



# **FLEXI BENEFIT PLAN (FBP)**

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## DOCUMENT CONTROL

Employee Handbook					
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## APPROVALS

Heading	Name	Designation	Date (s)s
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## REVISION HISTORY

S. No	Ver. From	Ver. To	Date of Change	Changes made
1	1.0	1.1	April 01, 2012	Updated
2	1.1	1.2	April 11, 2013	Clause 1.3.3 on refund of uncollected Food Coupons <b>eliminated</b>
3	1.2	2.0	March 31, 2014	Changes in eligibility (FBP policy extended to P1 band) Changes in FBP window dates
4	2.0	2.1	April 28, 2014	New Entitlement for Fuel and driver's Salary
5	2.1	2.2	September 30, 2014	Change in availing leave while apply for LTA as non-taxable.
6	2.2	2.3	May 06, 2015	Conveyance has been revised
7	2.3	2.4	October 01, 2015	CCS annual limit has been revised
8	2.4	2.5	October 01, 2016	Food Coupon entitlement has been changed and LTA Carry forward option has been removed.
9	2.5	2.6	July 01, 2017	ADP and related links are added. Made it relevant for LC2P.
10	2.6	2.7	May 10, 2019	Conveyance allowance and Medical Reimbursement eliminated as per the laws.
11	2.8	2.9	April 10, 2020	FBP Policy extended to Indore Employees
12	2.9	3.0	September 07, 2020	New Eligibility Updated
13	3.0	3.1	October 01, 2021	New Eligibility Updated

## FLEXI BENEFIT PLAN (FBP)

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## 1. OBJECTIVE

The objective of this policy is to define the flexible benefits as applicable to various categories of employees. It enables an employee to restructure his compensation based on individual needs within the overall compensation structural framework adopted by the company and to receive part of their salary in a form that is commensurate with personal requirements

## 2. PURPOSE

To lay down guidelines for processing and paying the FBP components selected by the employee as part of the employee's CTC (Cost to Company) in a convenient manner while complying with all internal control requirements and applicable tax laws and amendments to the same from time to time

## 3. GUIDANCE

The advantages of Flexible basket will vary from employee to employee. To ensure that an employee understands the program, an indicative tax calculator is provided which will assist him/her in deciding the options. The link/calculator is available on the TPO Portal.

An employee may refer to the Income Tax Act, 1961 and the rules framed there-under for the detailed provisions as applicable

## 4. DEFINITIONS & ABBREVIATIONS

• FIS	FIS Global Business Solutions India Pvt. Ltd. Fidelity Information Services India Pvt. Ltd.
• FBP	Flexible Benefit Plan
• LSG	Legacy Sungard
• hWP	Heritage Worldpay
• LTA	Leave Travel Allowance
• CCS	Company Car Scheme
• EMI	Equal Monthly Installment (under Car Scheme)
• F&F	Full & Final Settlement of dues
• TC	Total Compensation
• CTC	Cost to Company

## 5. SCOPE & ELIGIBILITY

FBP Components	Eligibility/ Clause
Child Education Allowance	All Full Time Employees
Hostel Allowance	All Full Time Employees
NPS-Employer Contribution	All Full Time Employees
Leave Travel Allowance	All Full Time Employees
Meal Card	All Full Time Employees
Co. Car Scheme - Car EMI	M3 and above
Co. Car Scheme - Fuel/ Main/ Insurance	M3 and above
Co. Car Scheme - Driver Salary	M3 and above
Self-Owned - Fuel/ Main/ Insurance	P3/SV1 & above
Self-Owned - Driver Salary	P3/SV1 & above

## 6. POLICY DETAILS

- 6.1. An employee's TC is divided into Base Pay (Basic, HRA, FBP, PF) and Variable Pay Components. This policy refers to the FBP only. An Employees CTC is divided into Base Pay, Variable Pay and Benefits.
- 6.2. All full time employees have the option to choose FBP components from flexi benefit basket in Benefits – HKG-IND-PHL-POL-SGP (Darwin). The FBP selection window will be opened twice a year from 2<sup>nd</sup> to 13<sup>th</sup> in April and October(window close date may vary as per payroll cut off date).
- 6.3. An Employee has the option of selecting flexi components up to the total FBP amount reflected in his/her compensation structure.
- 6.4. Each component in flexi basket has a ceiling. Allocation in each component must be within the ceiling.
- 6.5. Balance, if any, after selection of flexi components will be added to Management Allowance which is part of Base Pay and paid monthly and taxed as applicable as per income tax rule.
- 6.6. In case the employee does not select any option, full amount will be added to Management Allowance and paid monthly. It would be fully taxable.
- 6.7. Reimbursements will be made through payroll as per the prorated eligibility of the employee. Accrual will be on a monthly basis. In case any claim exceeds the total accrued balance in any component then the reimbursement will be limited to such accrued balance. It is advised that claims are lodged when sufficient balance has already accrued.
- 6.8. Employee is required to be on the rolls of the company on the date of incurring these expenses to claim the amounts. Employee is also required to be on the rolls of the company when claiming reimbursement.
- 6.9. Unclaimed amount during the financial year against reimbursable FBP components will be paid to the employee along with March salary or through F&F, if applicable, after deduction of taxes applicable



- 6.10. When window is opened for the second time (e.g. October), changes to FBP selection amounts can be made only to the extent balance is available in all the components including Management Allowance.
- 6.11. For all full time employees FBP selection window in Darwin opens as soon as successful integration from workday to Darwin for new joiners.
- 6.12. Company Car Scheme / Self Owned Car: Out of the two options only one option can be selected at a time for any period. Employee may switch from one to the other when window is opened. However, employees under Company Car Scheme cannot switch over till the current contract has ended.
- 6.13. In March, expenses should be incurred and claimed by the 10<sup>th</sup> of March. Vouchers/bills incurred in March or earlier will not be reimbursed in the next financial year.
- 6.14. Employee must ensure that all information provided/declared by him/her and all bills/receipts submitted/claimed are true, accurate and genuine. If any of these are found to be false, then the company could initiate strict disciplinary action against the employee.

## 7. ENTITLEMENT

Snapshot of entitlements are given in the table below. Details of conditions/clauses applicable to each component are laid out in the next section.

FBP Components	Max Entitlement	Eligibility/ Clause	Mode of Payment
<b>Child Education Allowance</b>	100 p.m per child up to max 2 children	All Full Time Employees	Pay Monthly through salary
<b>Hostel Allowance</b>	300 p.m. per child up to max 2 children	All Full Time Employees	Pay Monthly through salary
<b>NPS-Employer Contribution</b>	10% of Basic Salary	All Full Time Employees	Payroll Deduction
<b>Leave Travel Allowance</b>	120000 p.a.	All Full Time Employees	Reimbursement
<b>Meal Card</b>	26400 p. a.	All Full Time Employees	Payroll Deduction (Amount will be loaded in electronic meal cards every month)
<b>Co. Car Scheme - Car EMI</b>	Refer CCS Policy	M3 and above	Direct deduction by company
<b>Co. Car Scheme - Fuel/ Main/ Insurance</b>	Refer CCS Policy	M3 and above	Reimbursement
<b>Co. Car Scheme - Driver Salary</b>	Refer CCS Policy	M3 and above	Reimbursement
<b>Self-Owned - Fuel/ Main/ Insurance</b>	1800 pm / 2400 pm	P3/SV1 & above	Reimbursement
<b>Self-Owned - Driver Salary</b>	900 pm	P3/SV1 & above	Reimbursement

<b>Superannuation. (Only for existing members)</b>	Upto 15% of Basic salary OR Minimum Rs.100 subject to maximum of Rs. 8,333 per month.	Exempted as per IT guidelines	Monthly deposited in your SA Account maintained with LIC
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## 8. LEAVE TRAVEL ALLOWANCE (LTA) REIMBURSEMENT

For availing LTA as non-taxable, an employee must avail 2 days of leave during weekdays, can club weekly offs with holidays (fixed/floating) & can club single day leave with weekly offs. Please refer the table below for more clarity:

### Scenario:

Types	Weekdays		Clubbing Weekly Off's with Leave
	Scenario 1	Scenario 2	Scenario 3
Scenario	2 days PL/CL/Comp Off at a stretch can be availed and would qualify for availing LTA as non-taxable.	1 day PL can be clubbed with CL/Comp Off/RH/Fixed Holiday can be availed and would qualify for availing LTA as non-taxable.	Single day leave can be clubbed with weekly off's for claiming LTA as non-taxable. Eg:- PL/CL/RH/CO falling on Friday or Monday can be clubbed with weekly off's Saturday & Sunday.
<b>Note: Utilization of Privilege Leave (PL) is no longer mandatory for availing LTA as non-taxable.</b> <b>None of the above scenarios requires utilization of PL's.</b>			

8.1. Amount: Maximum Rs 120,000/-.

8.2. Qualifying Guidelines – The company will reimburse and give tax exemption as per guidelines below:

- 8.2.1. List of the Income Tax rules that govern non-taxability of LTA are as follows :
- 8.2.2. LTA would be treated as non-taxable for two journeys in a block of four calendar years (for e.g. 2017 to 2021 is one block). If the employee has not availed of the travel concession on one of the two permitted occasions (or on both occasions) in a block of 4 years, the journey performed in the first year following that block is also eligible for exemption and such journey will not be taken into account for determining the tax exempt journeys for that following block.
- 8.2.3. All travel must be within India. Exemption will be limited to the shortest route from origin to destination of journey
- 8.2.4. Travel by self-owned car is not permissible.
- 8.2.5. Taxi/Cab bill must have GST no. or any declaration related to same.
- 8.2.6. Claim for travel by Air will be limited to an amount not exceeding the economy airfare of the national carrier.
- 8.2.7. If the place of journey is connected by rail and travel is done by rail, the maximum amount reimbursed is limited to First class AC train fare.
- 8.2.8. If the origin and destination of journey is connected by rail and travel is not done by rail/air, the maximum amount reimbursed is limited to First class AC train fare.
- 8.2.9. If origin and destination or part thereof is not connected by rail then :
  - 8.2.9.1. Where recognized public transport exists, amount up to 1<sup>st</sup> Class or Deluxe Class fare of such transport will be reimbursed
  - 8.2.9.2. Where recognized public transport does not exist, an amount equivalent to First class AC Train fare will be reimbursed, as if journey was performed by rail
  - 8.2.9.3. Tax exemption is available for fare only. Other expenses like lodging/boarding do not qualify.

- 8.2.9.4. Tax exemption is based upon actual expenditure i.e. without performing a journey and incurring expenses thereon, no exemption can be claimed
- 8.2.10. Employee is required to be on rolls of the company on the dates of travel to claim the amount.
- 8.2.11. Employee has to note down the dependents at the time of submitting a claim online.
- 8.2.12. Qualifying expenses: expenses towards domestic travel on vacation for self, spouse, maximum 2 children, dependent parents. Multiple births after one child is also covered.
- 8.2.13. Employees are required to submit the following documents in original to claim reimbursement:
  - 8.2.13.1. Complete air travel throughout the journey - Boarding pass
  - 8.2.13.2. Complete rail travel throughout the journey - Rail tickets
  - 8.2.13.3. Complete sea journey - Tickets of the sea liner (fare would be limited to First class AC train fare)
  - 8.2.13.4. Combination of travel modes specified above - Appropriate documents specified above for the respective modes
  - 8.2.13.5. Travel by any other mode - If public transport exists, tickets for the journey to be submitted. If public transport does not exist the First AC Rail fare for the distance in Km to be computed and claimed.
  - 8.2.13.6. Snapshot printout of Leave approval from AMS/ WD. The LTA claim should cover the leave period.
  - 8.2.13.7. Duly filled Form 12BB to be submitted along with the claim.
- 8.2.14. Travel done separately (employee and family) will be considered for LTA provided the travel is to the same destination and should have been together for full or part of the duration.
- 8.2.15. LTA can be claimed only against the amount declared in FBP for the current financial year.
- 8.2.16. Employee, if opted for LTA in FBP has the option to claim the amount as Nontaxable (subject to submission of bills) and if the amount is unutilized the same will be paid as Taxable income (subject to tax slab) in the March payroll.

## 9. NPS Employer Contribution

- 9.1. NPS employer contribution amount shall be realized from FBP quota & deduction from monthly salary.
- 9.2. Opportunity to get up to 10% of basic salary as **tax-free salary** u/s 80 CCD (2) **without any upper cap** in terms of absolute value.
- 9.3. This benefit is over and above the limit of 80CCE and 80CCD (1B)
- 9.4. For more information please refer to NPS PPT in PSD portal.

## 10. FOOD COUPONS

- 10.1. Food coupons worth the amount selected in FBP will be provided on a monthly basis. The coupons amount will be loaded in employee's electronic meal cards by the selected service provider's. (Employees are advised to check out coupon redeeming centers from the vendor's website)
- 10.2. It may be noted that the income tax department would be able to retrieve the statement of expenditure of the employee and analyze/evaluate whether the conditions for claiming exemption are met. If it is found that the meal card has not been utilized rightly, the authorities could levy tax on the amount that does not meet the conditions.
- 10.3. Amount: Up to Rs.26,400/- p.a. (Rs. 2,200/- p.m.). This amount is eligible for tax exemption as per the Income Tax Rules.
- 10.4. Considering the nature of our business where we provide support 24X7, employees in the Company may need to work in flexible hours and in various shifts and therefore they may need to consume up to two meals a day using meal vouchers. If an employee consumes two meals a day using meal vouchers in a working day and works for 22 days in a month, then the employees may avail meal vouchers under the FBP policy of the Company up to maximum of INR 2,200 per month. It shall be the sole responsibility of the employee to give correct declaration to the Company and choose the appropriate amount of the meal voucher that will be used by them during the month.

## 11. CHILD EDUCATION ALLOWANCE

- 11.1. Allowance provided to meet employee's expenditure towards child education.



- 11.2. Allowance is applicable for school going children up to Class XII. It also covers Class XI & XII held in junior colleges.
- 11.3. All fulltime employees have to select the number of children and allocate amount accordingly in the Benefits – HKG-IND-PHL-POL-SGP (Darwin)FBP window.
- 11.4. Payment will be made monthly through payroll based on selection
- 11.5. Amount: Rs 100 per month per child up to 2 children
  - 11.5.1. Selection example for 1 child : 1 child x 100 x 12 = 1200
  - 11.5.2. This amount is eligible for tax exemption as per Income Tax Rules
- 11.6. Supporting vouchers are not required to be submitted.
- 11.7. The company reserves the right to request for supporting documents e.g. school fees receipt, proof of class at any point of time. Employee is liable to provide such documents failing which all payouts on this account will be taxed and disciplinary action may be taken

## 12. HOSTEL ALLOWANCE

- 12.1. Allowance provided to meet employee's hostel expenditure on his child.
- 12.2. Allowance is applicable for school children up to Class XII. It also covers Class XI & XII held in junior colleges. It will be paid out monthly through payroll
- 12.3. Employee may select Child Education allowance along with Hostel Allowance
- 12.4. All full time employees have to select the number of children and allocate amount accordingly in the Benefits – HKG-IND-PHL-POL-SGP (Darwin)FBP window.
- 12.5. Payment will be made monthly through payroll based on selection.
- 12.6. Amount: Rs 300 per month per child up to 2 children
  - 12.6.1. Selection example for 1 child : 1 child x 300 x 12 = 3600
  - 12.6.2. This amount is eligible for tax exemption as per Income Tax Rules
- 12.7. Supporting vouchers are not required to be submitted.
- 12.8. The company reserves the right to request for supporting documents e.g. hostel fees receipt, proof of class, at any point of time. Employee is liable to provide such documents failing which all payouts on this account will be taxed and disciplinary action may be taken

## 13. Company Car Scheme – EMI, Vehicle Running, Driver & Maintenance Expense Reimbursement

Please refer to “Company Car Scheme Policy” for details.

## 14. SELF OWNED CAR - Vehicle Running, Driver & Maintenance Expense Reimbursement

- 14.1. Employee can claim the following expenses incurred, incase employee uses a self-owned car. The following expenses are eligible for reimbursements

- Fuel Reimbursement
- Maintenance Expenses
- Driver Salary
- Annual Insurance

- 14.2. Amount: Monthly Limits are specified below in INR:

Band	Fuel/Maintenance/ Insurance	Driver's Salary
Engine cc upto 1.6L	1800 per month	900 per month
LP Engine cc > 1.6L	2400 per month	900 per month

- 14.3. Qualifying expenses:

- 14.3.1. All claims must be supported by a copy of the RC book as proof of ownership and engine capacity
- 14.3.2. Fuel Reimbursement – Petrol, diesel, CNG or LPG, a combination of Petrol and CNG/LPG can be claimed. Bills must have Bill No, Date, Amount, Vendor Name
- 14.3.3. Maintenance Expenses –
  - 14.3.3.1. Any payment towards acquiring a total maintenance plan or extended warranty
  - 14.3.3.2. Any repair cost that is not covered by the maintenance plan or extended warranty
  - 14.3.3.3. Any paid service
  - 14.3.3.4. Bills must have No., Date, Amount, Vehicle No., Details of product/services bought, Vendor Name
  - 14.3.3.5. Beautification expenses such Toys, curtains, stickers are not allowed
  - 14.3.3.6. Purchase of seat cover, mat are allowed
  - 14.3.3.7. Purchase of CD player/ Music system not allowed
  - 14.3.3.8. Purchase of Car perfume is not allowed
  - 14.3.3.9. Purchased of cleaning product are allowed
  - 14.3.3.10. Tyre puncture/ air filling allowed
  - 14.3.3.11. Car washing/ clearing charges allowed
- 14.3.4. Driver's Salary – A copy of driving license and actual receipt duly signed by the driver is to be submitted to claim expenses. The driver's name must be there on the receipt.
- 14.3.5. Annual Insurance – The Insurance cost can be claimed only once in a financial year. It shall include insurance coverage for the car and third party.
- 14.3.6. Reimbursed amount is eligible for tax exemption as per Income Tax rules applicable currently.

## 15. SELECTION AND CLAIM PROCESS

- 15.1. Refer to the process Document 1 appended to this Policy & Benefits – HKG-IND-PHL-POL-SGP (Darwin) navigation guide on FBP Selection Process. Claim process is available in People smart desk.

## 16. POLICY REVIEW & CHANGE AUTHROISATION

FIS management reserves the right to revoke / make necessary amendments, without any notice, as and when required.

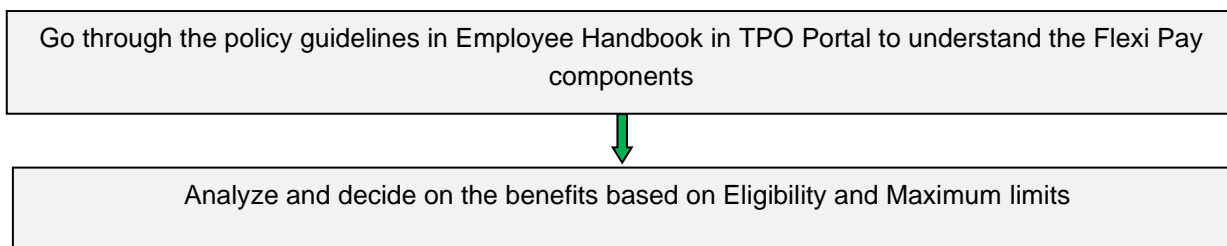
## 17. QUERY RESOLUTION

Policy related queries may be addressed to Location TPO.

FBP Claims and Reimbursements related queries can be addressed by raising ticket on relevant portal.

## 18. PROCESS DOCUMENT

### STEPS FOR EMPLOYEES TO STRUCTURE THEIR FBP PACKAGE





Select the remuneration structure that is commensurate with your needs by referring to the policy guidelines and indicative structure



Go through the training ppt and instruction manual on navigation of FBP Window for selection and claims on PSD and ADP Portal



Complete selection / allocation of FBP components / amounts in [Benefits – HKG-IND-PHL-POL-SGP](#) (Darwin)