

Puri tops, Sobti at No. 2 among pvt bank chiefs in pay

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NEW DELHI: Aditya Puri, managing director (MD), HDFC Bank, continues to be the highest paid executive among his peers in private sector banks in India. In 2015-16, Puri took home ₹9.73 crore, up 24% from the previous fiscal. During the period, HDFC Bank's net profit rose by 20%.

The remuneration of ICICI Bank chief Chanda Kochhar, who was the second highest paid banking executive in 2014-15, dipped 22% from ₹5.85 crore to ₹4.79 crore, as the largest private lender's net profit dipped 13% due to the stringent provisioning norms for non-performing assets—loans that do not fetch returns—imposed during the year. Its total revenue, however, rose by 12%.

Indusind Bank managing director Romesh Sobti, in the mean time, got a 31% pay hike to ₹5.71 crore, putting him at number 2. The bank's net profit rose by 28% in 2015-16 year-on-year.

At number four is Rana Kapoor, chief of Yes Bank, who took home ₹5.67 crore while Shikha Sharma, who heads Axis

Bank earned ₹5.41 crore, comes in at number five.

"Salaries paid to the Indian private sector bank CEOs are low compared to their global peers... a bank CEO in south east Asia would earn 4-5 times more while it would be 10 times more in a bank in the West," Ronesh Puri, MD at search firm Executive Access (India) told HT.

These packages do not reflect earnings on the basis of employee stock options (ESOPs), which would raise the remuneration manifold.

Puri is not only the highest paid executive but a comparison of his pay package with the median salary paid to other employees of HDFC Bank employees, reveals that he earned 179 times more than the median pay in 2015-16.

Similarly, Axis Bank's Sharma earned 163 times more than the median pay of her employees. The difference narrows down to 131 times for Sobti, 100 times for Kochhar and 91 times for Kapoor in the latest fiscal according to the latest annual reports of these banks.

"Indian CEOs are reasonably well rewarded on purchasing power parity," felt Rana Kapoor.