

*Effective from 1<sup>st</sup> February, 2016*

## **Compensation and Benefits**

Parkar shall provide a competitive package of CTC and NON-CTC benefits to all eligible full-time Associates and Graduate Trainee. The following outline of available CTC and NON-CTC benefits is provided with the understanding that compensation and benefits may change from time to time.

### **CTC Components**

#### **BASIC SALARY**

Basic Salary is 35% of the Annual Fixed Component

#### **HOUSE RENT ALLOWANCE (HRA)**

HRA Component is 40% of the Basic Salary

To avail tax exemption on HRA:-

- Lease agreements should be in the name of Associate, copy of the same along with rent receipts to be submitted to Finance department during the investment proof submission period
- Lease agreement and /or rent receipts should have Landlord's PAN card number
- In case of common agreement (shared accommodation), the lease agreement must have details of other tenants.
- Agreements which are compulsorily registered under law in force must be registered and relevant instrument of registration shall be submitted to the concerned department.

#### **TRANSPORT ALLOWANCE**

Transport Allowance is INR 1600/- per month, if the Associate is using the company transport INR 1600 will be deducted from associate's monthly salary.

#### **MEDICAL REIMBURSEMENT**

- The Permissible Limit for Medical Reimbursement is INR 15000/- per annum
- INR 1250 shall be paid in monthly salary. This amount shall be taxable unless supported by medical bills

#### **LEAVE TRAVEL ALLOWANCE (LTA)**

- LTA amount is equivalent to 1 month's basic pay annually
- LTA amount will be paid in the monthly salary after tax deducting taxes.
- The pre-conditions to avail a vacation travel are:
  - LTA is permissible on two travel journeys in a block of 4 calendar years.
  - Minimum of 3 days of Annual Paid Leaves (APLs) to be availed

- Travel only in India supporting documents for availing tax exemption are original proofs of vacation travel (boarding pass in case of airfare, travel tickets, etc)
- The allowance is restricted to the shortest route of travel either by First Class AC by Train or by Economy Class Air Fare.

**Skill and Professional Development Allowances are part of CTC Components.**

## **Insurance**

At PARKAR we recognize the fact that Associates need financial assistance and Insurance coverage for themselves, their immediate families and dependent parents as the case may be, which will provide protection on account of Accident, Illness, Medical Exigencies, Disablement (Partial / Permanent), Demise, etc. The insurance coverage aims to build a sense of security for Associates and their families. The HEALTH CARE PROGRAM consists of:

- 1. GroupMedicalClaim Policy**
- 2. GroupPersonalAccidentInsurance Policy**

### **Group Medical Insurance**

- Self-coverage is Mandatory
- The insurance coverage depends upon the designated Band of the Associate as shown below:

<b>Band</b>	<b>Capital Sum Insured (INR)</b>	<b>Insurance Coverage</b>
4 and above	INR 1,000,000/-	For Self/ Spouse/dependent children /Parents. (Insurance coverage for Parents restricted to Rs.1 lakh)
3	INR 800,000/-	
2	INR 500,000/-	
1	INR 200,000/-	

All associates have an option to buy additional medical coverage of self and dependence. The insurance premium amount will be deducted in 3 equal instalments from associate's monthly salary

**Group Personal Accident Insurance (GPAI)**

- Self-coverage is Mandatory
- The insurance coverage depends upon the designated Band of the Associate as shown below:

Band	CapitalSumInsured(INR)
5& above	INR 1Crore
4	INR 25Lakhs
3	INR 20Lakhs
2	INR 15Lakhs
1	INR 10Lakhs

**RETIRALS****PROVIDENT FUND**

- Provident Fund is a statutory requirement and is applicable to Associates and Graduate Trainee who are governed by the provisions of the Associates' Provident Funds and Miscellaneous Provisions Act (EPF), 1952. At PARKAR, it is mandatory for the Associate to join the Associates Provident Fund (EPF) Scheme.
- If your Basic salary is Rs. 15,000/- pm and above, PARKAR will fix the PF deduction to INR 1800/- and also makes an equal contribution(as stated in the offer letter) towards your Provident Fund.
- If your Basic salary is below Rs. 15,000/-, PARKAR will deduct 12% of your basic salary and also makes an equal contribution (as stated in the offer letter) towards your Provident Fund.
- Both these contributions are remitted on a monthly basis to your Provident Fund account with the Regional EPF Office.
- Associates have an option to increase their PF contribution by filling the VPF form. However, Employers contribution for those who opted for VFP will not be applicable.

**GRATUITY**

- Gratuity is a statutory requirement and is applicable to all associates governed under the provisions of the Payment of Gratuity Act 1972.
- If you are separated from the Company after completion of 5 years then you are paid Gratuity as per the Payment of Gratuity Act1972. This Gratuity amount is tax free. There

is a limit of gratuity exemption from tax. Gratuity of more than 10 lakhs would be liable to the tax.

- In the event of your death or disablement, the Gratuity amount (as per the Payment of Gratuity Act 1972) will be paid as ex-gratia to the beneficiary as nominated the associate

*Gratuity is calculated as below:*

Gratuity = Monthly Salary (Basic +DA) x 15 days x No. of Years of service\*26

## **NON CTC Benefits**

### **Joining Benefit- Accommodation & Conveyance\***

All associates relocating (outstation) to PARKAR office location are provided with free accommodation and conveyance (commute to office and back) by PARKAR, depending upon the designated band as shown below:-

<b>Band</b>	<b>Accommodation</b>	<b>Conveyance</b>
5 & Above	Up to 90 days for Self & family	AC Car for a period of 90 days from the date of Joining
4	Up to 30 days for Self & family	AC Car for a period of 30 days from The date of Joining
3	Up to 15 days for Self only	Shared vehicle for 15 days from the Date of Joining
1& 2	Up to 15 days for Self only (shared accommodation)	Shared vehicle for self for 15 days From the date of Joining

***Note: Parkar provided Accommodation & Conveyance benefit is strictly to the tune of the number of days specified in the matrix above. In case of requests regarding overstay/ extension of stay, the acceptance of such requests would be chargeable and as per availability of Company accommodation. All such exceptions will have to be approved by the Human Resource Business Partner***

***\* Graduate Trainees are not eligible for this benefit***

### **MARRIAGE GIFTS\***

Associates getting married during their tenure at PARKAR shall be eligible for a one time Marriage Gift of INR 10,000/- (Ten thousand rupees).

***\* Graduate Trainees are not eligible for this benefit***

**GYMNASIUM REIMBURSEMENT\***

All PARKAR employees are encouraged to keep themselves healthy and fit. Parkar shall reimburse upto 50% of the yearly gymnasium membership per annum for individuals (Maximum of INR 5000) or family membership (Maximum of INR 7500) or, whichever is lesser. You can also claim this allowance for other fitness related activities like Yoga, Aerobics, and swimming pool membership.

In line with our Green Health policy, this allowance can also be used towards the purchase of a bicycle

*\* Graduate Trainees are not eligible for this benefit*

**TEAM LUNCH**

PARKAR believes in building an organization culture that operates on healthy and cohesive performing teams. As a step towards the same, every team in the organization is entitled TeamLunch. The budget for the same is to the tune of Rs.500 per person per month (inclusive of taxes). Team has an option to utilize this budget quarterly.

**MOBILE AND INTERNET**

Monthly rental and usage charges will be borne by PARKAR as per eligibility mentioned below.

<b>Band</b>	<b>Mobile–Monthly Reimbursement (Maxeligibilityper month)</b>	<b>Internet –Monthly Reimbursement (Maxeligibilityper month)</b>
5& above	AtActuals	AtActuals
4	AtActuals	AtActuals
3	AtActuals	AtActuals
2	INR 1000/-	INR1000/-
1	INR800/-	INR 1000/-

**CLAIMS CYCLE**

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All Non CTC claims should be raised on GreytHR by uploading copies of the supporting document before the timelines mentioned below:

Claims	Timelines	Disbursement
Non CTC	On the 8th or 18th of the month	10th & 20th of every month

Note :

- Claims older than 90 days (should be claimed within the fiscal year i.e. April to March) shall not be reimbursed.
- Associates s will be required to provide the hardcopies of the bill/supporting documents in case of any tax od audit requirement

**Version Control**

Date	Prepared by	Reviewed by	Action
1 <sup>st</sup> March, 2016	Kiran Satpute	Gaurav Singh	Created Policy