



SS Medical (I) Pvt Ltd

HR Policy : HRM2022-02

Policy Effective Date: 01/04/2022

ASPIRE: INCENTIVE POLICY 2022-2023

Revision History

Ver No.	Change Description	Prepared By	Reviewed By	Approved By	Date
3	Cross Company Sales Incentive [Clause 6 (g)]	Jhilmil Varsha	Priya Bhandari	Monish Bhandari	Nov 01, 2022
2	N/A	Jhilmil Varsha	Priya Bhandari	Monish Bhandari	Aug 26, 2022
1	N/A	Jhilmil Varsha	Priya Bhandari	Monish Bhandari	June 10, 2022

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1. Purpose

The purpose of the Incentive Policy is to:

- a) Reward employees for their performance and contribution to the business.
- b) Better educate employees about their Objective and Key Results Areas (OKRAs) and how these indicators link to the overall success of the company's business.
- c) Increase employee motivation and interest in meeting business goals.
- d) Provide a clear correlation between key performance measures that influence reward and the employee's ability to influence those measures.

2. Scope:

1. This policy and procedure apply to all Full-Time employees in SS Medical and will be referred to as the company herein. This Policy does not form part of any employee's contract of employment.
2. This Policy will commence on April 01, 2022, it replaces all other policies dealing with incentive payments and bonuses (whether written or not).
3. The policy covers employees of all grades in the organization and all functions be it Business lines (Sales and Service) or Support lines (all other departments).
 - **Bonus:** a lump-sum payment to Support functions and Senior Managerial functions paid over and above base pay and rewards performance and achievements versus the annual objectives.
 - **Incentive:** payments made to employees in Business line functions (Sales and Service) when the targets set at the beginning of the performance cycle are met or exceeded.

3. Policy

It is the policy of the company to provide competitive incentives to motivate its employees to do their best and align their contributions to help SS Medical in achieving success. Incentive plan policy will be implemented systematically on equitable and merit basis.

4. Guidelines

1. All performance measures submissions should be approved by management.
2. All performance measures:
 - a) Should be SMART - Specific, Measurable, Achievable, Realistic, and Timeframe.
 - b) Should not be submitted before an employee gets inputs from his/her manager.
3. Any employee joining after April 01, 2022, will be eligible for an incentive plan policy as a percentage from the date of hire.
4. The maximum incentive entitlement per quarter of any eligible employee cannot exceed four gross salaries (monthly).
5. In case of employee resignation/termination, he will not be eligible for the incentive plan policy in full or part.
6. For new team members target applicable after 30 days of joining as the initial one month is considered a learning curve.

5. Payment of Bonus

- a) The Bonus amount will be calculated as 8.33% of the annual CTC which will be approximately amounts to as one month's salary of the employee.
- b) 50% of the yearly Bonus will be paid in 1st week of May and the rest 50% in the in-1st week of October of the financial year.

6. Incentive Calculation

- a) Incentives will be Payable on all business achieved once the base target is achieved.
- b) Incentives will be calculated on actual achieved value (inclusive of base target) and paid as per the following calculation:

SN	Achievement of Base Target or Incremental range	Incentive Percentage%
1	70%-89%	0.75%
2	90%-99%	1.25%
3	100% and above	1.50%
4	Sales Generated by Service Team Member	1.00%
5	Service Team Member supports the sales as secondary or tertiary person	1.00%
6	CAMC, total team Revenue	2.00%

The target accomplished will be considered in the month of 100 % payment received order in the company account and all follow-up for the payment is the onus of the salesperson.

- c) In case payment is received late more than 90 days after installation there will be a 5% deduction in the incentive amount earned for every 15 days delay thereof (i.e., if payment is received in 120 days, then a 10% deduction in Incentive earned for that order). Payments delayed for 150 days or more will result in a LAPSE of total incentives accrued for the said order.
- d) The incentive on direct sales generated by the service team will be calculated as 1% of the order values excluding GST, assessed quarterly.
- e) The total CAMC revenue generated by the service team will account for a 2% incentive on the total business generated and will be distributed equally among the service team members.
- f) If a sale is achieved by more than one Sales or Service person, the bifurcation of incentive will be accordingly as per their efforts and involvement. For example, If Salesperson1 is the primary salesperson and Salesperson2 is the second one then the incentive will be disbursed as 60% to the primary salesperson and 40% to the secondary. In the rare event that the third Salesperson is involved then the distribution of incentives will be as follows Salesperson1 at 50%, Salesperson2 at 20%, and Supportperson3 at 20%.
- g) **Cross Company Sales Incentive** – In the event the sales are facilitated by the employees of the group company, on the successful closure of the sales account a 1% incentive will be disbursed. The cross-company sales are not considered under the assigned target.

Example:

Sales Person1

Target - 20 Lacs / Month

Quarterly Target – 60 lacs

Quarterly Achievement – 90 lacs (Excluding GST Amount)

Order Payment of 10 lac delayed by 150 days: 10 lacs (not accounted for)

Achievement Considered for Incentive Calculation – 80 lacs(Excluding GST Amount)

Percentage Achievement: 133%

SN	Achievement of Base Target or above (Qtr)	Achievement% slab	Incentive% applicable	Incentive amount
1	60 lac (Base target 100%)	100% and above	1.50%	INR 90000

7. Payment of incentive

1. An assessment of each employee's entitlements to an incentive payment will generally be made on the 7th of the following month of quarter end.
2. Any employee who has been assessed as being entitled to receive an incentive payment will generally be notified in writing.
3. The incentive would be assessed each quarter cumulative and disbursed on a quarterly basis.
4. 60% of an individual's net incentive earned will be disbursed for every quarter on the 20th of the first month of the following quarter. The balance 40% incentive earned will be released at the end of the FY if yearly goals are achieved by 70% or more.
5. Tax will be deducted according to legislation and the net amount will generally be deposited into relevant employees' bank accounts.
6. The company retains the absolute discretion, to amend, cancel or discontinue the incentive and/or bonus schemes, in part or in its entirety, without compensation, at any time. Employees should be informed if any such decision is taken. If the incentive and/or bonus scheme is amended, canceled, or withdrawn completely during the term of the

scheme, the company may exercise its discretion to make a pro-rata incentive payment to affected employees.

8. Accountability

1. Board of Directors is accountable for: Approving the company performance measure/s and the related incentives scales
2. Senior management is accountable for: setting and approving employees' performance measure/s and the related incentives scales.
3. Human Resources are accountable for: Ensuring compliance with this policy and publishing all necessary forms.

Any employee wishing to discuss the operation of the scheme can do so by contacting the HRD (hrd@ssmedworld.com) which will be assisting to administer the scheme.

Variations

The company reserves the right to vary, replace or terminate this policy from time to time.

Policy version and revision information

Policy Authorised by: Monish Bhandari

Original issue: June 17, 2022

Policy Prepared by: Jhilmil Varsha

Effective From: April 01, 2022

Current version: I

Review date: Mar 31, 2023

Employee acknowledgment

I acknowledge:

- *receiving the Company Policy.*
- *that I will comply with the Policy.*

Your name:

Signed:

Date: