

# Total Rewards @ HARMAN India

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## Competitive Compensation Flexible Benefits Add-on Benefits and More

Congratulations and welcome to HARMAN. We are delighted that you are joining our organization.

Welcome to the World of Total Rewards at HARMAN! You will notice that a significant part of our Employee Value Proposition is Total Rewards which comprises of a competitive compensation, an industry-standard or even better benefits plus a host of initiatives that address the needs of our ever growing and enthusiastic employee population.

Total Compensation (or Annual Total Pay) represents your salary that is based on your contribution & experience and it is adjusted and revised at appropriate intervals to remain competitive and contemporary with the market.

Structuring of your compensation represents our commitment to provide benefits and reimbursements that are permissible within the tax laws of the country. Flexible Benefits Package included in your compensation is a simplified approach to facilitating this process.

Below list of benefits enumerated in the document provides you with “add-ons” that are meant to enhance the quality of work life, wealth creation, and wellness for the employees and their families.

We are confident that you will find this Total Rewards document very useful and informative.

We look forward to doing our bit all the time to enhance your delight. Your feedback and comments are most welcome and if you have any, please send them to: Recruiter POC

## 1. Compensation Structure

Your salary structure will include the following major components:

- Basic Pay
- HRA (House Rent Allowance)
- Flexible Benefits Package
- Incentive Pay
- Retirement Benefits

Taken together, the above components will constitute your Total Compensation (or Annual Total Pay). In the ensuing pages, you will find each of the above explained in detail.

S. No	Salary Component	Eligibility	Maximum Limit	Tax implication
1	Basic Salary	All grades	40% of the Base Salary	Taxable
2	House Rent Allowance	All grades	40% of the Basic salary for Bangalore, Pune, Hyderabad and Coimbatore.	a. Actual amount of H.R.A
			50% of Basic salary for Mumbai, Gurgaon, Kolkata & Chennai.	b. The amount by which actual rent paid by the employee exceeds 10% of your Basic salary
3	Flexible Benefits Package (The total payments under the following heads will not exceed the overall entitlement limits given to the employee during the financial year)			
A	Telephone Expenses		50% of actual bills subject to maximum of INR 24,000/- Annum	Reimbursement of Telephone expenses (Official usage only) incurred by employees will be exempt on submission of telephone bills.
B	LTA		No limits	Exemption for LTA granted to employees is available in respect of two journeys by the employee and his family in a block of four calendar years for (Eg. 2022 to 2025) proceeding on leave to anyplace in India.
C	Gift Coupons		Up to a maximum of INR 4,956/- Annum	Employees must declare for Gift voucher in FBP declaration form to avail this benefit. The vendor will distribute the gift voucher once in a quarter on specified days which will be notified to the employees.

				Gift coupons shall be taxed if total value of gift (including value of service award, recognition) exceeds INR 5,000 during a financial year (E.g. value of gift is 10,000 in financial year, entire 10,000 would be taxable) (IT department - circular No 15 dated 12-12-2001)
D	Fuel Reimbursement& Car Maintenance (Car Owned by Employee)		If the cubic capacity of the engine exceeds 1.6 liters – up to a maximum of INR 2400 p.m. If the cubic capacity of the engine does not exceed 1.6 liters – up to a maximum of INR 1800 p.m.	
E	Driver Wages car owned by employee		In case of employee-owned car the amount exempted from tax will be INR 900 p.m.	
F	Meal Coupon		As per Meal coupon policy, food wallet option chosen by employee will be exempted from tax	Option 1: INR 1,100 per month Option 2: INR 2,200 per month
4	Incentive Pay	GG 11 & Above	As per grade and role played	Incentive Pay is an annual plan and is taxable. Refer to “Offer of Employment” for more details on the applicable Incentive Plan
5	Company’s PF Contribution		12% of Basic Salary	Your PF contributions enjoy a tax benefit under Section 80C of the Income Tax Act, 1961. There is no tax Liability on you for company's contribution to the PF.
6	Statutory Bonus		INR 40,500	If Monthly Basic Pay <= INR 21000
7	ESI		3.25% of Fixed salary	If Monthly Fixed Salary <= INR 21000
8	Gratuity Contributions		4.81% of Basic Salary	Section 10(10) of Income tax act 1961. INR 20 lakhs is exempted from tax (all the employments put together)

## Car Allowance

As per policy, employees in Grade 16 and above will be eligible for car allowance as defined in the policy.

## Increment Cycle

### For DTS

Employees belonging to Corporate function, Grade 13 and above in Engineering and employees who are part of the Sales commission plan, who joined us on or before December 31st will be eligible for a prorated hike in March cycle. Employees joining January 1st onwards will be eligible for a hike in the March cycle next year. (Example: If an employee joins on 15th January 2022 then he/she is eligible to get his/her increment in March 2023.)

We follow Half yearly Cycle (effective beginning of the Mar & Oct) for all employees in engineering i.e. employees in grade 12 and below and part of engineering. For Example: Employees joining January 1st onwards will be eligible for a hike in the March cycle next year. (Example: If an employee joins on 15th January 2022 then he/she is eligible to get his/her increment in March 2023). And if an employee joins in 15th July 2022, their next increment will be effective from 1st Oct 2023.

Month of Joining	Salary revision date
January/February/March/April/May/June	Next year effective March 01st
July/August/September/October/November/December	Next year effective October 01st

### For Non-DTS

You will normally receive Increments annually as per the Company Policy. Increments will not be automatic and will be determined on your performance. Employees who joined us on or before December 31st will be eligible for a prorated hike in March cycle. Employees joining January 1st onwards will be eligible for a hike in the March cycle next year. (Example: If an employee joins on 15th January 2022 then he/she is eligible to get his/her increment in March 2023.)

## Credit Card

We provide Corporate Cards to managers and employees for their travel and business entertainment commitments as detailed in our policy.

## Emergency Loans

We assist needy employees during certain recognized emergencies listed in our policy.

## Extended Education Program

We assist our employees in furthering their qualification, enhancing their skills and competencies.

## Gratuity

As per the provisions of the Gratuity Act.

## NPS

HARMAN has tied-up with Kotak Mahindra as service provider for all NPS related transactions. Enrollment into NPS is simple and is on VOLUNTARY basis.

## Group Medical Insurance

To take care of Medical expenses involving hospitalization, we provide “Mediclaim” insurance coverage for you, your spouse, children and dependent parents or dependent in-laws. Under this scheme, you and your immediate family are entitled to a maximum cover as per the table below per annum.

Grades	Sum Insured
GG 11 & below	INR 5 Lakhs
GG 12 to 13	INR 6 Lakhs
GG 14	INR 8 Lakhs

Claims can be made for parents’ treatment, if needed, for the full sum insured.. Claim relating to parents or parents-in-law, the co-payment will cover 20% of the claim, while the insurance company will settle 80% of the admissible claim amount. And for claims relating to self, spouse and children, the co- payment will cover 10% of the claim, while the insurance company will settle 90% of the admissible claim amount.

Employees can choose to top-up the medical insurance coverage by availing an additional insurance cover over and above the base eligible sum offered by HARMAN. This top-up will also cover family members as provided in the base policy. Employees have 9 options of top up as below:

Top-up Sum Insured Options
Option 1 : INR 100,000
Option 2 : INR 200,000
Option 3 : INR 300,000
Option 4 : INR 400,000
Option 5 : INR 500,000
Option 6 : INR 800,000
Option 7 : INR 1,000,000
Option 8 : INR 1,200,000
Option 9 : INR 1,500,000

Employees would contribute INR 500 from their salary towards monthly premium for Base policy. Employee will bear the complete cost of availing Top up.

## Personal Accident Insurance

Employees are covered under the Personal Accident Coverage with a graded cover.

Grades	Sum Insured
GG 10 & below	INR 15 Lakhs
GG 11	INR 20 Lakhs
GG 12	INR 30 Lakhs
GG 13	INR 40 Lakhs
GG 14	INR 50 Lakhs
GG 15 and above	INR 60 Lakhs

#### Term Life Insurance:

Employees are covered under the Group Term Life Insurance Coverage with a graded cover.

Grades	Sum Insured
GG 10 & below	INR 45 Lakhs
GG 11-13	INR 80 Lakhs
GG 14, 15 & 16	INR 2.75Cr
GG 17 & Above	INR 3. 75Cr

#### Leave Program:

We offer an exhaustive Leave Program where all employees are eligible for a total of 21 days of **Privilege Leave**, 6 days of **Casual leaves**, 15 days of **Regular Sick leave** and 15 days of **Prolonged Sick leave** annually.

Female employees can avail **Maternity Leave** for 26 weeks of which not more than eight weeks shall precede the date of expected delivery.

Male employees on rolls of the company can avail **Paternity leave** of 10 working days.

All permanent Employees can avail **Bereavement leaves** of 5 working days in case of death of immediate family members.

If an employee works extendedly on a weekend or company declared holiday due to project pressures, business/customer priorities or extended recruiting efforts, **Compensatory off** is provided to employees.

Employees are provided with the option of **Sabbatical Leave** to take time off to address personal medical situations, for elderly or childcare, pursue career aspirations by undergoing specialist training/ further education or enhancement of skill/ knowledge amongst other things.

#### Child Adoption Support:

We support by reimbursing INR 100000 towards legal fees when you choose to adopt a child. Female employees can avail up to 12 weeks of maternity leave and male employees can avail up to 10 workings days' paternity leave.



### Wedding Gift

We provide a cash gift of INR 5000 for a newlywed colleague. Gift amount shall be taxed as perquisite.

### Newborn gift hamper

Your new born baby will receive a special baby kit with best compliments from HARMAN.

### Referral Bonus Program:

We have a very unique and an attractive employee referral recognition program. This amount shall be taxable.

### Service Awards:

A special appreciation program is designed for employees whose service tenure with HARMAN crosses certain milestones such as 1 year, 5 years, and every five years of service thereafter throughout 50 years of service. Award shall be taxed as perquisite if total value of gift (including value of gift card, recognition) exceeds INR 5,000 during a financial year.

### Recognition Program:

We offer an elaborate Reward & Recognition program which aims at recognizing employees for their small and big contributions. The program offers multiple award levels ranging from a simple “thank you” to a variety of point-based & cash awards designed to recognize a range of contributions. Point based award shall be taxed as perquisite if total value of gift (including value of gift card, service award) exceeds INR 5,000 during a financial year. In case of cash award, entire amount shall be taxed as perquisite.

### Gym Facility:

We offer gym facility for the employees with the subsidized cost.

### Wellness Programs:

- Wellness check-up camps for family including parents.
- Awareness sessions on various health & nutrition related subjects.

### Subsidized Transportation:

We offer transportation facility at subsidized cost. The amount will be deducted from employee's salary.