

# Flexible Benefit Plan

## House Rent Allowance (HRA)

**Coverage:** All Associates

**Eligibility limit:** 0 to 60% of the basic salary



### Key Policy Highlights:

- Associates need to choose and define the HRA amount in the FBP definition system on a monthly basis.
- Associates can opt for an HRA amount in the range of 0 to 60% of their respective basic salary.
- On selection, associates will be paid the defined HRA amount as part of their monthly salary.
- In order to claim Tax exemption, associates need to submit the rent receipt/bank statement and a copy of the lease agreement to the Finance team.
- Associates availing hostel accommodation need to submit the rent receipts in the hostel's letter head or pre-printed receipt book.
- Expenses incurred on maintenance charges, electricity bill, food (in case of paying guest accommodation) are not eligible for any Tax exemption.
- Tax exemption on HRA, if applicable, will be as per the prevailing income Tax rules.

## Food Reimbursement

**Coverage:** All Associates

**Eligibility limit:** Up to a maximum of Rs. 3,000 (PM)



### Key Policy Highlights:

- Associates can avail the benefit of Food Reimbursement through Food card

- Associates need to choose and define the Food Reimbursement amount in the FBP definition system on a monthly basis.
- Associates can redefine the amount of Food Reimbursement on a monthly basis, subject to the prescribed limits.
- Food Reimbursement is proportional to the number of days an associate spends on India payroll in a month.

Please note that food card usage is subject to Governmental regulations.

## Leave Travel Allowance (LTA)

**Coverage:** All Associates

**Eligibility limit:** Up to a maximum of Rs. 100,000 (PA)



### Key Policy Highlights:

- Associates need to choose and define the LTA amount in the FBP definition system on a monthly basis.
- Associates can redefine the LTA amount on a monthly basis, but the changes would be effective for the month of redefinition & onwards only.
- Associates need to avail a minimum 3 Working days of earned leave in order to claim LTA.
- Only travel expenses for associates and their dependents are reimbursable.
- In order to claim the reimbursement of dependent's travel expenses, the associate must have accompanied them during the travel.
- Only expenses incurred on travel within India may be claimed for reimbursement.
- Expenses incurred on accommodation, recreation, sightseeing etc. cannot be claimed as part of LTA.
- Exemption can be claimed twice in a block of four years (Current block period is 2018-2021)
- LTA can be claimed twice in a block of four years. i.e. two journeys can be performed in a block (current block period starts from 1st January 2018 and ends by 31st December 2021).  
Accumulation can also be carried forward to the next year within the block of four years.  
However, associates can claim only one travel in a calendar year.
- LTA can be claimed as non-taxable income only twice in a block of four years. After the associate has claimed it as non-taxable income twice, the LTA component will be frozen for further definition.
- Tax exemption on LTA, if applicable, will be as per the prevailing Income Tax rules.

# Reimbursement of Mobile Phone Expenses



**Coverage:** Manager & below

**Eligibility limit:** Grade-wise eligibility is as described below

Level	Upto Associate	Sr. Associate & Manager
Monthly Eligibility (Rs.)	500	1000

## Key Policy Highlights:

- Associates need to choose and define the amount of Mobile reimbursement in the FBP definition system on a monthly basis.

# Reimbursement of Car running



**Coverage:** Sr. Associate & above

**Eligibility limit:**

Eligibility (in Rs. Per month) based on the car engine capacity as described below.

Engine Capacity	Car running & Fuel Expenditure	Driver Salary
<=1.6 liters	1800	900
>=1.6 liters	2400	900

## Key Policy Highlights:

- It is aimed to help associates to get the car expenses incurred by them for official purposes reimbursed.
- Associates need to choose & define the amount in the FBP definition system on a monthly basis. Car expenses include the expenses incurred on fuel, maintenance, and driver's salary.
- In order to avail the benefit, Associates need to use cars registered in their names at their respective current locations only. Car ownership proof to be submitted in MyPay to avail the car running benefit
- Fuel expenses can be reimbursed only through credit card swipes
- Maintenance & Driver salary will be reimbursed based on the invoices submitted

# Superannuation Fund Contribution

**Coverage:** All Associates

**Eligibility limit:** Minimum contribution of INR 500 per month and subject to a ceiling of 15% of basic salary or INR 150,000 per annum, whichever is lesser.



## Key Policy Highlights:

- Superannuation Fund is an optional post-retirement benefit extended to all Associates of Cognizant.
- Associates need to choose and define the contribution amount towards Superannuation Fund in the FBP definition system on a monthly basis.
- If opted, Cognizant would contribute to the Superannuation Fund on a monthly basis.
- Associates opting for Superannuation Fund Contribution can change the amount of contribution on a monthly basis.
- Once opted, an Associate will have to continue contributing to the fund throughout his / her employment tenure with Cognizant.
- Associates are not eligible to withdraw any amount from the Superannuation Fund during their employment tenure in Cognizant.
- New Joiners can opt for this benefit through their first FBP definitions and enroll within the first three months of their Joining. Failure to declare and opt for this benefit before the 25th of the third month from Date of joining, would make the associate ineligible to enroll for this benefit thereafter.

# National Pension Scheme

**Coverage:** Associates at all levels

**Eligibility limit:** Minimum contribution of Rs. 500 per month and maximum of 10% of basic per month



## Key Policy Highlights:

- National Pension Scheme (NPS) is a retirement benefit provided to employees. Originally, introduced by the Govt of India in 2003 and revised in 1 April, 2011.
- The scheme is administered and controlled by the Pension Fund Regulatory & Development Authority – PFRDA.
- Please refer the FBP policy document on <https://mypay.cognizant.com> for more details on claim process and policy details.
- Associates to declare the desired NPS Contribution amount in the FBP definition system, available on <https://mypay.cognizant.com>

**The Policy and Process details are subject to change without notice based on rules and regulations by government as appropriate.**

**The Organization reserves the right to remove or add any new FBP components and modify the Eligibility/guidelines without any prior notice**