

## **Company Loans / Advances To Employees**

The following interest free loans and advances are provided for employees. To avail loans, the employee has to fill the loan application form and forward it to HR at VAMANI Office through Departmental Head.

### 1) **Salary Advance:**

- One month Basic salary can be availed for any specific purpose.
- Advance can be availed Ones in a year
- The amount sanctioned and availed on or before 15th of a month shall be adjusted in the same month's salary or in the following month's salary in case the advance is availed after 15th of a month.

### 2) **Festival Advance:**

- Eligible employees can avail an amount not exceeding two months basic salary or Rs.10,000/- which ever is lower as Festival Loan.
- Festival Loan can be availed only once in a year against any major festivals.
- Festival Loan shall be given against specific festival which falls within 3 weeks of loan application
- The amount sanctioned shall be deducted from employee's salary in 10 equal monthly installments.

### 3) **Marriage Loan:**

- Employees are eligible for this loan on their own wedding, marriage of their dependent children and or dependent sisters. An employee can avail this facility maximum of 4 times during his or her employment with the Company.
- Employees who have completed three years of service can avail an amount not exceeding their six months salary or Rs.40000/- whichever is lower as Marriage Loan. The amount sanctioned shall be deducted from their salary in 10 equal monthly installments.
- Employees with less than three years of service with the Company can avail an amount not exceeding their three months salary or Rs.25000/- whichever is lower as Marriage Loan. The amount sanctioned shall be deducted from their salary in 3 equal installments.

4) Emergency Loan:

- Emergency for the purpose of this loan shall mean and include any hospitalization, death, serious accident in the family and untoward expenses due to natural calamities such as damages to house, etc of the respective employee.
- In the case of hospitalization of employee or immediate family members covered under Group Medclaim Policy, an amount up to or equivalent to employee's medclaim eligibility can be availed as Emergency Loan.
- In the case of hospitalization of employee's extended family members who are dependent to the employee, an amount up to 3 months salary can be availed as Emergency Loan.
- An amount not exceeding three months basic can be availed as Emergency Loan for the purposes mentioned under this loan facility such as death or serious accident in the immediate family and or damages due to natural calamities in the Family.
- The amount sanctioned shall be recovered from employee's salary in 15 equal monthly installments.

5) Privilege Loan

- Employees can avail privilege loan an amount equivalent or up to five months basic salary for the purposes of house rent advance and children school admission. The facility can be availed once in a year and shall be deducted from employee's salary in 12 equal installments.

1. Any Loan amount equivalent to Rs.20000/- or more shall attract Income Tax. The interests on such loan amount shall be treated as perquisites for income tax purposes as per the Income Tax Act.

2. Any loan disbursed before 15th of a month, the recovery deductions begins of that month itself. Loan disbursed after 15th, the recovery deduction begins from the following month.

3. If one Loan is pending, further loan will not be allowed except in case of emergency. When one emergency loan is pending, another emergency loan shall not be given.

4. Second Loan for higher amount to foreclose the previous loans shall not be allowed.