

# CEO salary surge shows stark gap with staff pay

BY MANJUL PAUL

**A**stronomical corner-office pay packages have sparked debate worldwide, including in India. A *Mint* analysis of India's largest listed companies reveals that median remuneration for top executives grew 8.6% in FY24, marking a slowdown from FY23. In several cases, the hikes matched company performance, but the salary gap with staff was stark in many firms. The analysis covered 744 executive directors, including 700 senior leaders such as managing directors and chairpersons, across 491 of the Nifty 500 firms.

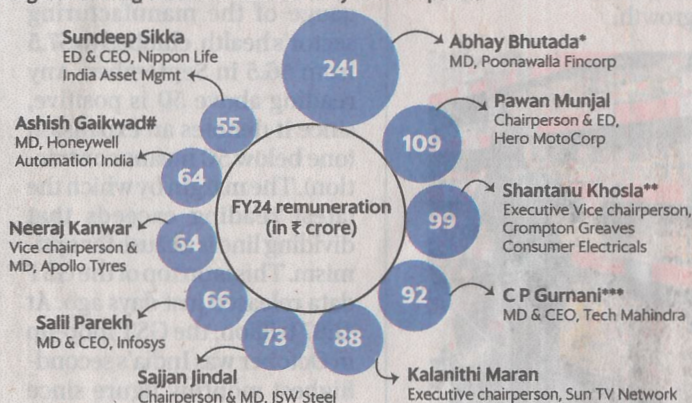


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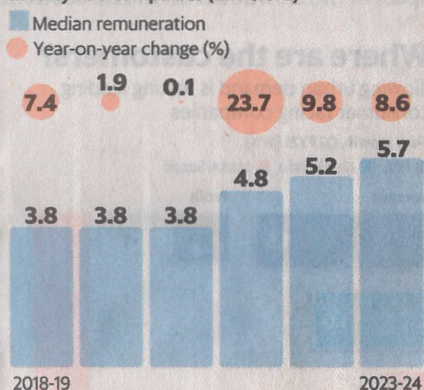
## Corporate elite

The top-earning CEOs of Indian businesses are in sectors such as information technology, banking and financial services firms, and auto. Three of the top earners were promoters of their companies. The median executive pay at Nifty 500 companies has surged over the past five fiscal years: from ₹3.8 crore in FY19 to ₹5.7 crore in FY24. The pandemic slowed the pace of hikes, but the growth rate is now rebounding toward pre-covid levels.

### Highest-earning executive heads of Nifty 500 companies



### Median remuneration of executive directors in Nifty 500 companies (in ₹ crore)



The list is based on the CMIE Prowess database; \*Non-executive vice chairman since June 2024; \*\*Non-executive vice chairman since May 2024; \*\*\*until December 2023; #MD until May 2024.

## C-suite vs main street

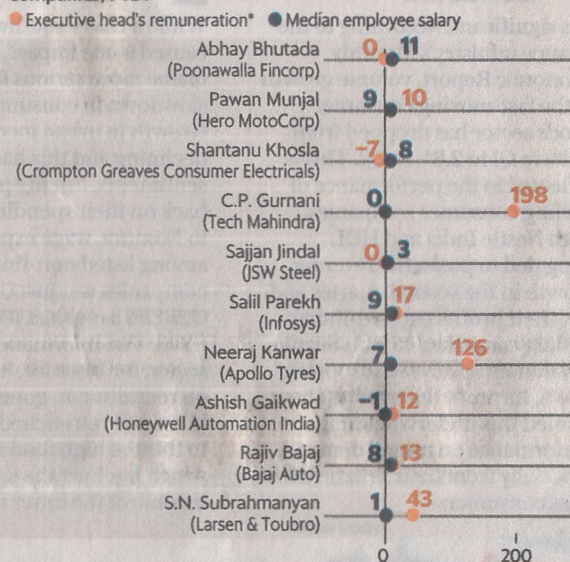
The analysis points towards directors' pay hikes being somewhat tied to their companies' fortunes, except during the pandemic years. But, here's the catch. The stark compensation gap between directors and average employees shows a huge divide, with directors' pay packages reaching over 500 times the median remuneration of employees in some cases, raising a concern on the disparity between the C-suite and employee pay.

### Year-on-year change (%) for Nifty 500 companies



\*Covers total expenses paid to executive and non-executive directors of Nifty 500 companies, based on data from CMIE Prowess.

### Year-on-year change (%) in remuneration of highest-earning Nifty 500 executive heads and the median employee salary in their companies, FY24

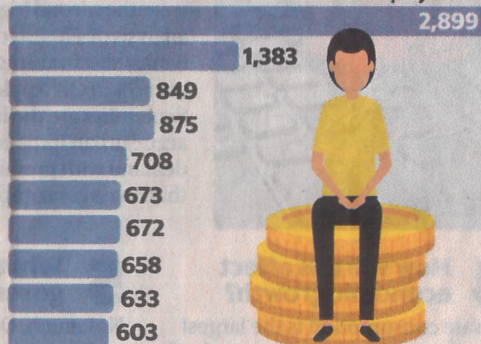


Remuneration increased significantly in some cases due to exercise of stock options.



**Nifty 500 companies with the highest ratio between executive head remuneration and that of median employee, FY24**

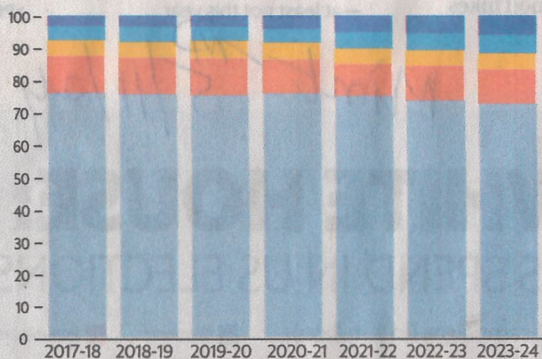
	Executive head
Signatureglobal (India)	Pradeep Kumar Aggarwal, Chairperson & ED
Tech Mahindra	C P Gurnani, MD & CEO
Uno Minda	Nirmal K Minda, Chairperson & MD
JSW Steel	Sajjan Jindal, Chairperson & MD
HCL Technologies	C Vijayakumar, MD & CEO
Granules India	Krishna Prasad Chigurupati, Chairperson & MD
Balkrishna Industries	Arvind M Poddar, Chairperson & MD
Delhivery	Sahil Barua, MD & CEO
Max Healthcare Institute	Abhay Soi, Chairperson & MD
Mphasis	Nitin Rakesh, MD & CEO

**Remuneration to median remuneration of employees****Crorepati club**

The overall rising trend of executive pay increases in India also reflects in the growing club of those corporate directors who make more than ₹1 crore in a year. In FY24, 27% of the sample crossed the mark, compared with 26% in FY23. This represents a steady increase since FY18, when the share was at 24%, though it remained flat during the pandemic years.

**Share of directors\* in Nifty 500 companies, by remuneration range (in %)**

Below ₹1 crore ₹1-3 crore ₹3-5 crore  
₹5-10 crore Over ₹10 crore



Analysis based on over 4,000 executive and non-executive directors per year from CMIE Prowess dataset. (This includes chief operating officers and chief financial officers.)

Remuneration includes salary, bonus, perquisites and stock options in cases where they were declared.

**Gender pay gap**

Meanwhile, despite a gradual shift, the gender pay gap remains striking in corporate boardrooms. In the last five financial years, while the number of women directors has increased, men still dominate board positions, leading to a persistent disparity in compensation.

**Median remuneration of executive directors in Nifty 100 companies, by gender**

	Remuneration (in ₹ crore)	Number of directors
<b>Female</b>		
2019-20	93	18
2020-21	82	18
2021-22	97	22
2022-23	90	26
2023-24	96	28
<b>Male</b>		
2019-20	232	308
2020-21	227	307
2021-22	330	295
2022-23	239	304
2023-24	246	317