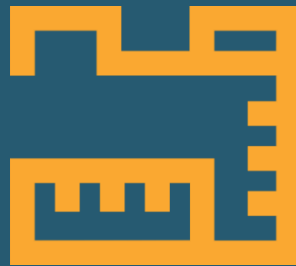




LEAVE TRAVEL ALLOWANCE (LTA) POLICY

Policy No: CUB/23 - 24/008

Version 1.0



www.cubastion.com

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1. PURPOSE

The purpose of this policy is to outline the guidelines and regulations governing the provision of **Leave Travel Allowance (LTA)** benefits to employees within Cubastion.

2. SCOPE

This policy is applicable to the employees of **Cubastion Consulting Private Limited** including its group company (ies) collectively called as "Company", those have **Leave Travel Allowance (LTA)** as one of their opted components in the **flexi benefit plan**.

3. DATE OF COMMENCEMENT

This policy will be effective starting **28th September 2023**.

4. LTA ENTITLEMENT

LTA entitlement will be applicable as per the maximum limit available in the flexi benefit plan on your xNet.

5. TERMS AND CONDITIONS FOR EXEMPTION

LTA exemption will be applicable when employee is proceeding on leave to any place in India only.

1. This benefit can be availed for self and along with their family members.
2. The word "family" shall include,
 - (i) spouse and children*
 - (ii) dependent parents and
 - (iii) brothers and sisters who are wholly dependent on the employee.

**Exemption from tax is available only for two children of an employee up to the age of 25 yrs.*

3. Employees can avail the LTA for every year. In case the employee avails LTA every year, the LTA would be subjected to tax as per Income Tax rules and regulations. Tax exempted LTA is available for claim only 2 times in a block of **4 years**.

4. Two journeys in a block of four years are exempted. Current block period as defined by Govt. of India: **2022 to 2025**.
5. **Exemption on actual expenses only:** The amount of exemption is limited only to actual fare expenses made on travel.

5.2 LTA TRAVEL NORMS

The LTA shall be the amount actually incurred on undertaking such travel subject to the following conditions:

1. Where the journey is performed by air, an amount not exceeding the air economy fare of the domestic carrier by the shortest route to the place of destination.
2. If places of origin of journey and destination are connected by rail and the journey is performed by any mode of transport other than by air, an amount not exceeding the air-conditioned first-class rail fare by the shortest route to the place of destination.
3. LTA claims are eligible solely for travel expenses and do not cover costs related to food, accommodation, or other non-travel expenditures. Nevertheless, it is essential to provide lodging and food expense receipts as evidence of your travel to the destination.
4. LTA can only be claimed on domestic travel expenses. You cannot claim from the LTA the expenses incurred during the **international trip** (if any) of the employee.

6. PROCEDURE FOR AVAILING LTA

6.1 LTA CLAIM WHILE IN SERVICE

1. The employee is required to avail leaves (**including minimum 3 continuous days of Paid Leaves/EL**) & travel alone or with family (as mentioned in 5.2) to any location in India, to be able to avail reimbursement against **LTA**. Such leaves could not be sandwiched with company declared holidays, restricted holidays, compensatory off and weekends. Sandwiched leaves are not applicable.
2. Employees who have opted for LTA under the flexi benefit scheme and are unable to obtain the required documents for claim, are neither required to take any leave nor submit travel fare expense documents. Simply raise a ticket to opt out LTA to HR department.
3. All employees who wish to claim LTA benefit should submit all the bills along with LTA claim form. LTA claim form can be obtained from xNet.
 - 3.1. Attach all the bills in the HRMS under flexi claims sections and annex all actual travel bills for reimbursement with the **LTA claim form**.
4. Reimbursement of LTA claims shall be disbursed along with the monthly flexi reimbursement cycle.

6.2 LTA CLAIM ON RESIGNATION

Unclaimed LTA shall be disbursed as a taxable amount along with the Full & Final settlement of the employee.

6.3 CLAIM WINDOW

You can claim your LTA between the 25th and 30th of each month, but it's advisable to wait until the end of the financial year to make your claims in order to access the highest possible accumulated LTA balance.

Note: *You can only take advantage of LTA claims once per year, and the maximum claimable amount is determined by the balance available in your flexi claims.*

6.4 QUANTUM OF BENEFIT

As per the declared amount by the employee in the LTA component under flexi benefit scheme.

7. DISCLAIMER

Company's Absolute Right to Alter or Abolish the Policy

Cubastion's Management reserves the right in its absolute discretion to abolish the policy or to alter the terms and conditions. Such discretion may be exercised at any time (without any prior notice).

8. DOCUMENT VERSION HISTORY

VERSION	DATE	AUTHOR	DESCRIPTION	APPROVAL
V1.0	20230915	Rohit Kumar	Initial Release	CPO

This brings us to the end of this document. For any further assistance or clarification, please contact **HR Department** or email us at hr@cubastion.com

Frequently **A**sked **Q**uestions

Q1:

How much can I claim tax exemption in LTA?

A1:

The amount of tax exemption under LTA depends on the amount of LTA component (accrued amount) in your declared flexi benefit scheme.

Q2:

How many trips can I make in one year to claim the exemption?

A2:

You can claim exemption only for one trip in one financial year.

Q3:

My family members have travelled within India on a vacation, I couldn't accompany them during their travel dates. Can I claim for LTA exemption?

A3:

No. It is mandatory for an employee claiming the LTA exemption to travel along with the family exactly on the same dates.

Q4:

What about LTA for multi-destination journeys?

A4:

As per the Income Tax provision, you can avail LTA for travel cost for anywhere in India when on a leave. The mode of transport could be air, rail, or public transport from the place of origin to destination on the shortest route. In case you have to travel different parts of India in a single vacation, then exemption is valid only for the travel cost from the origin spot to the farthest travel spot in vacation that too on the shortest route.

Frequently**A**sked**Q**uestions