industries paying their CEOs significantly more than others.

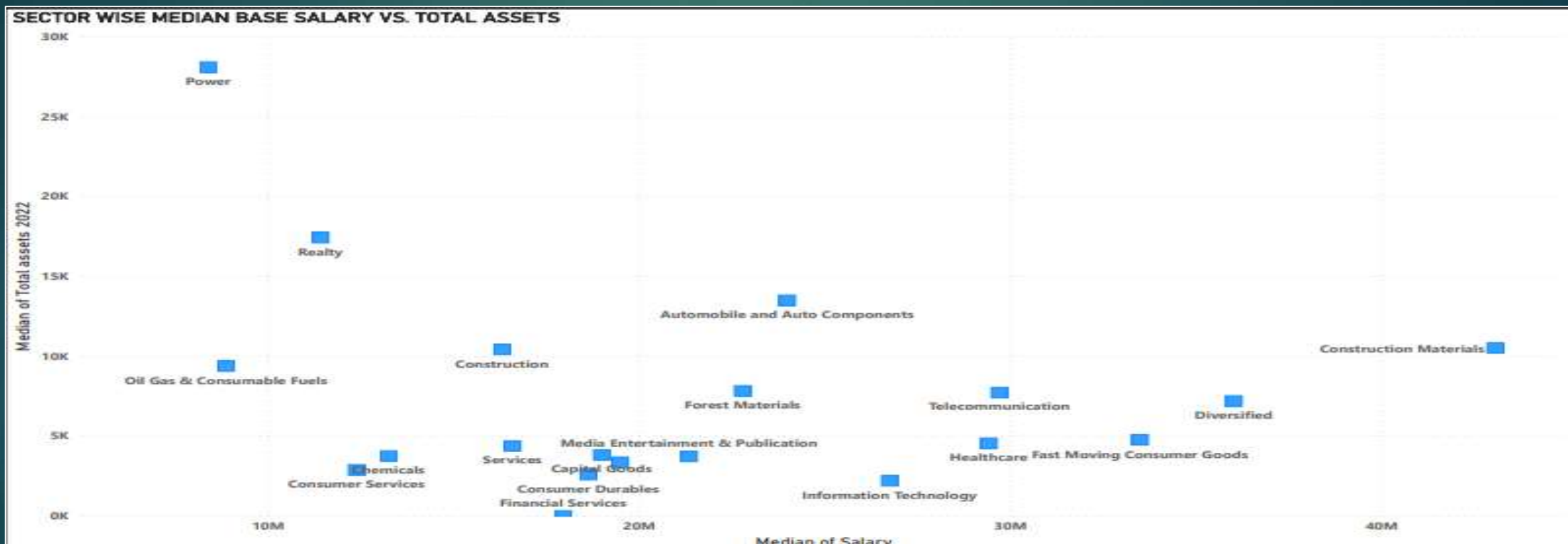
CEO pay as a function of company performance (Sales)

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CEO pay as a function of company size (Total Assets and Sector)

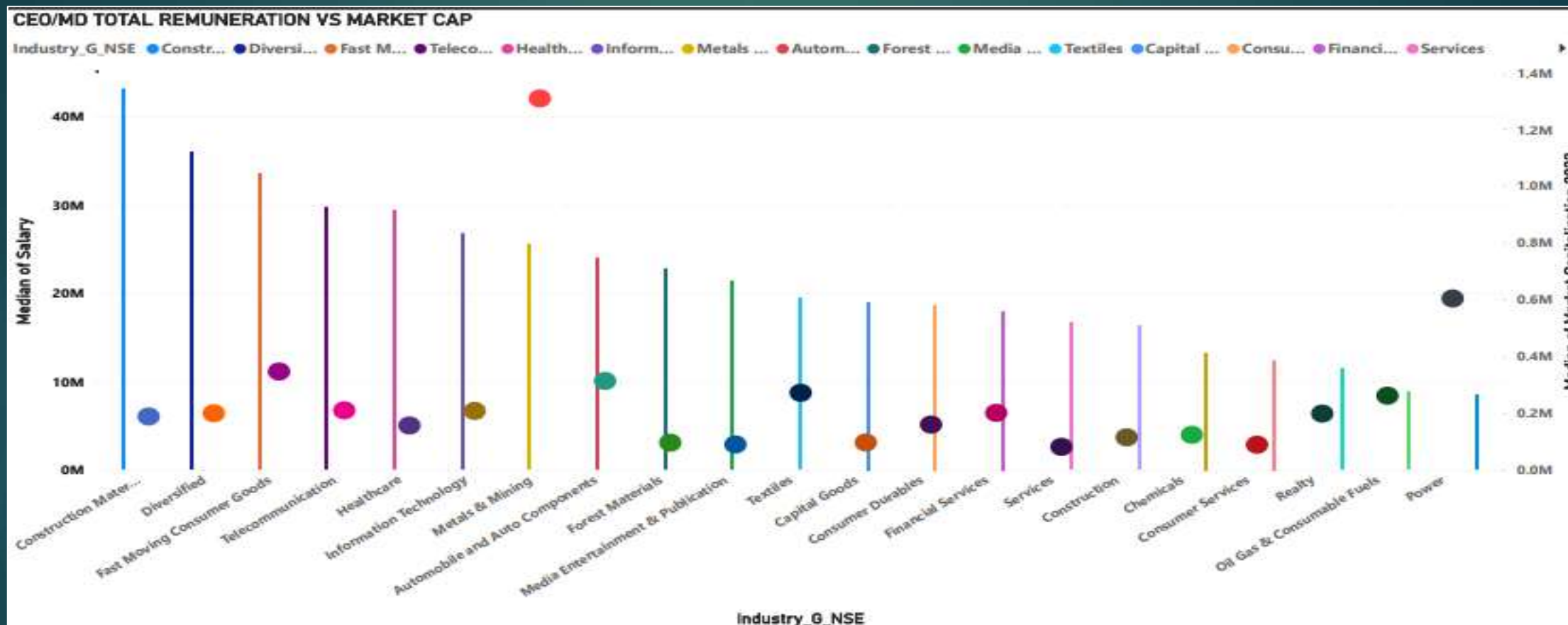
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- Construction Materials had the highest median salary, despite Metals & Mining having the highest median total assets.
- This suggests that CEO salary is not necessarily correlated with company size (as measured by total assets), and other factors such as industry profitability and growth potential may play a role.

CEO/MD TOTAL CAP VS MARKET CAP

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- CEOs in the Construction Materials industry earn significantly more than their peers in other industries, despite the industry having a relatively low median market capitalization.

SECTOR WISE MEDIAN BASE SALARY VS TOTAL EPS

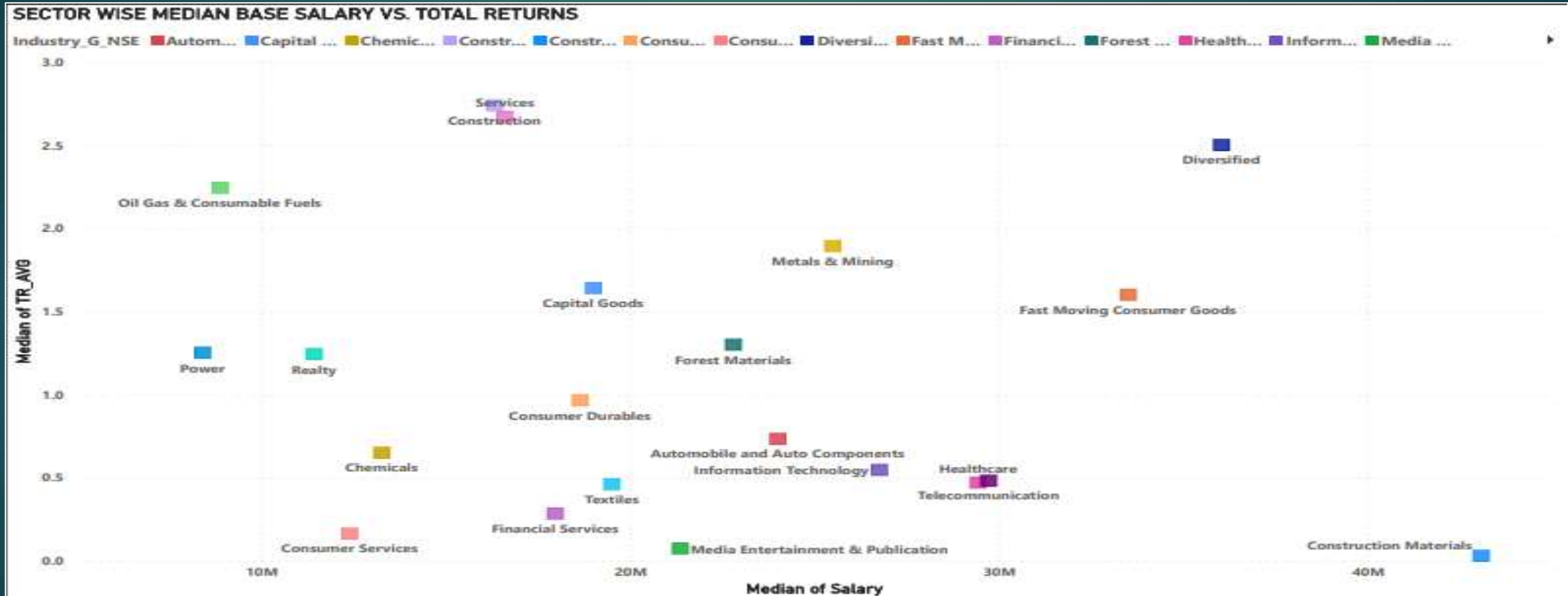
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- Diversified industry had the highest median EPS_AVG, while Financial Services had the highest sum of salary.
- This suggests that company size (as measured by sum of salary) is not necessarily correlated with performance (as measured by median EPS_AVG).

SECTOR WISE MEDIAN BASE SALARY VS. TOTAL RETURNS

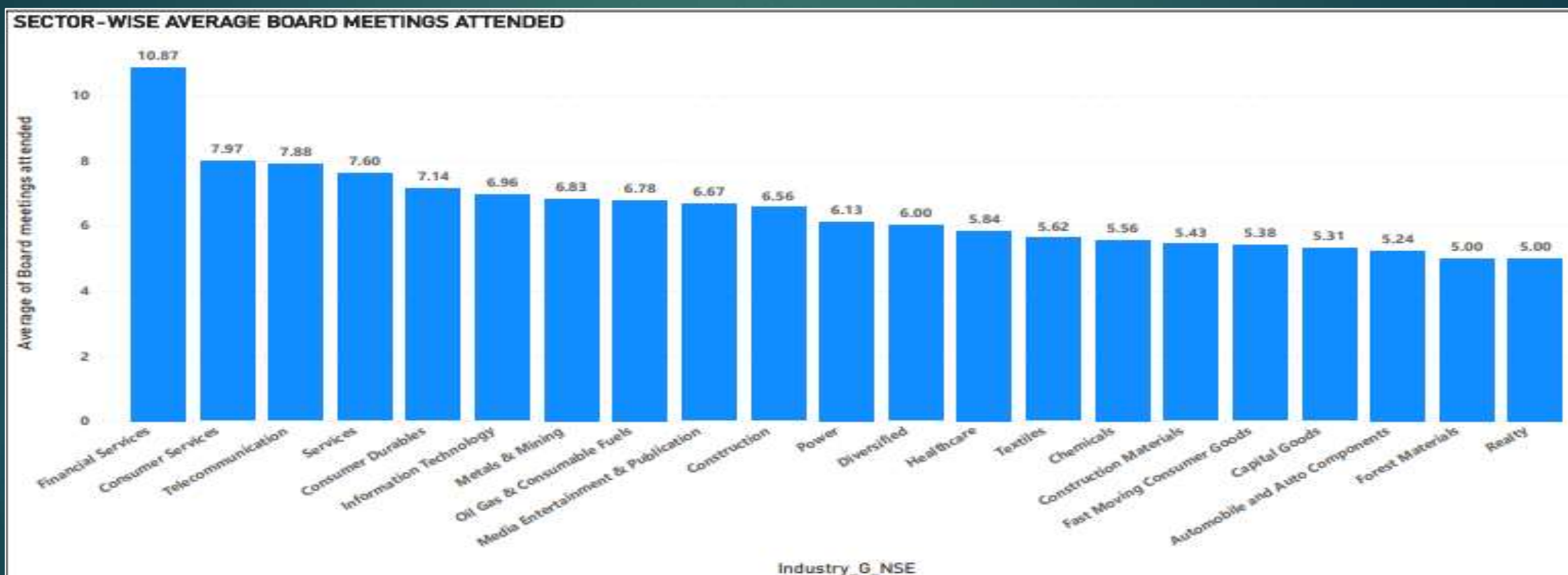
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- Construction Materials had the highest median salary among all industries, while Construction had the highest median TR_AVG.

SECTOR-WISE AVERAGE BOARD MEETINGS ATTENDED

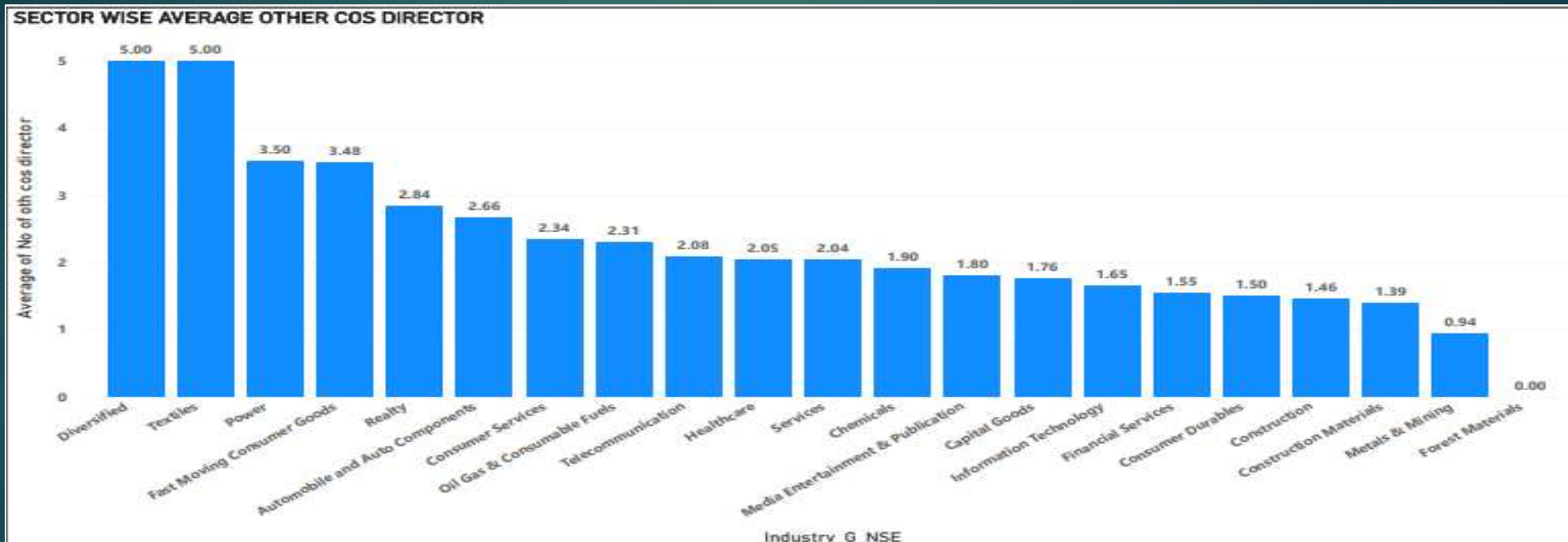
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- Financial Services companies have the highest average number of board meetings attended, followed by Consumer Services and Telecommunication.
- This suggests that boards of directors in these industries may be more engaged and involved in oversight of management.

SECTOR WISE AVERAGE NUMBER OF OTHER COS DIRECTOR

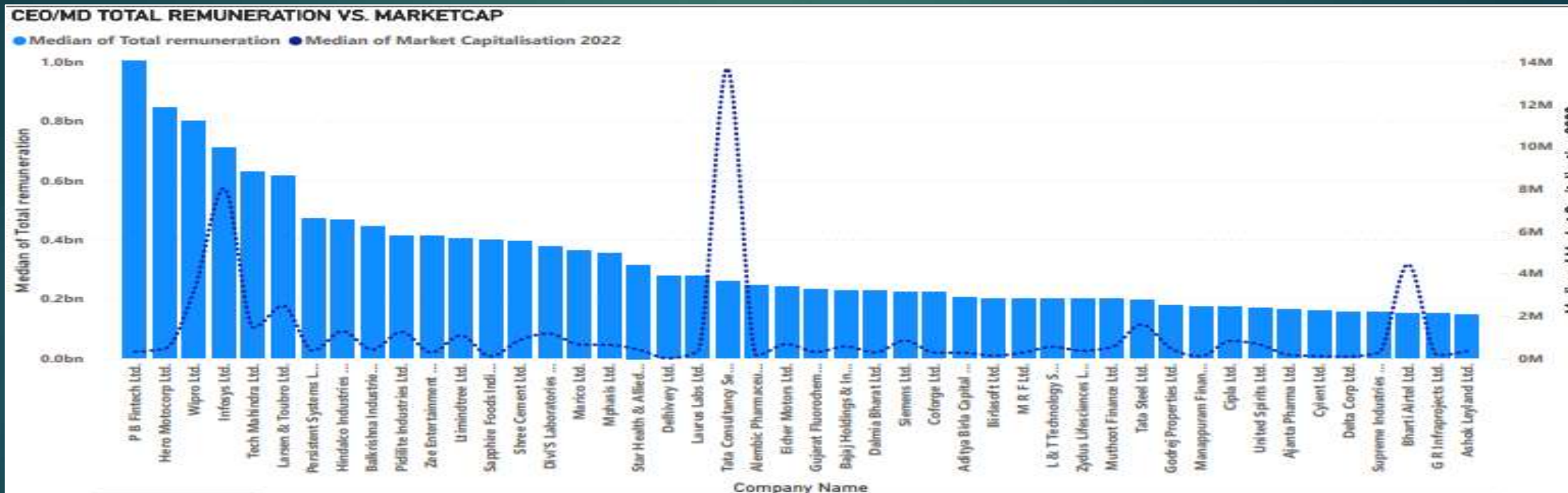
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- Diversified and Textiles companies have the highest average number of outside directors on their boards, followed by Power, while Forest Materials companies have the lowest.
- This suggests that companies in the Diversified and Textiles industries may be more likely to leverage the expertise and experience of outside directors.

CEO/MD TOTAL REMUNERATION VS MARKET CAP

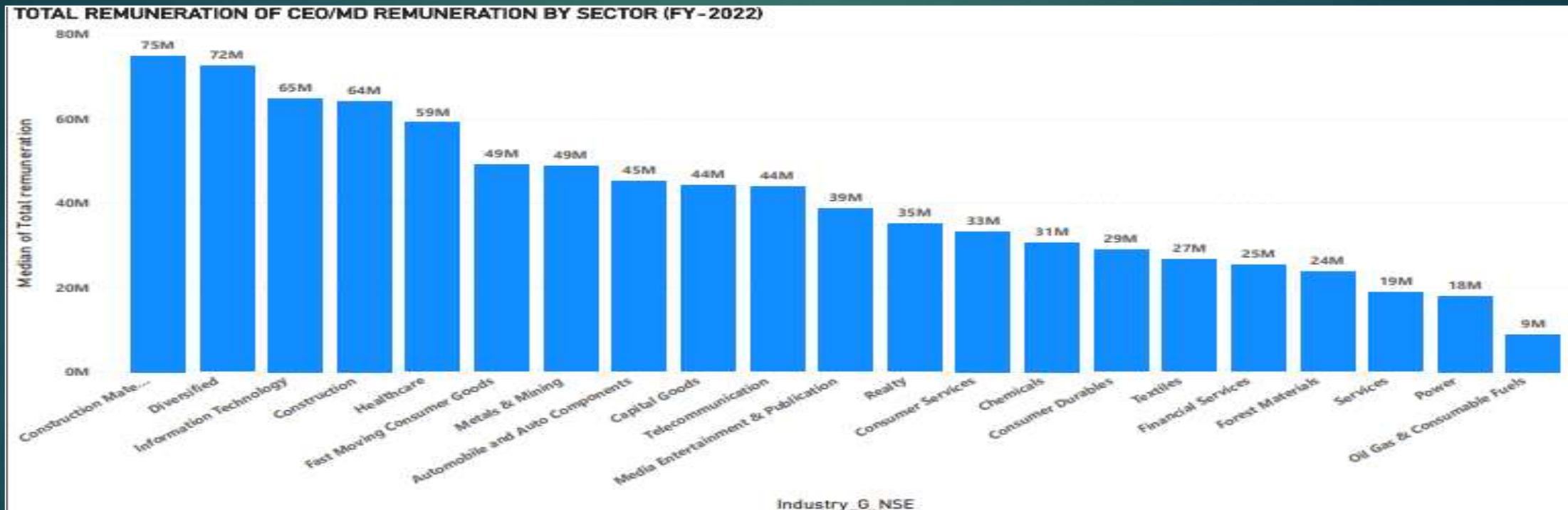
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- Median CEO total remuneration and median market capitalization are negatively correlated, with the biggest divergence at P B Fintech Ltd., where median total remuneration is ₹6,138,019,171 higher than median market capitalization.

CEO Remuneration as a function of sector

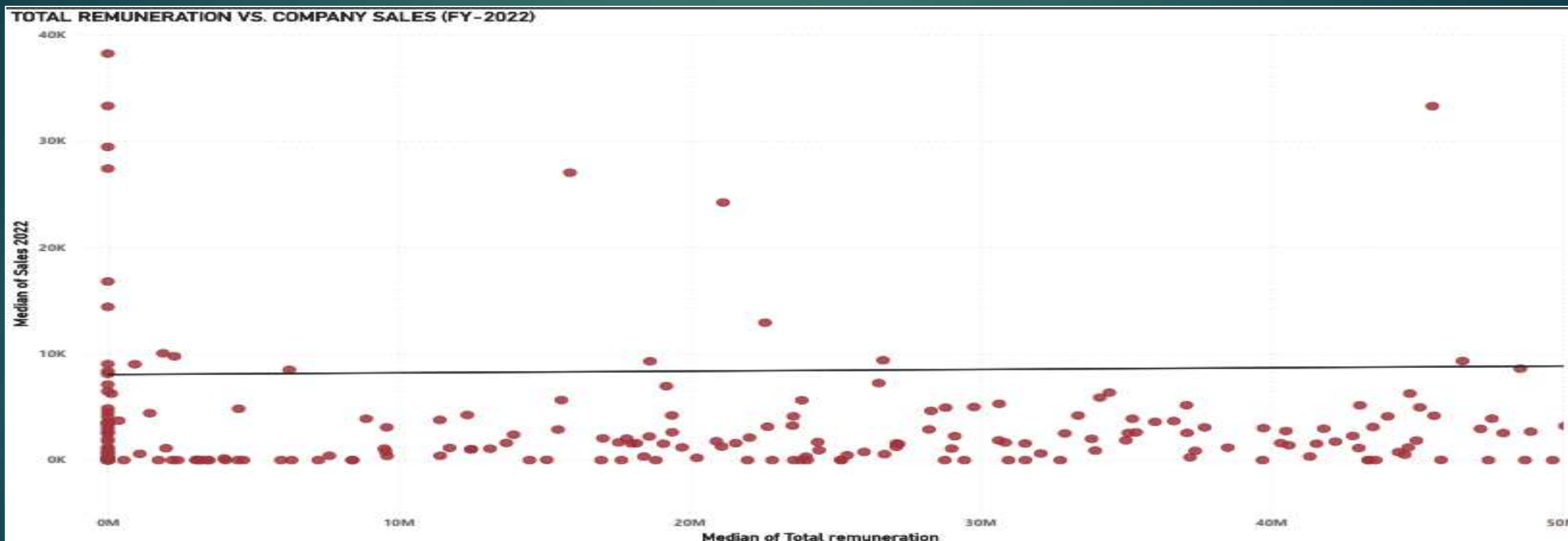
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- Construction Materials CEOs earn the highest median total remuneration (\₹74,944,000), 743.68% higher than Oil Gas & Consumable Fuels CEOs.
- - This suggests that factors other than company size, such as industry profitability and growth potential, may play a larger role in determining CEO total remuneration.

TOTAL REMUNERATION VS. COMPANY SALES (FY-2022)

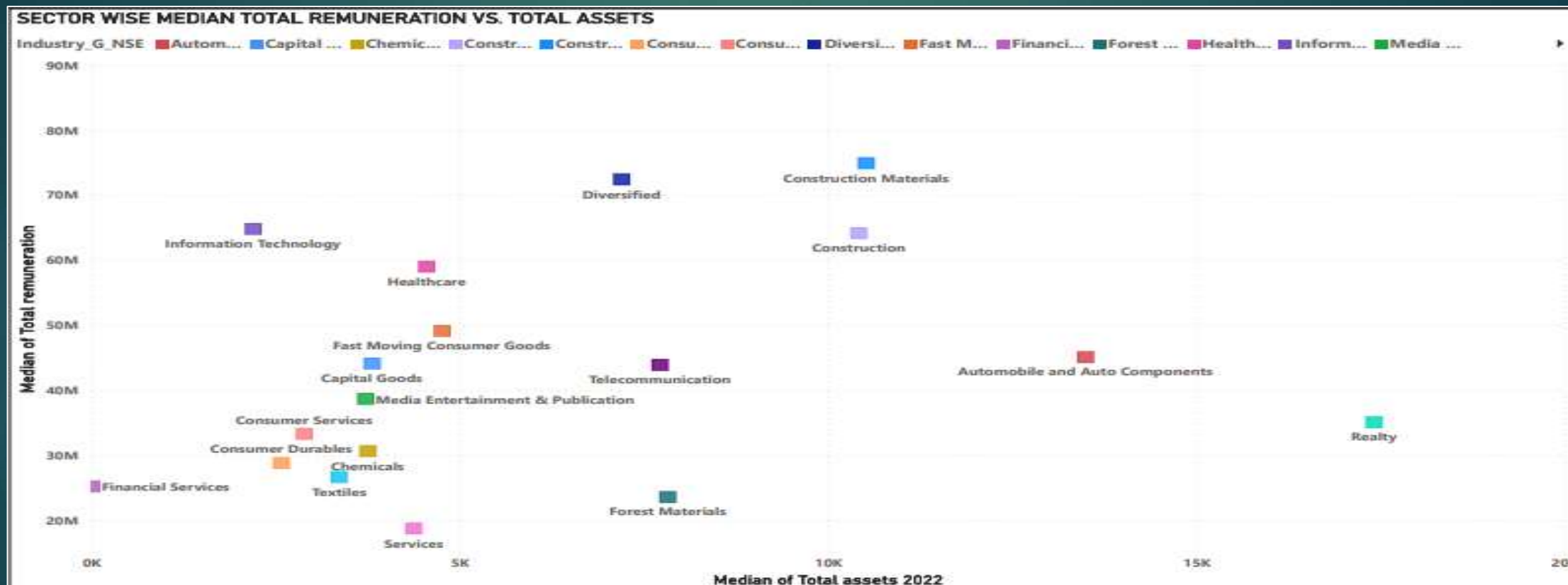
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- CEO total remuneration and company sales are positively correlated, but the correlation is weak.
- There is a significant range in CEO total remuneration, even among companies with similar sales.

SECTOR WISE MEDIAN TOTAL REMUNERATION VS. TOTAL ASSETS

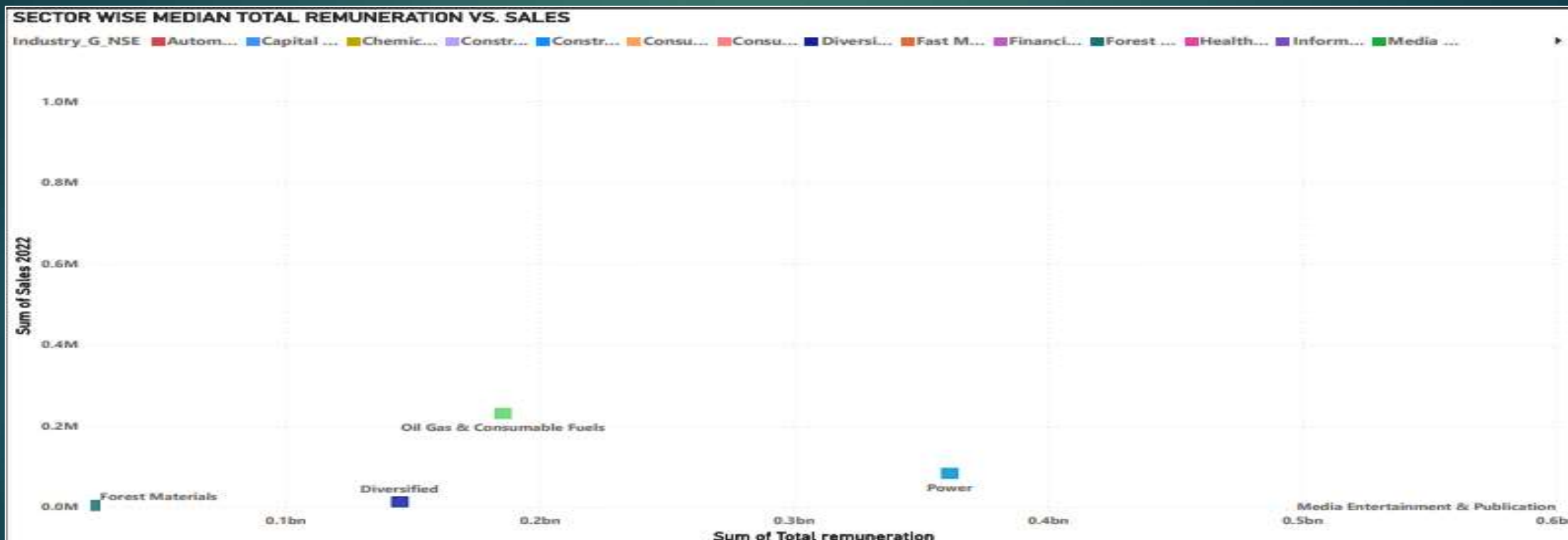
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- Construction Materials had the highest median CEO total remuneration (\₹74,944,000), while Metals & Mining had the highest median total assets (\₹1,21,173.87).

SECTOR WISE MEDIAN TOTAL REMUNERATION VS. SALES

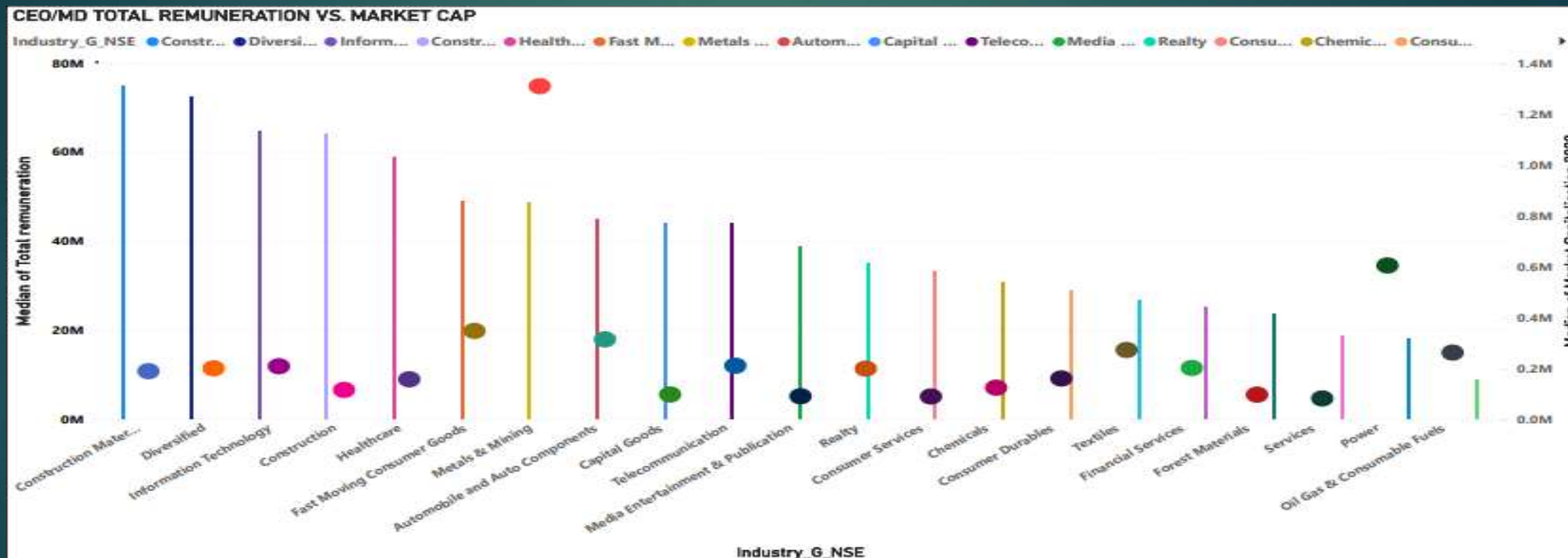
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- Financial Services had the highest sum of total CEO remuneration (\₹1,758,409,5696), but Metals & Mining had the highest sum of sales (\₹11,00,268.85).
- - This suggests that CEO total remuneration is not necessarily correlated with company size (as measured by sales)

CEO/MD TOTAL REMUNERATION VS. MARKET CAP

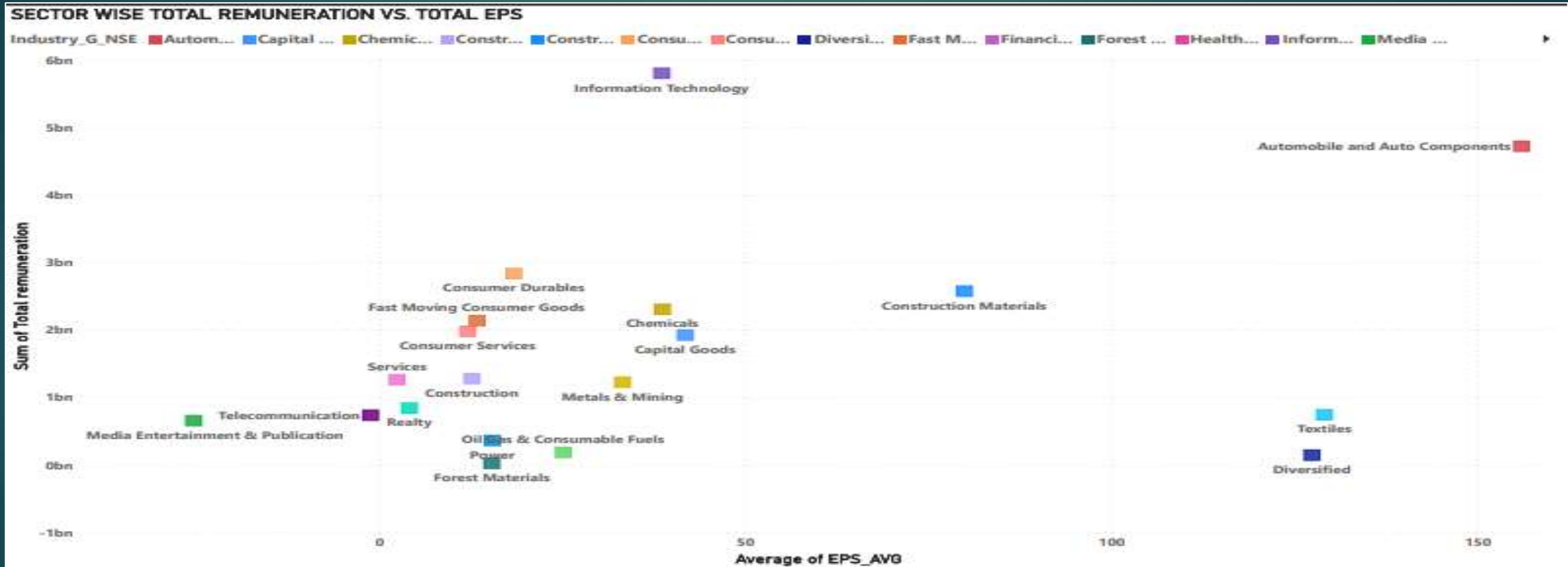
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- Construction Materials had the highest median CEO total remuneration (\₹74,944,000), but it had a lower median market capitalization than several other industries, such as Software & Services and Pharmaceuticals & Healthcare.

SECTOR WISE TOTAL REMUNERATION VS TOTAL EPS

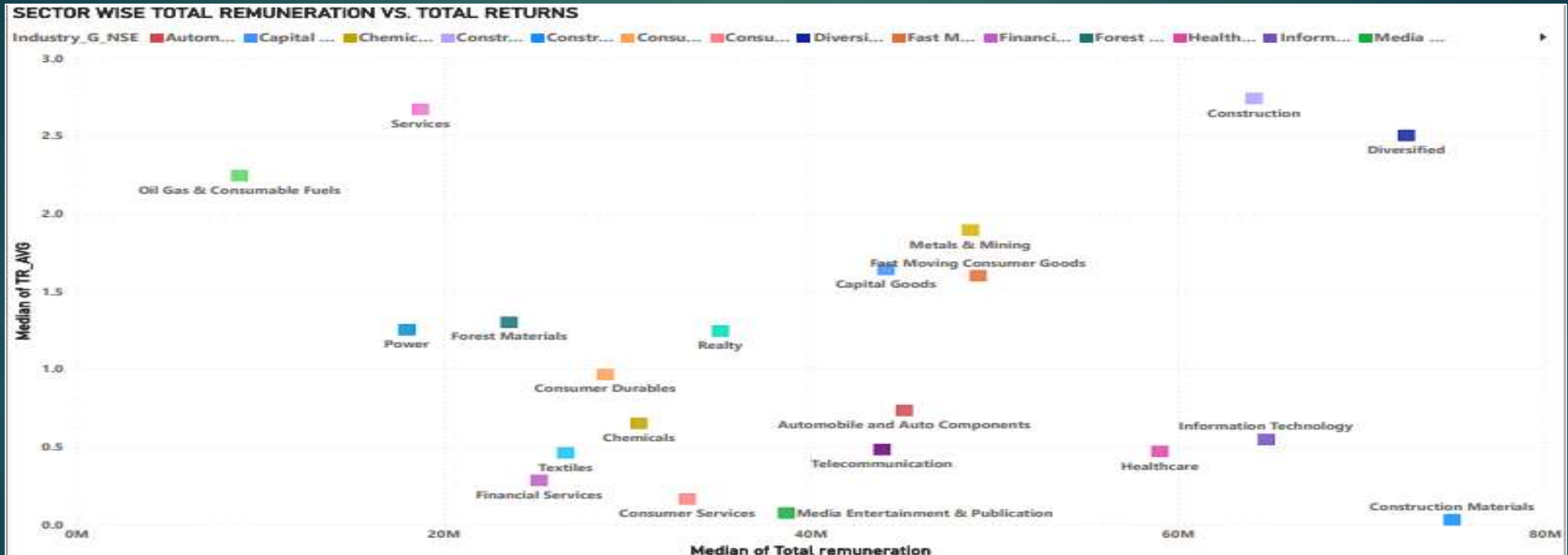
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- Automobile and Auto Components had the highest average EPS_AVG (156.01), but Financial Services had the highest sum of total CEO remuneration (\₹1,758,409,5696).

SECTOR WISE TOTAL REMUNERATION VS. TOTAL RETURNS

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- Construction Materials had the highest median CEO total remuneration (\₹74,944,000), but Construction had the highest median TR_AVG (2.74).

CEO typical pay components

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Industry_G_NSE	Median of Salary	Median of Total remuneration	Median of Market Capitalisation 2022	Count
Automobile and Auto Components	24000000	45100000	3,13,042.44	41
Capital Goods	19000000	44103000	96,003.29	37
Chemicals	13265209	30640000	1,22,951.87	51
Construction	16320000	64157039	1,14,161.49	13
Construction Materials	43071750	74944000	1,87,868.09	23
Consumer Durables	18640000	28811500	1,59,153.62	42
Consumer Services	12394000	33280000	88,235.07	35
Diversified	36029721	72454453	1,98,993.38	2
Fast Moving Consumer Goods	33503000	49120360	3,46,329.53	29
Financial Services	17966000	25201896	2,00,528.69	111
Forest Materials	22794867	23567227	95,385.32	1
Healthcare	29430604	59018000	1,55,985.17	64
Information Technology	26760000	64812739	2,07,222.33	31
Media Entertainment & Publication	21355044	38673686	89,121.49	10
Metals & Mining	25490627	48700000	13,09,531.99	17
Oil Gas & Consumable Fuels	8883000	8883000	2,61,065.30	13
Power	8407503	18000000	6,03,968.34	8
Realty	11429000	35081491	1,97,955.51	19
Services	16598657	18736943	80,638.57	28
Telecommunication	29714694	43886556	2,09,382.92	12
Textiles	19500000	26649896	2,71,359.64	19
Total	20560000	37151500	1,62,382.54	606

The top 500 Indian-listed companies have a relatively high market capitalization, with the highest median market capitalization in the Software & Services industry.

2. The CEO/MD remuneration components vary widely across industries, with the highest median total remuneration in the Construction Materials industry and the lowest median total remuneration in the Oil Gas & Consumable Fuels industry.

About Us

- We are an executive compensation consulting firm based out of India and have consulted large, listed and private organisations across US, Asia Pacific, Australia and India.
- Our senior partners have all more than 15 years advising CEOs, CHROs, Board directors in matters of corporate governance, compensation and performance.
- We have extensive data captured from annual reports as well as have access to multiple executive salaries, due to our working with clients and partnerships and relationships.
- Our methodology for executive benchmarking uses combination of position matching (to similar roles), evaluating the roles and using custom built paylines specific to each organisation and role against a relevant hand selected peer group. This peer group creation process is central to our approach, and we consider similar organisations having regard to size, sector, business stage and maturity, value chain, nature of products/service and ownership structure (listed, private, international subsidiaries and so on)
- Typically, our benchmarking encompasses CEO/MD, their direct reports (all CXO roles) and potentially one level below (GM or President/Director) as well as Board directors. We often advice clients on designing Pay for Performance frameworks and assist Boards in having stakeholder and proxy advisor conversations.
- We have designed many incentive programs, for senior executives and broader organisation – Short Term Incentive, Long Term Incentive, Sales Incentive, Retention programs and Project specific Incentives. We also consult organisations on more complex plans like Transformation Incentive and Combined Incentive Plans.