

Leave Travel Assistance (LTA)**1. Short Title and commencement**

These rules shall be called Leave Travel Assistance (LTA) Rules.

2. Objective

The objective of the rules is to assist an Employee by providing allowance / reimbursement towards traveling expenses for the self and family during their privilege leave either for visiting their home town or elsewhere as the case may be.

3. Applicability

Applicable to all employees working at Head Office / Client project sites on Company rolls as per their terms of the Appointment Letter/ respective policies of the company.

4. Definitions

- a) **Native Place** means permanent home address as per the Company records.
- b) **Family** includes only the following direct relatives of the employees subject to maximum of four person including self, Spouse, Unmarried Daughters, Unemployed children below the age of 21 years AND Dependent Parents
- c) **LTA Amount** : For claiming LTA of current year, the entitlement shall be based on the existing Basic Pay at the time of undertaking journey.

5. Entitlement

Sl. No.	Band	% of Annual Basic salary
1.	VI & above	12.50%
2.	V & below	8.33%

NOTE:

The LTA Component of an employee shall be the part of overall CTC and the exact amount shall also be shared under the CTC Structure part of the Appointment Letter/ Appraisal Letter of the employee

The LTA Claim must be submitted with 24th of any month to be processed along with the same month's payroll. In case of delayed submission, the LTA will be processed in the next month's payroll cycle.

In case of LTA Reimbursement Claim, all the relevant supporting document must be submitted along with the claim before 24th of any month as mentioned above. Otherwise, the claim will not be processed further.

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In case the employee doesn't have all the required supporting documents to furnish along with the claim, he/ she will get TAX benefit only on the amount for which all the required supporting documents are available. The remaining amount shall be paid as LTA Allowance and taxes shall be deducted as applicable.

6. General Rule

6.1 LTA will be Payable for the calendar year (i.e. Jan to Dec.)

6.2 The Employees are permitted to accumulate LTA but once claimed, the entire available amount shall be considered.

6.3 LTA reimbursement can be claimed only once in a year and for availing LTA, minimum 3 days PL must be enjoyed by the employee and the claim should be duly supported by the travel ticket for the same duration. Cabs & Taxi bills are not allowed.

6.4 Employees will be eligible to claim the first LTA only after the completion of current calendar year of starting the service. Subsequent claims can be made any time during the next calendar year. LTA amount shall be paid based on the actual accumulated amount till the date of claim and for the months still to come in that calendar year.

6.5 In the event, the employee joins in the middle of calendar year, he/she will be allowed to claim 1st LTA after completion of the calendar year of the service on pro rata basis for the period he has worked in the first calendar year of his joining.

6.6 In case of separation on any ground except termination of the employee on disciplinary grounds from the services of the Company during the calendar year, the employee will be entitled for the payment of LTA on pro rata basis from the date of joining till the date of separation. The amount will be subjected to taxes as applicable.

6.7 Employee may opt to claim LTA, without taking any leave, as an Allowance, in which case it would be fully taxable.

6.8 It is ideal to take leave and LTA together, but if an employee does not want to take leave for any reason whatsoever and still wants to avail LTA, he can do so as mentioned above under point **6.7**.

However, for the Income Tax exemption on LTA, the employee has to provide details of leave taken, travel tickets, and bills etc. to claim the Taxation Department.

6.10 In the absence of any documentary evidence of actual travel, the employee will be paid the LTA as Allowance which will be fully taxable.

6.11 In case of a revision in Basic Salary subsequent to the journey undertaken by an employee and if such revision is made with retrospective effect and covers the leave period when such LTA was availed the difference in the revised LTA due to such revision will be paid to Employee or can be carried forward to next year and will be paid along with LTA for that year to those who have claimed LTA.

6.12 In case of an employee staying alone at a Client Site and is visiting his native place, he/ she will be eligible to claim LTA on actual for himself and not for the entire family. However, if the family is visiting the place of posting of an employee, he can claim LTA reimbursement for journey undertaken by the family on actual provided documentary evidence of travel undertaken is submitted along with the claim. In such cases, where the employee is provided with bachelor accommodation and his family visits the place of posting, the Company shall not be responsible for providing any family accommodation during such visit.

7. Interpretation of rule

- 7.1** In case of ambiguity in any of these rules, clarification or interpretation by the Management shall be binding and final.
- 7.2** All the entitlements mentioned in this circular are subject to prevailing Income Tax Rules & Regulation, which the employee will have to comply.

8. IMPORTANT NOTES:

- 8.1** LTA can be availed only once in a year (Calendar year)
- 8.2** LTA is always calculated based on the calendar year (Jan to Dec)
- 8.3** LTA can be accumulated but once claimed, the entire amount will be considered
- 8.4** LTA can be claimed either as Reimbursement or Allowance
- 8.5** In case of Reimbursement - a minimum of 3 days PL are mandatory and the claim must be supported by the travel tickets effective Jan-2019
- 8.6** Effective Jan-2019 - even in case of LONG OFFICIAL HOLIDAYS, minimum of 3 days PLs shall be mandatory for claiming LTA reimbursement
- 8.7** Effective Jan-2019, only the actual accumulated LTA amounts can be claimed (either Reimbursement or Allowance). Any amount as ADVANCE shall not be paid against LTA claims.
- 8.8** For LTA Reimbursement claim only - BUS, TRAIN and FLIGHT tickets are considered. CAB / TAXI fares shall not be considered for reimbursement.
- 8.9** LTA Reimbursement can be claimed only for the CURRENT year. Reimbursement cannot be claimed against PREVIOUS year's travel tickets
- 8.10** For LTA Reimbursement claim - travel (expense) by own vehicle shall not be considered

8.11 The local conveyance, lodging & boarding - like food bills, Hotel stay etc. shall not be considered. In case of LTA Reimbursement, only the amount for which the valid travel tickets have been submitted shall be considered towards the Income Tax benefit

8.12 Any LTA Reimbursement claim without proper supporting shall not be considered for Income Tax benefit. The amount thus paid will attract the applicable Income tax

8.13 The relevant supporting documents should be submitted along with the Reimbursement claim from only (or at least before 24th of the same month of claim submission). Otherwise, the claim would be either processed as LTA Allowance or would be ON-HOLD till all the relevant documents are not being submitted

8.14 For LTA Allowance claim - availing PL is not mandatory

8.15 LTA Allowance amount shall be subjected to Income Tax as applicable

8.16 The LTA claim should be submitted to the HR Dept. along with the relevant supporting latest by 24th of any month

8.17 The verified and approved LTA claims shall be paid along with the salary of the month

8.18 Any LTA Claim submitted after 24th of any month, shall be considered for payment with the salary of the next month only

8.19 In case of Separation, the balance LTA amount shall be paid along with the F&F settlement

8.20 This policy will be in effect from 1st January, 2019 till any further revisions/ notifications.

NOTE:

THIS POLICY SHALL BE EFFECTIVE FROM 1ST JANUARY, 2019 AND SHALL BE APPLICABLE TO ALL EXISTING CASES WITHOUT EXCEPTION.

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For HIGHBAR TECHNOCRAT LTD.



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