



HEXAGON

Salary Advance Policy

Revision: 1.2

Last Reviewed: 18 Apr 2024

Next Revision Date: 7 May 2025

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1. Introduction

The purpose of the policy is to support employees to avail salary advance to employees in order to meet the unforeseen expenditure/ emergencies.

2. Scope & Eligibility

Confirmed full time employees are eligible for salary advance. Salary advance can be availed for the following requirements:

- Medical expenses (not part of the Medclaim coverage) – for Self & Family
- Higher Education (Bachelor's Degree & Above) – for Self & Family
- Large Family Function (Marriage) – for Self & Family
- Housing (Purchase) / Housing (Rental in Hyderabad)/ (Not applicable for Land Purchase)– for Self

3. Definitions

For this purpose, the family is defined as below relationships:

- Spouse
- Son/Daughter
- Siblings
- Parents
- Parents in Law

4. Procedure

4.1 Process to apply for Salary Advance

- An employee shall initiate the salary advance request in Expensing tool
- The maximum advance amount shall be six months' basic salary, subject to a maximum of INR 250,000/-
- The advance amount can be availed by the employee on settling the pending advance amount taken.
- The supporting documents for the loan request should be forwarded to Finance Department.
- Recovery shall be made in a maximum of 12 equal monthly instalments; the recovery shall commence from the following month in which advance is drawn.
- On the employee's exit any pending recovery shall be settled during Full & Final settlement.

The reporting manager along with the Division Head/Director shall have the authority to approve the Salary Advance requests.

5. Policy Administration & Exceptions

The Finance Department shall be the responsible and final arbiter for administering this policy. For tax purposes, this policy shall follow the provisions of the Income Tax Act /Rules.

6. Revision History

| Rev. | Rev. Date | Reason for Revision | Revised By | Approved By |
|------|-------------|---|-------------|----------------------|
| 1.0 | 8-May-2023 | Updating to new policy template, process updating to Expensing Tool | David Eguri | Rajasekhar Dukkupati |
| 1.1 | 18-Apr-2024 | Revision of maximum advance amount from 2L to 2.5L effective 1 st May 2024 | David Eguri | Ballav Mundra |
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