

CAR LEASE POLICY

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DOCUMENT REVISION HISTORY

Version Number	Modified Date	Modified By	Changes	Approval Authority
1.0	03/10/2016	HR Operations	Car lease policy	Head, HR
1.1	01/04/2018	HR Operations	Car Operating Expenses introduced	Head, HR

OBJECTIVE:

The objective of this policy is to provide Employees with company car benefit to facilitate their travel to work and to meet business requirements.

SCOPE:

The car lease policy is applicable for all full time Employees of level L4 and above. This policy will enable employees

- A. To buy a new car or,
- B. To get self or spouse 2-year-old car transferred to Company.

OUT OF SCOPE:

- A. Used car/2nd hand car purchases will not be covered
- B. Existing car which is more than 2 years' old
- C. Employees who have opted for Company transport

ELIGIBILITY:

The maximum entitlement is subject to the limits as mentioned in the below table.

Job Level	Car Value Ex show Room Price in INR	Fuel Expenses in INR (Per Month)	Driver's salary in INR (Per Month)	Car Maintenance expense in INR(Per Annum)
L6 & Above	Up to INR. 18,00,000/-	Up to 15,000	Up to 25,000	Up to 1,50,000
L5	Up to INR. 15,00,000/-	Up to 10,000	Up to 20,000	Up to 1,00,000
L4	Up to INR.7,50,000/-	Up to 7,000	Up to 15,000	Up to 50,000

TERMS OF THE POLICY:

- Employees should select a car that has a monthly rental value equal or less than their rental eligibility.
- Employee has to pay no further amount either to the company or to the leasing company.
- Update the relevant details in the PeopleStrong ☐ Flexible Benefit Planner.
- As per Income Tax Act, perquisites tax will be applicable for respective FBP components.
- The policy will be renewed automatically till the closure of the lease plan
- Employees will be required to sign an agreement with the company for accepting and availing the new car scheme. Connect with your HRBP for further guidance.
- Employees will not be allowed to transfer the leased company car to another employee.
- The company car lease will run for 36 (thirty – six) months.
- At the end of the lease tenure employee has an option to buy back the car at maximum of 35% of the price of the car + applicable taxes.
- Road tax, registration and first year insurance cost will be reimbursed by Altran upon the completion of 36 months lease plan and transferred RC copy submission.
- Insurance for 2nd & 3rd year for company leased car will be paid by the Company.

LEASE TERMINATION:

- On separation, the employee has to foreclose the lease. An employee has to get a no due clearance from the lease company in order to get their full and final settlement and the relieving letter.
- Employee can also allow leasing company to sell the car in the market and pay up the difference between the lease terminal value and the market rate, as applicable. The market valuation of the leasing company will be treated as final.

TRANSFER DURING LEASE PERIOD:

- When an Employee is transferred to another location, the leasing company will assist in completing the formalities related to transfer of the car. The costs related to the transfer including transportation, registration etc. will be as per the company's relocation policy.

CHANGES IN RENTAL ELIGIBILITY:

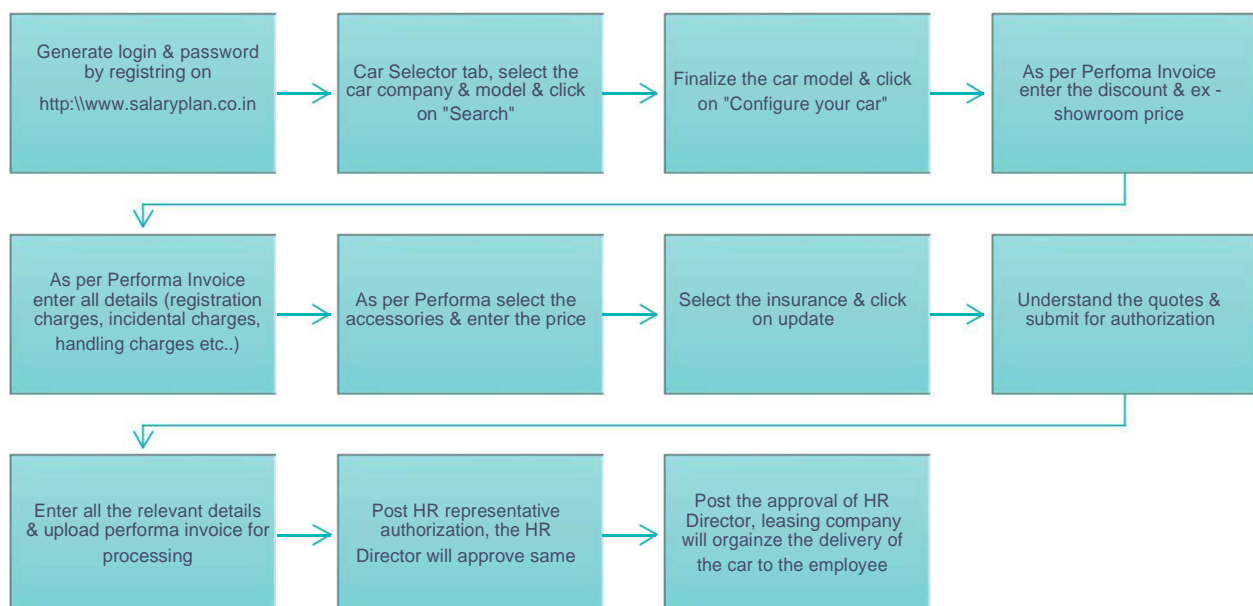
- The rental eligibility for different job Levels has been fixed keeping in mind certain compensation related financial outflow.
- Any price changes in the car market would not automatically translate into a revision of the rental eligibility values.
- The company reserves the right to change the lease rent eligibility of any employee.

EXISTING CARS:

Any tax liability arising out of Car transfer, foreclosure will be borne by the employee at the prevailing tax rates.

- Employee will liaise with previous leasing company/ Bank for required documentation such as, Performa invoice, purchase tax invoice, RTO transfer sets etc.
- Employee will take the sole responsibility in assuring LPIN (Lease Plan Identification Number) with the required NOC and other required Form sets from previous Leasing Agency
- Employee will have to bear all other expenses related to the car i.e. Insurance, RTO Service Tax, valuation costs etc.

ENROLMENT PROCESS:



REIMBURSEMENT PROCESS:

- All the reimbursements need to be submitted in PeopleStrong on or before 15th of each month.
- Any expense incurred towards maintenance/fuel/driver of the car will be tax exempted post the submission of relevant bills.
- Driver's Salary
 - As a one-time activity employee needs to submit the Driver's license at the time of claim.
 - For ongoing reimbursement, driver salary voucher needs to be submitted.

CAR OPERATING EXPENSES:

Job Level	Car Value Ex show Room Price in INR	Fuel Expenses in INR (Per Month)	Driver's salary in INR (Per Month)	Car Maintenance expense in INR(Per Annum)
L6 & Above	Up to INR. 18,00,000/-	Up to 15,000	Up to 25,000	Up to 1,50,000
L5	Up to INR. 15,00,000/-	Up to 10,000	Up to 20,000	Up to 1,00,000
L4	Up to INR.7,50,000/-	Up to 7,000	Up to 15,000	Up to 50,000

Scope:

- 1) Employees who have opted for Company Car lease Plan are eligible to claim exemption of tax under Flexi Benefit Plan (FBP).
- 2) IF Employee has opted for Company Transport facility then above flex component will not be applicable.

Eligibility:

- 1) Employee will be entitled to exemption of tax on Fuel /Driver/Maintenance expenses for official purposes.
- 2) Any expense incurred towards the Maintenance/Fuel/Driver of the car will be exempt from tax on submission of relevant bills (Subject to the maximum limit specified in the table above) in People Strong Portal on or before 20th of each month.
- 3) To claim the Driver's salary reimbursement employee needs to submit the Driver's license at the time of claim(One Time).
- 4) Monthly driver salary reimbursement voucher need to be submitted to claim benefit under the policy

- 5) Insurance for Second and Third year for Car opted under Car lease policy will be paid by the company.
- 6) All other terms under Car lease policy remain the same.
- 7) As per Income Tax Act Perquisites will be applicable for respective FBP components
- 8) This policy will be operational effective April 1st 2018.

DISCLAIMER:

This policy and its contents are confidential and intended solely for the use by employees of Altran India Pvt. Ltd. Transmitting, Disclosing, Copying, distributing these contents to other than the intended recipient / users is strictly prohibited. It is the sole discretion of the Management to change, amend the entire policy and/or its clause/s from time to time and/or withdraw the same, without any notice. This policy supersedes all earlier versions, if any.

FREQUENTLY ASKED QUESTIONS:

- **What is the name of the current leasing company with whom Altran has tied up with?**
Altran has tied up with Lease plan India Private Limited.
- **How do I enroll for the car lease program?**
Lease plan India Private limited has a portal called salary plan (<http://www.salarypal.co.in>) You need to register & follow the steps to enroll. Please refer to the policy for the enrollment process.
- **What are the features that is available in the salary plan portal?**
Salary plan portal facilitates selection of the car, accessories and insurance. The portal also has FAQs; please refer same in case of any queries.
- **Can I negotiate the car price or the vendor will do same for me?**
The vendor has an online portal where you can generate quotes and also view various models across locations. In case you are able to negotiate a better deal, vendor will consider the negotiated rates
- **Can I buy an electric car like Reva under this scheme?**
Yes, electric cars are included.
- **What is the rate of interest that will be charged for the lease tenure?**
The interest rate is 11.65%.
- **The car that I want to buy has an ex showroom cost which is higher than my entitlement, can I pay the difference?**
The eligibility limit is mentioned in the policy; you are the entitled for equal or less amount. Hence there is no option of part finance.
- **Who is the owner of the vehicle?**
Lease plan owns the vehicle. For the purpose of the Motor Vehicles Act, respective Altran entity will be the registered owner. You will receive the registration documents for your reference.
- **Who takes care of the car purchase, registration & delivery?**
On receiving the order confirmation from Altran's Authorizer, the vendor will process the order and release the Purchase Order to the Dealer within 2 working days.
The vendor will take care of purchase & registration; the employee has to coordinate with the dealer/showroom for the delivery.
- **What is residual value (RV)? Will it be shared with the employee?**
Residual value is the remaining value of the car after the completion of the lease period.
For your reference the residual value will be available online during the generation of the quote
For any further clarifications please refer to the FAQs on the vendor portal or write to reachus@salaryplan.co.in

- **What is a supplementary agreement?**
Supplementary agreement is a document executed for each car purchased and includes terms and conditions applicable to Altran employees. This will be signed by employee and Altran.
 - **Can I modify the supplementary agreement (SA) during the tenure I have opted for?**
No, there is no option to modify the agreement.
 - **During the Lease plan, can I upgrade the car?**
You will have to foreclose the existing contract and then opt for a new car. The foreclosure charges would be applicable which would be borne by the employee. The benefits of reimbursement of 1st year insurance, Road tax & registration will not be applicable.
 - **What happens in case an employee leaves Altran before the end of the tenure?**
In case the employee quits Altran before the completion of car lease, the plan has to be foreclosed. Transfer of the car has to be completed before the last working day by the employee.
 - **Do I have the option to buy the car at the end of the lease tenure?**
Yes, you can buy the car after the completion of the lease tenure. Connect with the vendor for further details.
- 16. I have requested for a transfer to another location, what happens to my car lease?**
- In case of the employee initiated transfers, employee needs to bear all costs.
- 17. Who will pay for accident repair?**
- Depending on the insurance policy opted by you, insurer will make the payment to the approved service providers directly for all admissible claims. In case the repair is not part of the insurance coverage then the employee has to bear the cost.
- 18. Is FIR mandatory in case of accidents?**
- FIR is required depending upon the accident. Please connect with Lease plan on reachus@salaryplan.co.in for further clarifications.
- 19. Can I transfer my car purchased under the Company Car Policy to another employee who wants to avail the benefit?**
- Yes, this is allowed under company car program only if you are quitting Altran. Also the other employee should fulfil the entry criteria i.e. he/she should be L4 & above and should be full time employee. It is the responsibility of other employee to under the terms & conditions of the policy.
- 20. I have not opted for car under the car lease program; will I get cash in lieu of a car?**
- The benefits of car operating expenses can be claimed only if you are part of Car Lease Program, hence there is no cash reimbursement against the amount.
- 21. I have fitted additional accessories during the tenure; will Lease plan value the car again at the end of the tenure?**

- No. You should not fit any additional accessories without express written permission from the vendor. If you have fitted any additional accessories, you have the option to remove the same while surrendering the car without affecting the look of the car.

22. Is the Emergency Breakdown Service chargeable or free during the entire tenure of 36 months?

- Emergency breakdown service is a free product available from all manufacturers.
- Lease plan has a product wherein, they will provide alternate vehicle till you receive the car. It's a paid option which needs to be selected during procurement.

23. What is total loss?

- Total loss is a case wherein an insurance company declares a car as total loss if the damage repair cost and road worthiness of the vehicle remains unfeasible. In such cases, 3 months' lease rentals have to be paid to terminate the contract in addition to the difference in the settlement.

B. My car has been declared total loss. However, the service center I know of can repair the damage. How can I contend against the decision of total loss?

Total loss is declared by the insurance surveyor. Since the insurance policy is opted by you, the contention of the decision does not arise. Lease plan or Altran Technologies has no role to play.

C. What steps need to be followed in case of theft or total loss?

The employee has to file FIR & inform the Altran, insurance company and the vendor. Till the claim is settled, the employee continues to pay the EMI.