

<p style="text-align: center;"><u>COMPENSATION POLICY</u></p> <p style="text-align: center;">Document Reference Number – HR-003</p>				
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Modification History

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COMPENSATION POLICY

Purpose

Ideassion believes in paying a fair compensation to all employees on the rolls of the company commensurate with their qualification, experience and specialized skills. It will also strive to maintain parity among the employees having the same skill sets, qualification, potential, and experience while duly recognizing / demonstrating exceptional performance in a befitting manner.

The management believes in having a transparent policy & a simple procedure to administer the above policy.

With the above objectives the breakup of the compensation has been made keeping in mind the standard of living expected by the professionals, their social security needs, health benefit needs and their educational / learning needs.

Applicability

The compensation policy is applicable to all employees.

Compensation Applicability and Its Break Up

Break-up of Compensation is divided into sub components, like Basic Pay, Flexible Benefit Plan and Statutory Bonus.

- 1) Basic Pay
- 2) House Rent Allowance
- 3) Flexible Benefit Plan
 - a) Food Voucher/Card
 - b) Vehicle Maintenance and Driver Charges
 - c) Special Allowance
- 4) Monthly Statutory Bonus

1. BASIC PAY

Objective

Basic Pay is paid as a significant component of the overall compensation which has a direct bearing on the employee's retirement benefits.

Applicability

Basic Pay is applicable to all employees.

Administrative Guidelines

- Basic pay is the minimum wages as per State slab OR approximately 50% of the CTC whichever is high. It usually depends on the terms agreed, while designing the compensation package.
- This is taken as a base for the calculations of Provident Fund, Gratuity, leave encashment etc.
- Basic pay is payable on a monthly basis.
- Basic pay is paid to the number of days one is present during a calendar month subject to credits availed on account of eligible leaves.
- This is paid for all paid leaves / holidays / weekly offs.

Taxability: Basic Pay is subject to income tax as per the tax laws.

2. HOUSE RENT ALLOWANCE

Objective

House Rent Allowance is paid so that the accommodation need of an employee is taken care of in accordance to their grades/positions.

Applicability

This allowance is applicable to all employees depending on the salary.

Administrative Guidelines

- HRA exemption amount will be as per employee's declaration. (Rent declared by employee)
- The maximum tax exemption limit allowed for HRA is, 40% of Basic pay in Non-Metros and 50% of Basic pay in Metros.
- HRA is Payable on a monthly basis.
- This is paid for all paid leaves / holidays / weekly offs.

Taxability: This will be taxable in employee's hands as per the prevailing Income-tax laws.

3. FLEXIBLE BENEFIT PLAN**(A) FOOD VOUCHER / CARD****Objective**

To provide employees with the facility of availing food items.

Applicability

This benefit is applicable to all employees in all bands for whom the annual CTC is above Rs.3,00,000.

Administrative Guidelines

Employee may declare Rs 3500 or Rs.2000 per month towards food voucher/card. Any service charge applicable will be paid by the company.

Coupons / Food Card shall be provided to employees before 7th of every month after the payroll.

Taxability: This benefit is Tax Free.

(B) VEHICLE MAINTENANCE & DRIVER'S SALARY REIMBURSEMENT**Objective**

To ensure comfort of travel for employees for official and personal use.

Applicability

This is applicable to all employees who fall under the grade of and above.

Administrative Guidelines

- Employees should submit actual bills along with claim form to HR to avail this benefit on a monthly basis.
- Employees eligible for this scheme but does not wish to avail this option can opt for Conveyance allowance.
- Employee to give a self-declaration along with FBP stating the Car Type, Model & Engine CC
- Any unclaimed amount at the end of the year will be paid to the employee as a Taxable Amount. The amount allocated will vary for different grades as mentioned below:

Car Type	Fuel & Vehicle Maintenance (per month)	Driver Salary (per month)
CC of Engine below 1.6 Ltr	Rs.1800	Rs.900
CC of Engine above 1.6 Ltr	Rs.2400	Rs.900

Taxability: The amount will not be taxable in the hands of the employee.

(C) SPECIAL ALLOWANCE**Objective**

Special Allowance is part of your overall compensation as determined by the company after considering all the benefits provided in this policy document.

Applicability

This allowance is applicable to all employees.

Administrative Guidelines

This amount will be taxed as per norms and given to the employee, for the number of days worked per month.

Taxability: This will be taxable in employee's hands as per the prevailing Income-tax laws.

4. MONTHLY STATUTORY BONUS

Applicability

Will be paid to all employees as detailed in The Payment of Bonus Act.

Taxability: This will be taxable in employee's hands as per the prevailing Income-tax laws.