

TRAVEL POLICY

C O N T E N T S

	Page
1 Objectives	01
2 Applicability	02
3 Categorisation of Locations	02
4 Lodging	03
• Lodging Entitlements	
• Use of Guest Houses	
5 Boarding	04
➤ Meal Entitlements	
➤ Joint Expenditure	
➤ Hospitality by Estates	
➤ Entertainment	
6 Outstation Travel	05
▪ Entitlements	
7 Mode of Conveyance	06
8 Change of location	07
★ Settling Reimbursement	
★ Travel	
★ Transfer of Belongings	
★ Boarding and Lodging on Transfer	
9 General	09
10 Approving authorities	10
11 Foreign Travel	10
12 Income – Tax	10
13 Exceptions	10



1. Objectives

- To rationalise and achieve clarity with respect to an Executive and Staff-HO entitlement for travel, lodging, boarding, relocation and related expenses incurred within India, during his/her official duty, and also define methodology for claims and settlement of these expenses.
- To align and bring in Reasonableness, Flexibility and Simplicity in implementation.
- This does not apply to any components on Travel which are part of the compensation of an employee.
- This Policy shall **not be** applicable to Staff Members of Estates, and their existing Travel Policy shall continue.



2. Applicability

This Policy will be applicable to the following:

- Employees from Grade VI and above.
- Executive Trainees(ET),Management Trainees (MTs), and Pre-placement Trainees (PPTs), Summer Trainees recruited in terms of the Company's Schemes for such Trainees. For the purposes of all entitlements under this Policy, such Trainees will be treated at par with the Executive level (Grade –IV).
- All Staff level employees, including the Staff Trainees/ Graduate Trainees, who are based at HO or various regions for sales operations.

This Revised Policy supersedes the earlier Harrisons Malayalam's Travel Policy and all amendments thereto.

THIS TRAVEL POLICY WILL BE APPLICABLE FOR ALL TRAVEL COMMENCING ON OR AFTER 1ST AUGUST, 2009.

3. Categorisation of Locations

Locations	A	B			
NORTH	Chandigarh Delhi Gurgaon Jaipur Lucknow Shimla	Agra Aligarh Allahabad Amritsar Bareilly Bikaner Dehradun	Dharamsala Gorakhpur Jalandhar Jammu Jodhpur Kanpur Kota	Ludhiana Meerut Moradabad Muzaffarnagar Nainital Patiala Srinagar	Udaipur Varanasi
EAST	Kolkatta	Agartala Bhubaneshwar Bokaro Cuttack	Darjeeling Durgapur Guwahati Imphal	Jamshedpur Paradip Patna Ranchi	Rourkela Siliguri Tinsukia
WEST	Ahmedabad Baroda Mumbai Pune Goa	Ahmednagar Ankleshwar Aurangabad Bhopal	Gwalior Indore Jabalpur Jamnagar	Kolhapur Nagpur Nashik Raipur	Rajkot Surat
SOUTH	Bangalore Chennai Cochin Hyderabad Secunderabad Trivandrum	Belgaum Calicut Coimbatore Guntur Hubli	Madurai Managlore Mysore Ooty Pondicherry	Salem Thirupathi Vijayawada Visakhapatnam Warangal	

ALL OTHER LOCATIONS ARE CONSIDERED AS 'C' CATEGORY LOCATIONS.



4. Lodging

4.1 Lodging Entitlements

- (a) Actual Lodging expenses with supporting bills are reimbursable up to the limits indicated in **Table-1** below. This reimbursement is applicable for stay requiring lodging arrangements whilst on official business, at locations other than the residence of the employee or usual place of work. The entitlements are inclusive of service charges, taxes, surcharges, and laundry expenses.
- (b) It is recommended that every individual, especially in Sales, identify Hotels in their respective areas and communicate the tariff rates to HR to help HR to enter into Corporate relationship, and there by facilities within their respective entitlements. This will also help HR to continuously validate the Hotel database in their respective areas.

TABLE 1: LODGING ENTITLEMENTS				
	A	B	C	Adhoc
GM and above	Actuals	Actuals	Actuals	1250
Grade I,IA	4000	3000	2000	900
Grade II, III	3000	2500	1750	
Grade IV	2250	1750	1400	700
Grade V, VI	1800	1500	1200	
Staff – HO & Sales	1200	1000	900	350

- (c) If an employee stays in a Hotel/ Guest Houses, he/she shall be reimbursed **up to** maximum limit of Rs.150/- per day as tips for Grade I and above; Rs.75/- per day for Grade II,III, and IV, Rs.25/- for Staff HO and sales personnel. However, in the Guest Houses, the above mentioned amounts shall be entitled, irrespective of number of days, and not as a per day amount.
- (d) If an employee stays overnight with his/her relatives or friends, **due to official work**, an ad hoc amount as indicated in Table 1 above will be reimbursed. He/she shall be accountable for the authenticity of such overnight stay. However, this should be availed only **in lieu of staying in Hotel/non-availability of Guest House facility**.
- (e) Lodging entitlements shall be applicable only if it involves overnight stay. Only food allowance as given in Clause 5.1 would be applicable for day trips.

4.2 Use of Guest Houses

- (a) It is expected that all Employees who are entitled to Transit House accommodation as per the facilities at respective locations will, in the first instance, use the Company's Guest Houses for lodging. Priority for HML Guest Houses in Cochin/Bangalore would be given to employees in Grade I & above.



- (c) If an employee utilizes Guest House accommodation, and if he/she stays for more than one night, it is acceptable that actual Laundry Expenses, supported with bills, be reimbursed **upto** max. limit of Rs.100/- per night.
- (d) The HML Guest Houses at Cochin/Bangalore can be utilized by all Executive's at Estates for max. 2 nights with family depending on the availability of the rooms. Such enquiries should be routed through Head – Administration, and his decision on such cases shall be final. Any issues on this can be escalated to General Manager – HR.

5. Boarding

5.1 Meal Entitlements

- (a) Actual expenses with supporting bills, for breakfast, lunch and dinner (meals) are reimbursable **upto** the limits indicated in **Table 2** below. These upper limits are applicable to an Employee whether he/she is on duty locally or outstation. These expenses include service charges, taxes, surcharges and tips.

TABLE 2: MEAL ENTITLEMENTS (With Bills)

GM and above	On Actuals
Grade I,IA	800
Grade II, III	600
Grade IV	400
Grade V, VI	300
Staff HO & Sales	200

(Including Sales Representatives. However, for them, during their sales visit the daily expenses amount will be as given)

- (b) The reimbursement for meals is uniform on an All India basis, irrespective of whether the category of location is A,B or C.
- (c) It is advisable to submit bills for the expenses made for this purpose. However, without bills, terms laid down in Clause 4.1 (c) for daily tips shall be applicable. In case of claims without bills, the employee will be required to prepare a Statement of Accounts, to be signed by him/her and approved by the Approving Authority, which must be attached to the Payment Voucher.

Most hotels provide breakfast as a part of the room tariff. In such cases, the employee is not entitled to reimbursement of any reimbursement.
- (d) If an employee avails meal(s) at a Guest House, he/she is not entitled to reimbursement of expenses for such meal(s).
- (e) Reimbursement of expenses on alcohol is not permitted.



5.2 Joint Expenditure

- (a) If two or more colleagues jointly avail facilities reimbursable as per the Policy, the Senior of the Employee should pay the bills and seek reimbursement.
- (b) If an employee is accompanying his / her supervisor, and due to business exigencies has to stay in the same hotel, he may do so with prior approval of the Function Head.

5.3 Hospitality by Estates

- (a) In case an Estate hosts an employee to meal(s) or the employee avails meal(s) at the Estate, whilst he/she is at their location, claims for any reimbursement for such meals are not permissible. However, the **Host** can claim an amount of Rs. 500/- (Rs.50 for tea/snacks, Rs.100/- for break-fast; Rs.200 each for Lunch/Dinner). The existing overnight allowance is withdrawn.
- (b) A monthly statement indicating name of the employee, designation, department, and duration of stay should be raised by the respective Host. The Statement should be signed by the Host, and approved by the Approved Authority to get the expenses reimbursed.

5.4 Entertainment

- (a) All Entertainment Expenses must be approved only by Functional/Business Heads. However, in Estates, the same can be approved by the Group Manager, with adequate support documents.
- (b) Whilst entertaining customers, guests or business associates, it is essential that their names be indicated on the Expenditure claim.

6. Outstation Travel

6.1 Entitlements

- (a) For Outstation visits, an Employee is entitled to claim reimbursement of actual expenses on the following Grade entitlements:

Grade I and above	Air Travel (economy); 2nd /1st AC (train)
Grade II, III,IV	Air Travel (economy) for one way distances beyond 500 kms; 2nd Tier AC (train)
Grade V,VI	Air conditioned Bus, 3rd Tier AC (train)
Staff	Air conditioned Bus, Sleeper Class (train)

Every effort should be made to travel by train or air conditioned bus; share a taxi, wherever possible.

Night travel – especially by road should be avoided, until and unless there is an emergency.

- (b) In case an employee misses a flight / train / bus due to personal reasons, the cost would be borne by the employee himself / herself. For circumstances other than this, the rebooking has to be authenticated / verified by the Head of Department / Function Head. All cancellations should be cleared by the respective Business /Functional Head. A summary detail of such cancellations should be submitted to MD, every month by the finance department.



- (c) Schedules should be planned sufficiently in advance to avail of apex/concessional airline fares. Efforts should also be made to avail of early morning or late night flights to obtain maximum working time. Whenever convenient, if overnight trains are available, these should be utilized.
- (d) The employee shall not be entitled for the following during Outstation Travel. This will be applicable to new joinees too.
 - Excess Baggage Charges (unless for company records or property).
 - Expenses incurred on personal travel while on a business trip

7. Mode of Conveyance (to and fro from place of stay to work place is not covered, and no expenses shall be reimbursable for this purpose).

- (a) Conveyance should, at all times be by public transport, public taxis, up to Grade III. They may use Non-AC Taxi (Indica or such equivalent versions), with approvals from Head of Department/Business/Functional Head.
- (b) For GM & Above, hired AC Taxi (Ikon, Logan, Indigo, Accent, and Esteem) or company organized pick up arrangements shall be entitled. For Grade IA, I, and II, Taxi can be used and necessary bills to be attached for reimbursement.
- (c) If, in a particular case, it is more economical to share a Private Tourist Taxi, such an arrangement is permissible, provided it is approved by the Group Manager in Estate or Heads of the respective Functions. All such arrangements shall be handled by Administration.
- (d) It is expected that employees at all levels, who have been provided company cars, should use these cars, wherever possible for their conveyance needs.

For Grade I and above, hiring of private Tourist Taxi is acceptable when the above modes of transport are not possible. ***If an employee has a company car, he/she should use the car for travelling within the city for local conveyance, and outside the city of employment for official work.*** However, whenever the company car is taken out for official work outside the city of employment, he/she shall be entitled for an additional amount of Rs.150/- per day as Driver's expenses, including food expenses.

- i) All Executives, who have not been provided a fully maintained car by the company i.e. Grade II and above, or other Employees who use their personal cars for official work, will be reimbursed **Rs.6.50 per Km.**
- ii) All Executives, who have not been provided a fully maintained two wheelers by the company and who use their personal two wheelers for official work, will be reimbursed **@ Rs.2.75 per Km.**
- iii) The sanctioning authority should ensure that the mileage claimed is authentic.



8 Change of Location

8.1 Settling Reimbursement

There will be no settling expenses, henceforth. If there is any shifting expenses beyond the expenses which can be claimed as given in other clauses in this section, the same shall be reviewed by the Company, and appropriate decision shall be taken to reduce the burden of transfer. However, the same shall be applicable only in the case of transfer, on account of business reasons. All such cases shall be reviewed by Human Resources Department.

8.2 Travel

- (a) If an employee is transferred from one city/Estate to another, the employee and his/her family is also entitled to reimbursement of actual travel expenses as laid down in Clause 6.1 (a) above.
 - (i) The shifting expenses, including travel will be applicable only if there is shift in the location and the relocation is beyond the City limits. Only in such cases, the employee shall be entitled for the expenses under this section.
 - (ii) However, due to exigencies of work, if it is absolutely necessary, the Employee only may travel by air (if not applicable as per the clause 6.1 (a), for which sanction of the respective functional head/ Head of Human Resources would be required.
 - (iii) If an employee is travelling along with the family, they can use Auto/Paid-service Taxi from the Railway Station/Airport/Bus Terminal to the place of stay, irrespective of Grade. While using Taxi, bills need to be produced for reimbursement.
- (b) In case of the New Employee joining the Company, such travel expenses will be borne by the Company, for the Employee and his/her family, consisting of spouse and upto two children as applicable to their joining grade, and the reimbursement shall be applicable as per Clause 8.2a.
- (c) If an Employee avails of a more expensive mode of transport than his/her entitlement, the Employee will be entitled to claim a reimbursement **up to** the amount of his/her entitlement.

8.3 Transfer of Belongings – applicable to new joiners too.

- (a) If the transfer is on Company initiative, then:
 - (i) All Employees, irrespective of Grade/Level will be entitled to claim reimbursement of actual expenses incurred on freight for transfer of belongings, up to the freight for one 9 ton truck and transit insurance (excluding transport of car). The cost of packing/unloading etc., as the case shall be included in this cost. **All such requests should be routed through Administration/ Commercial for necessary arrangements.**
 - (ii) For Employees in Grades II and above (as applicable), in addition to freight expenses mentioned above, the Company will also reimburse the transport expenses of one car. It is expected that transport of car be implemented by the most cost effective method.



- (iii) If the new joinee is not in a position to bring his entire family at the time of joining, the employee shall have the option to exercise Clause 8 (a) (i). However, in such cases, a written note to General Manager – HR, and necessary approval in writing should be obtained.
- (b) If an employee is occupying Company leased accommodation and is required to move to a new house within the same city/location then he/she is entitled to reimbursement of actual expenses on freight as mentioned in Clause 8.3.(a)(i) above, but only if the owner is not willing to renew/terminates the Lease/Leave & License arrangement. However, this will be evaluated as a special case, and prior approval is mandatory.
- (c) It is essential that all decisions on this section are made only after proper approval from HR, including obtaining minimum 3 competitive quotations for transportation. Post sanctions are not acceptable.
- (d) If, any Employee Grade I and above and his/her family drive to a new location on transfer from one city to another, instead of availing any other mode of permissible transport, such Employee can claim reimbursement as per Clause 8.2(a) (i) of this Policy, provided such expenses are less than the permissible mode of transport, for self and family.
- (e) Shifting expenses of any kind, on cessation of employment are not reimbursable. However, on retirement the employee shall be entitled as per Clause 8, as applicable.

8.4 Boarding and Lodging On Transfer

- (a) If an Employee is transferred from one city/Estate to another On Company initiative and Transit House accommodation is not provided, then, the employee, irrespective of Grade/Level, will be entitled to claim reimbursement of boarding and lodging expenses for self, spouse and up to two children for up to 7 days. These expenses could be pre-joining and/or whilst joining duties at the new location. The reimbursement will be at actual, subject to the limits mentioned in Sections 4 and 5 of this Policy; supporting for expenditure is essential.
- (b) For the purpose of reimbursement of lodging expenses, it is expected that the monetary limits mentioned in Section 4 of this Policy will be utilized for double occupancy/twin sharing rooms.
- (c) In case of New Employees joining the Company, only if such an Employee is joining from another city, such boarding and lodging expenses as mentioned in Clause 8.4(a) above will be borne by the Company, irrespective of the Employee's Grade/Level. In the case of Executive Trainees, this reimbursement will be only for the Executive.



9. General

- 9.1 All employees must, in first instance, settle all bills for hotel as well as other expense, and thereafter claim a reimbursement. The Company will not make direct payments in respect of any bills, which the employee would otherwise be required to bear.
- 9.2 All claims for reimbursement must be approved by the Approving Authority and must be supported with the bills for expenditure for proper accounting and audit. **All employees are expected to get their travel expenses reimbursed within 7 days of returning from each travel.** In case of Sales personnel, the same can be done within the month of travel. However, in no case, it should be delayed beyond a month. The finance department shall reimburse the employee within 15 days of receipt of the payment reimbursement voucher. **Non-adherence to this clause will result into non-reimbursement of such payments.**
- 9.3 In case bills are not available, then the Employees' claim will be restricted as indicated in the Policy. For such reimbursement, it is essential that the employee prepares a Statement of Account, duly approved by the Approving Authority, and attached to the Expense Voucher.
- 9.4 All Employees must submit their claims for reimbursement immediately on their return from an outstation visit. Since the company policy provides for imprest to employees, where necessary, no travel related advances/IOUs are permitted.
- 9.5 The employee, shall not be entitled to the following expenses, in any account:
- Barbers and hair dressers, facials and massages
 - Personal expenses, such as toiletries, health and beauty aids, books, magazines, publications, etc.
 - Flowers, souvenirs, charitable donations & personal gifts (for corporate gifts prior permission needs to be taken)

Exceptions:

However, employees travelling often, due to his/her type of duty, will be entitled to one briefcase or equivalent with a maximum limit of Rs.3000/-. Prior approval from the Business Heads, rationalizing the need to be submitted to Administration for necessary action through Commercial Department. The same can be claimed once in two years. The Executive shall not be entitled for any new briefcase, in case of loss/repair of any kind. Exceptional cases can be routed through HR.

Books/Periodicals/Journals, while travelling can be purchased, within the overall limit of Lodging /Boarding Entitlements.

- 9.6 ***The purpose of this Policy is to help employees to stay and travel with dignity. Therefore, it is the responsibility of each employee to ensure that the expenses are made and accounted with utmost care and truthfulness. Any actions, which indicate contrary to this expectation form the employees, shall be reviewed very seriously by the Management***



10. Approving Authorities.

Local travel and related expenses:

- Departmental Head/ Estate/Group Managers, as the case may be.

Outstation Travel and related expenses

- Air Travel & Expenses – Business Head or any of the Management Committee Members.

Other than Air Travel & Expenses - General Manager (HR)

11. Foreign Travel

The entitlements for Foreign Travel and related matters are governed by a separate policy and such arrangements are managed centrally by HO. The existing policy of RPG Enterprises shall be continued.

12. Income Tax

The expenses made by the employee as per the Policy are provided for, on the presumption that the Employee has actually spent such amounts for the official purpose. Hence, the expenses are reimbursed to the employee without any tax deduction at source. However, the employee, if required, will have to satisfy the Income Tax Authorities of such expenditure. If any tax liabilities including penalties are levied to the Company, due to non-satisfaction by the employee to the Income Tax Authorities, he/she will be required to reimburse / indemnify the Company for the same.

13. Exceptions & Escalation

If, in very exceptional cases, the Group Managers need to take a decision not covered by this Policy, the reasons for the exceptional treatment need to be documented in details, in the interests of the transparent accountability and also for audit purpose.

All issues related to this policy should be referred to HR, and the decision by HR department will be final and binding on such employees.

Any dissatisfied employee on the grievance handling of HR can refer their case first to the General Manager – HR, and then to the Managing Director, as the final authority.