

Salary & Allowance Policy — Software Company (Dummy)

This document describes the salary structure and allowance components provided to employees. The policy ensures transparency, fairness, and consistency in employee compensation across roles and departments within the organization.

Salary Structure

- Basic Salary forms the core component of the employee's compensation.
- House Rent Allowance (HRA) is provided to support accommodation expenses.
- Special Allowance is included to balance overall compensation structure.
- Gross Salary represents the total earnings before deductions.
- Net Salary is the final amount credited after statutory and company deductions.

Allowances Provided

- Transport Allowance to support daily commuting expenses.
- Internet Allowance for remote or hybrid work employees.
- Medical Allowance for basic healthcare support.
- Meal Allowance or food coupons for employee welfare.
- Work-from-home setup allowance for eligible employees.

Salary Deductions

- Provident Fund (PF) contributions as per government regulations.
- Professional Tax applicable based on state laws.
- Income Tax (TDS) deducted according to tax slabs.
- Other deductions may apply based on benefits opted by employees.

Salary Revision & Performance Review

- Salary revisions are generally conducted annually based on performance evaluations.
- Promotions may result in compensation adjustments.
- Exceptional contributions may be rewarded through bonuses or incentives.
- Compensation reviews consider company performance and market benchmarks.

Salary Payment Process

- Salary is credited monthly to the employee's registered bank account.
- Payslips are shared through the employee portal or official email.
- Any discrepancies must be reported to HR within five working days.
- Final settlements are processed during employee exit as per company policy.

Note: This is a dummy salary and allowance policy created for demonstration and testing purposes only.