

NEXA Payroll Guide

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Policy Title: NEXA Payroll Guide

Company Name: NEXA

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1. OVERVIEW & PURPOSE

This Payroll Guide explains how NEXA calculates and disburses employee compensation in compliance with Indian tax regulations and labor laws. The process is designed to ensure transparency, reward merit, and maintain accuracy in all payroll matters. The guide details components such as earnings, statutory deductions, performance-based incentives, and strategic share-based compensation, providing employees with a comprehensive understanding of their total rewards.

2. PAYROLL CYCLE & PAYMENT METHODS

Payroll Frequency:

- Full-Time and Part-Time Employees: Salaries are paid biweekly on every second Friday.
- Contract Employees: Payments are made according to contract milestones as specified in individual agreements.

Cut-Off Dates:

- Attendance and timesheet records must be submitted by 5:00 PM on the Friday preceding the payroll cut-off. Timely submission ensures correct calculation of working hours, overtime, and incentives.

Payment Methods:

- Direct Deposit: Salaries are automatically credited to the employee's bank account. Employees must keep their banking details updated on the HR portal.
- Cheque Payment: Available upon formal request to HR for employees who require a physical cheque.

3. EARNINGS, DEDUCTIONS & TAX WITHHOLDING

Earnings:

- Base Salary, Hourly Wages, and Performance-Based Incentives are clearly detailed on each pay slip.
- Additional earnings may include quarterly bonuses, profit-sharing, and other incentive programs tied to individual and company performance.

Deductions:

- Mandatory Statutory Deductions:
 - Tax Deducted at Source (TDS): Calculated as per the current Indian Income Tax regulations, taking into account employee investment proofs and applicable exemptions.

- Employee Provident Fund (EPF): Contributions are deducted in accordance with statutory limits.
- Employee State Insurance (ESI): Applicable for eligible employees as per Indian regulations.
- Professional Tax (PT): Deducted as per state-specific guidelines.
- Voluntary Deductions:
 - These may include insurance premiums, loan repayments, or other agreed-upon deductions. All voluntary deductions are itemized on the pay slip.

4. OVERTIME, BONUSES & INCENTIVE PROGRAMS

Overtime:

- Overtime is compensated at 1.5 times the regular hourly rate for work exceeding 45 hours per week.
- Overtime work must be pre-approved by supervisors and recorded via the digital timekeeping system.

Bonuses & Incentives:

- Performance Bonuses: Quarterly performance bonuses and annual incentives are awarded based on individual merit and overall company performance.
- Incentive Schemes: These include profit-sharing, spot awards, and employee recognition programs designed to reward exceptional performance and foster career development.

5. DIRECT DEPOSIT & PAY SLIP DETAILS

Direct Deposit Setup:

- Employees must submit accurate bank details via the HR portal. Any changes should be made at least 10 business days before the next payroll cycle to avoid delays.

Pay Slip Information:

- Gross Earnings: Total earnings before deductions.
- Deductions: A detailed breakdown of statutory deductions (TDS, EPF, ESI, Professional Tax) and any voluntary deductions.
- Net Pay: The final amount credited to the employee's bank account after all deductions.
- Year-to-Date Summaries: Comprehensive summaries of cumulative earnings and deductions provided for transparency.

6. PAYROLL DISPUTE RESOLUTION

- Employees must report any discrepancies in their pay slip within 5 business days of receipt.
- Payroll disputes are investigated promptly and resolved within 10 business days. For further escalation, employees may contact the Payroll Manager at payroll@nexa.in.

7. APPENDICES & CONTACT INFORMATION

Appendices:

- Sample Pay Slip
- Detailed Payroll Calendar
- Glossary of Payroll Terms

Payroll Department Contact:

- Email: payroll@nexa.in
- Phone: +91 11 9876 5432

8. STRATEGIC SHARE-BASED COMPENSATION

NEXA offers a strategic share-based compensation program designed to provide employees with an ownership interest in the company and to align employee performance with long-term corporate growth. This program is an integral part of the total rewards package and is intended to deliver higher overall value beyond standard salary and bonuses.

- Eligible employees may receive stock options, restricted stock units, or performance shares as part of their compensation package.
- The allocation and vesting of shares are determined based on individual performance, tenure with the company, and overall company performance.
- Participation in the share-based compensation program is governed by a separate set of guidelines and agreements, ensuring transparency and compliance with regulatory requirements.
- The program is reviewed periodically to ensure that it remains competitive and continues to align with NEXA's strategic goals.

