



Compensation Guidelines

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6.	1 st April, 2020	FBP Updated – Fuel Reimbursement	1.5	Kiran Satpute	Prosenjit Das
7.	1 st June, 2020	Removed GTL Policy	1.6	Sneha Goud	Prosenjit Das
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9.	11 th Jan, 2024	Policy Modified	1.8	Juhi Dewre	Kiran Satpute

Review: This document shall be reviewed once a year or at the time of any major change in existing environment affecting policies and procedures, whichever is earlier.

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Table of Contents

1. PURPOSE	3
2. CTC COMPONENTS	3
3. INSURANCE	4
4. SALARY PAYOUT.....	6
5. PERFORMANCE MANAGEMENT PROCESS & MERIT SALARY INCREASE	6
6. VIOLATION OF POLICY.....	6
7. ENFORCEMENT	6
8. DOCUMENT OWNER AND APPROVAL	6

PURPOSE

Parkar shall provide a competitive package of CTC and NON-CTC benefits to all eligible fulltime Employees and Graduate Trainee. The following outline of available CTC has been updated as per the industry standards.

CTC COMPONENTS

- **BASIC SALARY**

Basic Salary is INR 21,000 or 35% of Annual CTC (whichever is higher)

- **FLEXIBLE COMPONENTS**

Please refer below table for Flexible Benefits: -

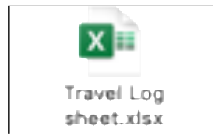
Sr.no	Flexible Benefits	Description	Eligibility
1.1	HRA	If an Employee is staying in a rented apartment, s/he can save tax by producing the rent receipts along with the valid rent agreement copy. HRA can be declared minimum 5% of Basic salary and up to 40% of Basic salary for non-metro city and 50% of Basic for metro city	All Employees
1.2	Leave Travel Assistance (LTA)	LTA will be paid up to one month of basic salary. The amount of allowance is tax exempt as per the limits prescribed under the tax rules.	All Employees
1.3	Meal Card	Employee will get INR 2200/- per month (26,400/- PA) amount credited into their meal card, which will be tax exempted. Maximum balance of INR 25,000 can be kept in the meal card at any given point of time.	All Employees
1.4	Fuel Reimbursement	Fuel reimbursement claim limit is: <ul style="list-style-type: none"> ○ Below 1600 cc – INR 1800 per month ○ Above 1600 cc – INR 2400 per month It is part of your annual compensation. Fuel reimbursement amount will be a non-taxable component.	All Employees

Fuel Reimbursement guidelines & process:

Fuel reimbursement is an added component to save taxes as per the defined IT guidelines.

- Fuel reimbursement is a part of the flexible benefit.
- Fuel reimbursement claim limit is:
 - Below 1600 cc – INR 1800 per month
 - Above 1600 cc – INR 2400 per month

- The amount will be a non-taxable component to the extent of submission of scanned copies of original receipts / invoices of fuel and balance if any, will be paid as a taxable component as Special Allowance



Note: -

- Employees will be required to declare their FBP choices and amounts on ADP at the beginning of the financial year i.e. April of new financial year or the date of employment, as applicable;
- VPF contribution is not part of the FBP, Employees will have to declare the VPF contribution separately at the beginning of new financial year or at the date of joining. Employees will not be able to change the VPF contribution or opt out of the VPF program during the financial year. Maximum of INR 13,200 can be declared under VPF New joiners can declare their FBP and VPF choices on their first day of joining;
- An Employee can only declare their choices once in financial when the FBP module is released and there can be no revisions to the declaration unless there is a change in the Employees Annual Salary. This is not applicable for VPF
- An Employee will be required to submit relevant bills and supporting receipts to substantiate the claim made on a periodic basis. HRA supporting by 31st Jan and LTA supporting by 31st Jan.
- In case of separation of the Employee from the company, Employee needs to submit the relevant bills and supporting receipts in ADP on or before the last working day. Final settlement will be made to the parting Employee based on the validity of such claims and appropriate taxes will be calculated accordingly;
- The decision of HR/ Finance department will be final and binding on all Employees in all matters relating to Flexible Benefit admission/re-admission.

INSURANCE

At PARKAR we recognize the fact that Employees 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 Employees and their families. The HEALTH CARE PROGRAM consists of:

1. Group Medical Claim Policy 2. Group Personal Accident Insurance Policy

- **Group Medical Insurance**
 - Self-coverage is Mandatory
 - The insurance coverage depends upon the designated Level of the Employee as shown below:

Level	GMC Sum Assured (INR)	Insurance Coverage
GTE/ MT/L1	2,00,000	For Self/ Spouse/dependent children/Parents. (Insurance coverage for Parents restricted to Rs.1 lakh)
L2 to L6	3,00,000	
L7 & L8	5,00,000	
L9 and above	8,00,000	

- **Group Personal Accident Insurance (GPAI)**

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

Level	GPA Sum Assured (INR)
GTE/ MT/L1	10,00,000
L2 to L6	15,00,000
L7 & L8	20,00,000
L9 and above	25,00,000

Provident Fund

- Provident Fund is a statutory requirement and is applicable to Employees and Graduate Trainee who are governed by the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act (EPF), 1952. At PARKAR, it is mandatory for the Employee to join the Employees Provident Fund (EPF) Scheme.
- If your Basic salary is Rs. 21,000/- 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. 21,000/-, 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.
- Employees 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 Employees governed under the provisions of the Payment of Gratuity Act 1972.
- If you are separated from the Company after completion of Consecutive 5 years then you are paid Gratuity as per the Payment of Gratuity Act 1972. This Gratuity amount is tax free. There is a limit of gratuity exemption from tax. Gratuity of more than -20 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 Employee

Gratuity is calculated as below:

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

SALARY PAYOUT

- Monthly Salary payout is done by Corporate Bank Transfer on the Last day of Every Month.
- New Hires whose Bank Account Opening procedure are delayed due to insufficient documentations, they would be paid Salary via Cheque on Last day of the month.
- New hire needs to ensure to have the Corporate new account opened / get the dormant account activated on timely basis in case of insufficiencies of documents.
- In case if the account has not been activated for consecutive 3 months from the joining date, payment through Cheque would be ceased.

PERFORMANCE MANAGEMENT PROCESS & MERIT SALARY INCREASE

- The aim of the performance management process is to ensure that performance of every employee is assessed as per the defined norms of the company and to make sure that the performance review is carried in fair manner.
- The performance review is conducted twice in a year – Sept & Mar
- Performance Management and Merit increase cycle from April to March
- All employees who have joined on or before 31st Dec of that FY are eligible for Merit Salary Increase in Apr.

VIOLATION OF POLICY

All employees are obligated to report violations of this policy to hrops@Parkar.digital immediately. The ISMS Forum must approve any exceptions to this policy in advance.

ENFORCEMENT

Failure to comply with this policy may result in:

- a. Withdrawal, without notice, of access to information and/or information resources.
- b. Disciplinary action, up to and including termination.
- c. Civil or criminal penalties as provided by law.

DOCUMENT OWNER AND APPROVAL

The HR Head is the owner of this document and is responsible for ensuring that this policy document is reviewed Yearly. A current version of this document is available to all members of staff on a secured centralised location with appropriate access control.