

Company Car Lease Policy

India

Objective

To provide our employees with an option of a company car lease for business and reasonable personal purposes.

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1. Objective

1.1. To provide our employees with an option of a company car lease for business and reasonable personal purposes.

2. Applicability & Standard Definition

2.1. This policy applies to permanent employees in Lead Professional Band and Senior Professional Band located in India and with a local employment contract.

2.2. “New” car is defined as a car bought from showroom. Used/Second-hand car purchases are not permitted within this policy.

2.3. Maximum car value is defined as Ex-showroom price + GST (less dealer discount, if any).

3. Eligibility & Leasing terms

3.1 Employees in Lead Professional Band and Senior Professional Band have an option to avail the benefit of a company car lease for business and reasonable personal purposes.

3.2 The maximum car value (ex-showroom including taxes) and annual fuel and maintenance limits are up to a maximum of:

	Maximum Annual F&M Limit (Subject to production of bills/receipts) (INR)	Maximum Car Value (INR)		
	3, 4 or 5 year lease	3-year lease	4-year lease	5-year lease
LPB	1,54,000	11,00,000	14,00,000	17,00,000
SPB	2,04,000	16,00,000	20,00,000	24,00,000

3.3 An employee may avail the benefit under this policy, subject to the car lease being initiated in the same location where the employee is based.

3.4 Lease Tenure and Lease Rental

3.4.1. The lease tenure for the company car lease may be three, four, or five years.

3.4.2. Once the lease tenure is finalized in the lease agreement it cannot be modified during the lease duration.

3.4.3. The lease period of the car starts from the commencement date as determined by the lease schedule for the car.

3.4.4. The lease rentals will be calculated based on residual value not less than 23% for 36 months and 21% for 48 months and 60 months (Please note that this is subject to change basis the tax guidelines)

3.4.5. It is the responsibility of the employee to close the lease transaction at the end of the lease tenure (Refer to Section 3.5 for details).

3.4.6. Any delay in closing the lease transaction will result in delay in effecting the new car lease. New car lease cannot be availed till the time earlier car lease is closed and NDC (No Dues Certificate) is obtained from the leasing company. Any charges, including any rental/penal claim from the leasing company, arising out of delay in closing the transaction, will need to be borne by employee.

3.4.7. Employee cannot terminate the car lease in between the lease tenure (Refer to Section 4 for details), except in the following cases or otherwise mentioned in Section 4:

- Transfer outside GE HealthCare India
- Exit
- Band change

3.5 End of Lease Tenure

3.5.1. The leasing company will send a return notification 60/90 days in advance of end of lease (refer to Annexure for end of lease notification to employee).

3.5.2. Employee will need to connect directly with the leasing company to buy the car.

3.5.3. Maximum extension possible towards returning the car is up to two additional months (from the date of lease closure) against 3 months' lease rentals. Failing to return the car at the end of this period of additional two months, the employee shall be liable to pay the termination value as determined by the leasing company.

3.6 Road Tax, Registration, and Insurance

- 3.6.1. The road tax and registration charges will be borne by the employee. The EMI will be calculated on the Ex-showroom price (incl. GST) + Applicable Interest + Road Tax & Registration Charges.
- 3.6.2. The annual insurance premium for the duration of the lease tenure will be borne by GE HealthCare.
- 3.6.3. Effective from April 1, 2024, there will be two enrollment windows for car lease in a year: one in the month of April and the other in October.
- 3.6.4. The booking window stays the same, i.e., the employees need to book their car within 30 days of the window opening.
- 3.6.5. The company retains the right to choose the type of insurance cover to be taken for the car.
- 3.6.6. After the end of lease, the employee needs to buy the car from the lease vendor. It will be the employee's responsibility to renew the car insurance on an ongoing basis.

3.7 Fuel and Maintenance

There is an annual limit defined for Fuel & Maintenance (F&M) expenses for the company car lease, as per employee band. The reimbursements will be at actuals within flexible components, on the submission of bills towards fuel & maintenance expenses.

	Maximum Annual F&M Limit <i>(Subject to production of bills/receipts) (INR)</i>
	3, 4 or 5 year lease
LPB	1,54,000
SPB	2,04,000

4. Pre-termination of lease before completion of lease tenure: Scenarios

Lease can be pre-terminated prior to completion of the lease tenure only in the following scenarios:

4.1 Transfers within GE HealthCare outside India:

If an employee is transferred to a GE HealthCare business outside India, the employee must pre-terminate the lease with the leasing company. Any cost of pre-termination will be borne by the employer (including pro-rated insurance cost).

4.2 Separation/Exit:

In case of exit/separation from the company, the employee must complete all formalities towards pre-termination of the lease as per the pre-termination value shared by the leasing company, and obtaining NDC (No Dues Certificate) to facilitate timely closure of F&F. The employee bears all costs towards pre-termination of the lease, GST, or any other applicable costs. The expenses paid by the company towards insurance expenses amount are recovered on pro-rata basis.

4.3 Band Changes:

If the employee already has an on-going company car lease at the time of band change, the employee may choose to pre-terminate the existing car lease and opt for a new car lease under this policy. Any cost of pre-termination will be borne by the employee (including pro-rated road tax, registration, and insurance cost). Else the employee may choose to continue the existing lease till the expiry of the lease period. During this period, i.e. from date of movement to higher band till completion of the lease period, they are eligible to claim additional entitlement towards fuel and maintenance as per the specified limits.

5. Availing the Company Car Lease Benefit

Refer to the car lease application process on MyHR for specific process to be followed at the time of applying for a company car lease. Eligible employees will have an opportunity to opt for the company car lease under this policy. Given below are the timelines for raising requests as per the events described.

Car Lease Options	Request window	Booking Timeline
New Lease <i>(Existing employee)</i>	Two windows during the year: <ul style="list-style-type: none">1st April1st October	30 days to book the car
External Hire	Subject to date of joining	30 days from date of joining

5.1. Employees are requested to raise requests as per the table above.

5.2. Employees booking the car directly with leasing company authorized dealers must plan as per the above request window.

6. Additional Clauses

6.1. Insurance Claims

In case of theft or extensive damage to the company leased car due to an accident, the employee must file an FIR at the nearest police station immediately and inform the Logistics/ Administration department who will then initiate necessary action for insurance claims, any difference not paid through insurer needs to be settled by the employee. Additionally, in cases of damage, the depreciation will need to be borne by the employee. For e.g. In case the value of the car is INR 15 Lacs and post the claim settlement the insurer pays INR 14 Lacs – the differential will be borne by the employee.

6.2. Traffic fines and violations

Parking violations, traffic tickets, safety inspection violations, summons, expired registration forms, etc. including associated administrative costs, are the responsibility of the employee and are therefore not reimbursable by the Company. The Company holds no responsibility whatsoever for non-payment or late payment of fines. Any related dispute needs to be handled by the employee. Failure or refusal to comply with this rule may lead to disciplinary action.

6.3. Alcohol and Medicine

The consumption of alcohol while driving is prohibited by law. It is also forbidden to use narcotics when driving. Employees should also be cautious when taking medicine and driving, if in doubt please consult a doctor.

6.4. Taxes

Any additional liability due to any change in government policy, tax or rate of tax will be borne by the employee.

7. Queries

For any queries & questions on the policy – the first point of contact is the Fleet Coordinator, Mayank Arora. For any escalations, please reach out to the Regional Fleet Leader, Ankur Sharma.

Note: The company reserves the right to amend, modify and/ or rescind the whole or part of this Policy at any time it may deem fit.

Annexure

Section I

End of lease tenure notification to employee:

At least 45 (forty-five) days prior to the end of the term for a car, the employee must notify the leasing company in writing regarding their intent to return the car. If the employee fails to provide a written notification to the leasing company, the employee shall be liable to pay a penalty amounting to 5% of the original purchase price of the relevant car (inclusive of all taxes) or INR 25,000, whichever is higher.

Section II

Return Conditions:

The company leased car needs to be returned to the leasing company in accordance with the following provisions:

- A. On return:
 - The car needs to be maintained in accordance with the FAIR WEAR & TEAR and MAINTENANCE PROVISIONS and within the USAGE PROVISIONS as per lease agreement.
 - Statutory documents like RTO registration, Insurance, PUC Certificate, Service Records, and Operation & Maintenance Manual need to be returned. Any other documents including written permission from leasing company for fitment of accessories, etc. provided during delivery of the car to be returned.
 - The car needs to be returned along with all transfer documents duly signed including Form 29 & 30 in duplicate, transfer (NOC) in favor of RTO and Insurance Company, Pollution Certificate and Insurance Policy.
 - B. Employee shall ensure that, on return of the car to leasing company:
 - The car needs to be cleaned and cosmetically acceptable with all rust, corrosion and decals, numbers, customer identification, glue and adhesives installed by employee properly removed and/or treated without damage to paint of the goods. All material (i.e. dirt, refuse, asphalt, gravel, etc.) must have been properly removed from the car.
 - The leasing company shall not be obliged to accept the return of the car in event of nonavailability of Original Registration Certificate and Insurance Policy.
 - To determine whether each item of the car meets return conditions, the leasing company shall arrange for a suitably qualified authorized OEM dealer or designated valuers to inspect the car at employee's cost.
 - C. Employee must:
 - Return the car only in specified locations as listed in the lease agreement.
 - Return the original Keys, Remote and Security system – full set in functional condition.
 - Pay for all costs of transportation, and repositioning to specified location.
 - Make good the damages, if any, by way of reimbursement of expenses incurred by the leasing company, for any material deficiency as per the inspection report. However, employee has an option to make good the damages to the car by themselves to satisfaction of the leasing company and return the car within a maximum period of 2 months from the date of such inspection report. In this case the employee shall be liable to pay rentals for the period starting from date of such inspection report up to the date of return of the car post repairs.
 - Provide undertaking, that no regulatory claim / legal cases are pending in relation to the car and in case of any claim issued at a future date will be to the account of employee.
 - Remove personal/confidential information or material from car prior to returning car at the end of lease tenure, including resetting navigation system (GPS), removal of physical documents as Pan Card, driving license, ID cards etc.
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Section III

Usage Provisions:

- A. Employee must personally manage any costs related to travel to & from primary office location- no T&L claims for mileage/taxi/alternate mode of transport can be made for such local commute.
- B. If the employee's role requires local travel for business purposes (customer meetings, travel to different GE HealthCare sites, etc.), the employee can claim mileage/taxi through T&L. For such travel, please use cost effective modes of transport- mileage, public transportation or organized cab aggregators (e.g. Uber/Ola, etc).
- C. Employee is free to employ a personal driver/chauffer- the responsibility of managing the driver rests solely with the employee. Under no circumstances the company letterhead can be used for any type of contract with personal driver/chauffer. Driver salary is not a reimbursable component in the compensation structure.
- D. The car usage should not exceed 15000 kms per year (on an average or year-on-year basis). Should the usage exceed this limit, a penalty as defined below shall be payable at the time of return of the car. However, no excess km charges will be charged in case the car is purchased by the employee from the leasing company at the end of lease tenure.

Excess usage over and above the contracted kms <i>(Calculated as lease tenure x 15000 km per year)</i>	Excess km Charges: Calculated as % of Maximum car value as per policy
1 st 5000 kms	Nil
5001 to 15000 kms	2%
For Every 10000 kms	3%