INDRAPRASTHA POWER GENERATION COMPANY LIMITED
&
PRAGATHI POWER CORPORATION LIMITED

No: DM(HR)Policy/2012-13/313
Date: 04/01/13

CIRCULAR

A Scheme for "procuring company's vehicle and payment of running and maintenance cost to the executives of the company of the level of Manager and above" has been approved by the BoD IPGCL/PPCL vide Item No. 62.2.6 & 59.2.5 in its meeting held on 7.11.2012. A copy of the scheme is enclosed herewith.

The present system of providing vehicle on hired basis to the executives of AGM and above level will continue only upto 31.03.2013. Further, if any of the executives in AGM and above level provided vehicle by the company may avail the monthly reimbursement as per the scheme (Column No. V of the Table-II) w.e.f. 01.01.2013 and he will have to inform the General Administration to discontinue the officially provided vehicle.

This issues with the approval of Competent Authority.

(Ruchi Goel)
Manager (HR)II

CC to:
1. Sr.PS / PS to Chairman
2. Sr. PS to MD
3. Sr. PS / PS / Sr. PA to all Directors
4. PS / PA to all GMS
5. All Notice Boards
6. Sr.Mgr – IT : For uploading in Company's website
Scheme for procuring Company Vehicles and payment of running and maintenance cost to the Executives of the Company of the level of Manager and above.

1.0 BACKGROUND
Company is providing official vehicle to the Sr. Executives of Company (DGMs- functional basis & AGM/GM as per eligibility) to perform various journeys for official purpose. The process involves administrative works like process to hire vehicles, running/maintenance, availability of Company drivers, overtime & other contractual issues etc. To reduce demands on use of the Company's vehicles and promoting speedy and efficient performance of official duties, it is proposed to introduce a scheme for providing a Car and Payment of Running and Maintenance cost to the Senior Executives (Managers and above) with a view to encourage the eligible executives of the Company to own, maintain and use a car on journeys undertaken for official purposes.

1.1 OBJECTIVE
Making available a conveyance under the scheme will promote efficient/timely movement of the executives, less administrative works like process to hire vehicles, running/maintenance, availability of Company drivers, overtime & other contractual issues etc. The scheme would also work as a retention strategy for the company.
1.2 **ELIGIBLE EXECUTIVES**

Executives of the level of Manager and above are eligible as per their entitlement vide Table I under the scheme. Executives recruited as Manager & above will only be eligible after the completion of one year regular service in the Company. However, MD/Directors, if they opt for this scheme, they would become eligible from day one.

2.0 **PROCUREMENT OF VEHICLE**

The Company would procure cars/vehicles as per choice of the eligible desirous executives after getting it financed through a Nationalised Bank. The company would continue to bear EMIs against loan component with in the prescribed ceiling as per Table 1 and subject to terms and conditions that follow:-

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Designation</th>
<th>Maximum Ceiling (Amount in Rs.)</th>
<th>Annual grant towards Insurance to be borne by the Company (Amount in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MD/ Director</td>
<td>7.50 lakhs</td>
<td>15000</td>
</tr>
<tr>
<td>2</td>
<td>General Manager / Additional General Manager</td>
<td>5.00 lakhs</td>
<td>11000</td>
</tr>
<tr>
<td>3</td>
<td>Dy. General Manager</td>
<td>4.00 lakhs</td>
<td>8000</td>
</tr>
<tr>
<td>4</td>
<td>Manager / Sr. Manager</td>
<td>3.00 lakhs</td>
<td>6000</td>
</tr>
</tbody>
</table>
### 3.0 Payment of Fixed Monthly Running and Maintenance cost

3.1 Eligible executives of the company who opt for this scheme would be paid running and maintenance cost every month as reimbursement claim, as per Column (iv) of Table II below. Those who don’t opt for the scheme would continue to get the existing entitlements as per column (v) of Table II below.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Designation</th>
<th>Col (i)</th>
<th>Col (ii)</th>
<th>Col (iii)</th>
<th>Col (iv)</th>
<th>Col (v)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>M.D./ Directors</td>
<td>16500/-</td>
<td></td>
<td>Payment of EMIs borne by the company @ Rs.2,200 per lakh.</td>
<td>Amount payable if Executive opts for this scheme (Rs)</td>
<td>Amount payable if Executive does not opt for this scheme and uses his/her own vehicle (Rs)</td>
<td>Optional</td>
</tr>
<tr>
<td>2</td>
<td>General Manager</td>
<td>11000/-</td>
<td></td>
<td>Cost of 300 litres petrol/month + 1.5 times of amount of Minimum Wages for Driver as notified by GNCTD time to time.</td>
<td>Cost of 210 litres petrol/month + 1.5 times of amount of Minimum Wages for Driver as notified by GNCTD time to time.</td>
<td>Cost of 210 litres petrol/month + 1.5 times of Minimum Wages Act for Driver as notified by GNCTD time to time.</td>
<td>Compulsory</td>
</tr>
<tr>
<td>3</td>
<td>Additional General Manager</td>
<td>11000/-</td>
<td></td>
<td>Cost of 190 litres petrol/month + amount of Minimum Wages for drivers as notified by GNCTD time to time.</td>
<td>Cost of 190 litres petrol/month + amount of Minimum Wages for Driver as notified by GNCTD time to time.</td>
<td></td>
<td>Compulsory</td>
</tr>
<tr>
<td>4</td>
<td>Deputy General Manager</td>
<td>8800/-</td>
<td></td>
<td>90 litres petrol/month</td>
<td>90 litres petrol/month</td>
<td></td>
<td>optional</td>
</tr>
<tr>
<td>5</td>
<td>Sr. Manager</td>
<td>6600/-</td>
<td></td>
<td>60 litre petrol/month</td>
<td>60 litre petrol/month</td>
<td></td>
<td>Optional</td>
</tr>
<tr>
<td>6</td>
<td>Manager</td>
<td>6600/-</td>
<td></td>
<td>50 litre petrol/month</td>
<td>50 litre petrol/month</td>
<td></td>
<td>Optional</td>
</tr>
</tbody>
</table>

*Rate of reimbursement will be as per cost of petrol on 1st April/1st October every year (it would be reviewed twice a year)*
4.0 TERMS AND CONDITIONS

Purchase of vehicle and payment of fixed monthly Running and Maintenance cost will be governed by the following terms and conditions:-

4.1 A new motor vehicle would be procured by the Company as per choice of eligible desirous executive and would be provided to him/her for a period of five years.

4.2 The executive would be responsible for insuring the vehicle, for maintaining it as per Company’s requirement and for paying any taxes, license fees, any other charges which may be levied on the company as the recorded owner of the vehicle. The company would not be legally responsible for the acts of omission & commission of the executive with respect to the vehicle. The executive using the vehicle would be entirely responsible in this regard.

4.3 Ninety percent of the cost of vehicle subject to the ceiling prescribed in Table I shall be arranged by the Company through any Nationalised bank selected for this purpose. The remaining cost of the vehicle would have to be borne by the concerned executive.

4.4 If an executive wants to purchase a vehicle of higher cost than his/her entitlement, then he/she would have to finance the additional amount on his/her own.

\[\text{Signature}\]
4.5 The vehicle shall remain in the name of Company and ownership shall be transferred in the name of the concerned executive after completion of five years period.

4.6 (a) The cost as provided by the Company (as per para 4.3) will be amortized for five years.

(b) In case of executive who ceases to be in the service of the company for any reason viz. superannuation, resignation, compulsory or voluntary retirement, repatriation etc. excluding in case of death, before expiry of useful life as per Para 4.5 shall have to pay the cost of the vehicle to the company with the reduced amortized amount. The part period if more than 06 months then it will be treated as one year and less than 06 months may be treated as “Zero” for amortization.

4.7 Even though an executive is promoted before completion of five years of purchase of vehicle the entitlement of a new vehicle will be only after completion of five years from the date of purchase of earlier vehicle.

4.8 The amount and payment of monthly running and maintenance cost is as per designation and one time formal approval/sanction will be required, and this is to be paid as reimbursement claim on monthly basis.

4.9 The company shall reimburse a part of the insurance amount to the executive as detailed in Table I and the liability of any kind of damage to the vehicle lies with the concerned executive. In case of any major accident/damage the vehicle would have to be repaired at the cost of the executive using the vehicle,
however, he/she may claim the benefit from the insurance company in this regard.

4.10 It will be the responsibility of the executive to ensure that the vehicle is duly insured and the same renewed from time to time. There shall be no lapse in obtaining the Insurance. Documents pertaining to Insurance must be submitted by the executive every year to HR / Finance Department.

4.11 If an executive who has availed the facility under this scheme and is being paid the amount as per Column (iv) of Table 2, does not avail the facility immediately again after completion of 5 years, then reimbursement may be made as per Column (v) of Table 2, till the time the executive again purchases a new vehicle under the scheme.

4.12 Executives, who are availing the benefits under clause no.3.1 of the scheme, will not be eligible for Fixed Conveyance Allowance (i.e With Maintenance or without Maintenance) & Transport Allowance.

4.13 So for deputationists are concerned, the scheme will be Optional. However, once they opt for the scheme, it will be regulated as per the above terms and conditions including compulsory buy-back.

5.0 PROCEDURE

5.1 An executive will apply to HR(Estb.) Department for verification of entitlement in the prescribed proforma.
5.2 HR department will verify the records, whether the executive has claimed as per his/her entitlement or not and certify the same for the Audit purpose.

5.3 After verification from HR Department, the request will be forwarded to Finance deptt. for onward transmission to the nationalized bank/banks with which the company enters an agreement of funding.

5.4 The company will make an agreement with any nationalised bank/banks for funding the whole or partial cost.

5.5 The bank will release the cheque in favour of the dealer as declared by the executive. No payment whatsoever will be made to the executive in this regard under any circumstances.

5.6 After purchasing the vehicle in the name of Company, the executive will submit all the necessary documents in this regard along with bill to HR (Estb.) Department, which will make necessary entry in his/her personal records/files and will forward the same to finance deptt. for verification/adjustment/records.

5.7 After completing of five years, the vehicle will be transferred in the name of executive without any cost. However, transfer fee, if any shall be borne by the executive concerned.

5.8 There would be no deduction in running and maintenance cost reimbursement in case any Executive is on leave for a period of 15 days or less in a month. However, if the leave is for more than 15 days, there would be no reimbursement for days of absence/leave.

[Signature]
6.0 EFFECTIVE DATE

6.1 The scheme shall come into effect w.e.f. 01.01.2013. However, the monthly running and maintenance cost as per Column (iv) in para 3.1 shall be payable only with effect from the date of delivery of the vehicle purchased under the scheme to the executive concerned.

7.0 GENERAL

7.1 BOD may review the scheme for any changes, modifications etc. in view of any regulatory or other issues.

7.2 Interpretation/decision of BoD on any of the provisions of these rules, as modified from time to time shall be final.
INDRAPRASTHA POWER GENERATION COMPANY LIMITED &
PRAGATI POWER CORPORATION LIMITED
CLAIM FOR MONTHLY REIMBURSEMENT OF EXPENDITURE ON ACCOUNT OF PETROL & DRIVER UNDER SCHEME FOR PROCURING COMPANY VEHICLES.

1. Name of the Executive : 
2. Employment No. : 
3. Designation : 
4. Department : 
5. Place of Posting : 
6. Month of Claim : 
7. Registration No. : 
8. Details regarding expenditure incurred towards petrol & driver

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Expenses incurred on petrol</th>
<th>Wages of driver (If applicable)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
</table>

I have gone through and understood the rules and conditions governing admissibility of monthly reimbursement of conveyance expenditure as detailed in the scheme. I certify that the maintenance and use of conveyance was in the interest of Company's work. I was not on leave / on leave for more than 15 days in the month.

(Signature of Officer)
Name: ____________________
E.No. ____________________
Designation _______________
Department _______________
Date _______________

Countersignature of the Controlling Officer/Head of Department (Upto DGM level, AGM & above self certification)

Incharge (Wages Section)
INDRAPRASHTHA POWER GENERATION COMPANY LIMITED
&
PRAGATI POWER CORPORATION LIMITED

Application for opting the Scheme for procuring Company Vehicles and payment of running and maintenance cost to the Executives of the Company of the level of Manager and above.

*1. I ___________________________Designation________________
E.No.__________ hereby certify that I have availed the facility of procuring Company Vehicles applicable to the Executive of the Company of the level of Manager & above. The model of vehicle is _____________ bearing registration no. ____________.

*2. I ___________________________Designation_________________
E.No.__________ hereby certify that I am owning a car Model___________ bearing Registration No.__________ dt.___________. I may be allowed for payment of running and maintenance cost as per Col. (v) of Para 3.1 in the scheme.

3. I have gone through and understood the rules and conditions governing admissibility of monthly reimbursement of conveyance expenditure as detailed in the scheme. I certify that the maintenance and use of conveyance will be in the interest of Company's work.

(Signature of Officer)
Name:_____________________
E.No._____________________
Designation_______________
Department_______________
Date______________

Enclosure:
- Copy of RC of vehicle purchase
- Copy of Driving License
- Copy of Insurance & Pollution Control Certificate

*(Strike whichever is not applicable)

Countersignature of the Controlling Officer/Head of Department.

Manager- HR (II) Estb.