

Average woman executive director takes home 40% less than men

Share of women in senior, middle management roles has also declined

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New Delhi, 21 June

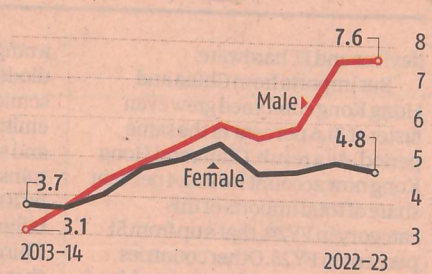
Women executive directors make around ₹63 for every ₹100 earned by their male counterparts.

The gap appears to be widening, shows a Business Standard analysis of salary data sourced from primeinfobase.com. While a male executive director on average makes ₹7.6 crore at a company that is part of the Nifty 500 index, comprising some of India's largest firms, a woman executive director earns an average ₹4.8 crore. The average figure has risen at a 9.4 per cent compound annual growth rate for men in the past decade, compared with only a 1.8 per cent increase for women, leading to a wider gap today than 10 years ago.



WIDENING GAP FOR TOP 500 FIRMS

Average annual salary of executive directors (in ₹ crore)



Note: Data for companies on the Nifty 500 index. Source: primeinfobase.com

At companies other than the top ones, women executive directors seem to have done worse. An analysis of all NSE-listed companies (including those outside the top 500) across the years shows that the average female executive director salary has declined 1.2 per cent since

2012-13. It is up 7.4 per cent for men. "The number of female executive directors is likely to have increased, which could be the reason behind the fall in the average salary," said Shriram Subramanian, founder and managing director of InGovern Research

Services.

Numbers have gone up since the Companies Act 2013 mandated at least one woman director on each company board.

Promoter directors receive significantly higher pay compared to professional directors. "A majority of male executive directors are also promoters who tend to reward themselves quite generously in comparison to professional directors. This is not true for women, where a greater number of executive directors are professionals," says Pranav Haldea, managing director, PRIME Database Group.

Fewer women are in management roles in India than in other countries. India is one of the major economies that have seen a decline in the number of women in senior and middle-management roles since 2019, according to data from the International Labour Organization.

The share of women in senior and middle management roles has declined to 13 per cent in 2024 from 17 per cent in 2019. Brazil has seen an increase to 39 per cent from 38 per cent

earlier, as has South Africa (36 per cent from 33 per cent) over the same period. Russia, Germany, and Japan saw a decline of 1-2 percentage points.

The country has, however, managed to narrow the pay gap between men and women. By one measure in the 'Global Gender Gap 2024' report, released by the World Economic Forum last week earlier in June, Indian women earned roughly 20.6 per cent of what men earned before the pandemic. That has increased to 28.6 per cent now.

This is calculated using women's and men's shares of the economically active population, the ratio of women's wages to men's (both indicators are sourced from the ILO), gross domestic product valued at constant 2017 international dollars (IMF), and women's and men's shares of the population (World Bank).

Women's earnings relative to men's in India are lower than in any of the other top five economies. These are also lower than Brazil, China, and South Africa among emerging markets. Data for Russia is unavailable.