

# Finance Procedure

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## Document Summary

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## 1. Introduction

### 1.1 Objective

Employees will have access to this procedure, so that he / she can adhere to it with full knowledge and information. The procedures described herewith are subject to changes without prior information and at the discretion of the Management. In such cases, employees will be made aware of the changes.

### 1.2 Scope

These policies are applicable to all the employees of SGA.

### 1.3 Glossary of Terms

Terms	Description
BUH	Business Unit Head
DH	Department Head
HR	Human Resource
MSA	Master Services Agreement
PO	Purchase Order
SEZ	Special Economic Zone
SOW	Statement of Work
SGA	SG Analytics Pvt. Ltd.

## 2. Responsibility

The Finance Head will be responsible for verifying the effectiveness of the policy and its revision whenever required.

## 3. Salary

The salary cycle at SGA is calculated from 24<sup>th</sup> day of a month to 23<sup>rd</sup> day of the next month. The salary is paid on 1<sup>st</sup> of every month. In case, 1<sup>st</sup> falls on Saturday or Sunday or a public holiday / bank holiday, the Finance Department will try to pay the salary a day before. If that is not possible, the salary will be paid on the next working day. This will be intimated to all the employees well in advance. The soft copy of the salary slips will be shared via email to all the employees by 9<sup>th</sup> of every month.

### 3.1 Salary Bank Accounts

Salary will be credited to the salary account of the employee with Axis Bank or Kotak Mahindra Bank only. In case of new employee, the first month's salary may be paid by account payee cheque or can be transferred to any other bank account if proper bank details are provided to the Finance department before 26<sup>th</sup> of that month.

### 3.2 Reimbursement of expenses forming part of salary

#### 1. Eligible Employees:

- a. Employees who have joined **before** 31<sup>st</sup> August 2014 for Pune location and **before** 31<sup>st</sup> March 2015 for Hyderabad location and their current CTC is above 2 lakh pa ,  
**OR**

- b. Employees who have joined **after** 31<sup>st</sup> August 2014 for Pune location and **after** 31<sup>st</sup> March 2015 for Hyderabad location and their current CTC is above INR 10 lakh pa  
The slab of reimbursement of expenses forming the part of salary is given below.

S. No.	Expense Heads	Salary per annum						
		Above 2L But Below 5L	Above 5L But Below 7L	Above 7L But Below 10L	Above 10L But Below 15L	Above 15L But Below 20L	Above 20L But Below 25L	Above 25L
1	Fuel (Petrol, Diesel and Gas) Bills	3,000	6,500	10,000	14,000	16,000	19,000	25,000
2	Car Driver Salary	-	-	9,000	11,000	13,500	14,000	15,000
3	Post paid Telephone, Mobile & Internet bills	2,000	2,000	2,000	4,500	4,500	5,500	5,500
4	News papers and Books & Periodicals bills	500	750	1,000	1,000	1,250	1,250	1,500

The above will be reimbursed along with the salary every month provided; proper bills or invoices or vouchers are submitted to the Finance Department before 23<sup>rd</sup> of every month for the previous month. In case an employee is not able to submit the supporting for a particular month, then the amount of supporting bills not submitted will be carried forward and will be paid along with the next month's salary on submission of proper supporting bills. If an employee is not able to provide the supporting bills until 23<sup>rd</sup> March, then, such amount will be added to that employee's salary as Special / Grade Allowance and taxed accordingly.

### 3.3 Tax Calculation on Salary

Every year in the month of May, the employees will have to submit the investments declaration, according to which tax will be calculated. This total tax is then divided on per month basis and will be deducted from the salary every month. In the month of January / February each year, the proofs of the investments made by the employee will be collected. The tax will then be re-calculated. The balance tax will then be deducted from February and March's salary. If an employee fails to submit Investment Declaration by the end of May or Investment proofs by end of February, the tax will be calculated with zero investment.

New employee will have to submit the investment declaration at the time of joining. New employee may submit his / her income details from previous employer(s) which can be considered for tax calculations.

### 3.4 Deductions

Salary Advance – SGA does not have the policy of providing the salary in advance. However, it can be treated on exceptional cases with prior approval of the respective BUH and Finance Head. In such event, the amount will be restricted to one month's gross salary of the employee. Such advance will be deducted from monthly salary of the same month.

## 4. Reimbursement of Expenses

All expenses incurred on behalf of the company need to be approved by the concerned BUH and Finance Head before submitting the documents to the Finance Department. All expense reimbursement claims must have proper supporting documents or bills and should be submitted along with the Reimbursement of Expenses Form (Annexure- 1).

## 5. Advance for Business Trip

The employees going on a business trip can get an advance to manage the expenses at an outstation location (Local / International). The employees shall submit the Travel Advance Requisition form (Annexure- 2) duly approved by the BUH to our Finance Department well in advance, at least 3-4 working days prior to the travel date. Advance should be settled within 3 working days from the end of the journey.

## 6. Foreign Travel Allowance or Expenses for Business Trip

The allowance for all employees travelling abroad is USD / GBP 55 per day. A per diem of USD55 or GBP55 shall be provided to an employee as an allowance for a business trip to US or the UK respectively. Allowance for any other countries shall be a per diem of USD55. A per diem shall be provided from the day the employee reaches the overseas till the day the employee departs for India. The per diem is provided on food and beverages expenses. No separate reimbursement will be made for such expenses. Local conveyance or travel at outstation locations will be reimbursed at actual. Telephone expenses will be paid at actual with proper supporting bills. Employee should ensure that the telephone expenses incurred will be for official purpose. Refer to Travel Policy for the procedure.

## 7. Leave Encashment

Leave encashment is paid only at the time of full and final settlement. Leaves are encashed on last drawn basic salary.

## 8. Full and Final Settlement

The full and final settlement is paid after 60 days from the date of relieving with prior approval of the BUH and HR department.

## 9. Vendor Payments

### 9.1 Purchase Orders

Any purchase or expenditure or outsourced services above INR 5000 should be routed through a PO. All the PO's must be approved by the Finance Head. All the PO's should clearly state whether the taxes are inclusive or exclusive and should be agreed by the vendor.

### 9.2 Outsourcing

Any work that needs to be outsourced has to be approved by the respective BUH / DH and the Finance Head prior to the start of work. Once the work has been completed by the vendor or service provider, the invoices or payment requests of such vendors should also be approved by the respective BUH and the Finance Head. The Finance department will make payment only after the approvals.

### 9.3 Submission of Invoices or Bills

All the invoices or bills need to be submitted to the Finance department within 15 days from the date of the invoice. Any invoices or bills that are not submitted within the stipulated time will not be accepted. This is more important from statutory point of view.

### 9.4 Payment terms

All the payments will be made after 30 days of submission of bills or invoices to the Finance department, unless specifically agreed as per credit terms.

## 10. Invoicing

To ensure proper and timely invoicing, the BUH shall adhere to the following:

1. **Weekly Tracker** - To be shared with the Finance Head every Friday
2. **Monthly Tracker** - To be shared with the Finance Head by 3<sup>rd</sup> of every month
3. **Services Agreement or Order Form** - It is mandatory to have signed MSA and SOW from all the clients

In case of ad hoc projects, an order form should be obtained which should be signed by both the parties. Please note that MSA or SOW or order form is mandatory as per SEZ Rules.

All emails for invoicing should be sent to [finance@sganalytics.com](mailto:finance@sganalytics.com) only.





**Annexure - 2 – Travel Advance Requisition**

Name of the Employee	
Employee code & Designation	
Travel To (Destination)	
Travel start From (Date)	
Travel end To (Date)	
<u>Total Travel days</u>	
Per Diem	
Accommodation	
Local Travel	
Other expenses (please specify)	
<b>Total Advance Required</b>	_____USD/GBP/CHF/EUR/ if any

<b>Date:</b>	<b>Date:</b>
<b>Signature of the employee</b>	<b>Approved by (Name and Signature)</b>
<b># Please submit your Passport, PAN and Travel Ticket photo copies along with this requisition</b>	

**ACKNOWLEDGEMENT**

Received USD/GBP/CHF/EUR/ if any \_\_\_\_\_ towards advance \_\_\_\_\_

Signature of the employee

I hereby declare that,

1. I will settle the above travel advance within 3 working days from the end date of the journey.
2. I will submit expenses in the below mentioned format along with all necessary supporting duly approved which include invoices / bills / receipts / etc. & the balance amount if any.
3. I authorize the Finance team to deduct any outstanding dues against above advance from my salary if I fail to settle it within above stipulated time.

\_\_\_\_\_  
Signature of the employee

**Format**

Sr. No.	Date	Bill / receipts No	Expenses Details	Purpose / Type of expenses	FC Type	Amount in FC	Any other remarks
<b>Total</b>							