

## Travel Allowance (TA) and Dearness Allowance (DA) Policy

### 1. Objective

This policy defines the Travel Allowance (TA) and Dearness Allowance (DA) framework for all field employees of the company, a pan-India manufacturing firm. It aims to ensure employees travel safely, comfortably, and cost-effectively on business, with clear guidelines on eligible expenses and reimbursement procedures. The policy covers sales executives, application engineers, service engineers, and all field staff who travel for official work within India. Both local travel (within home city or same-day trips) and outstation travel (requiring overnight stay or long-distance travel) are addressed, aligning with standard industry practices in India to ensure fairness and compliance. Non-compliance with this policy may result in denial of claims or disciplinary action, as consistency and cost-control are crucial.

### 2. Definitions

**2.1. Travel Allowance (TA):** Covers expenses related to transportation (air, rail, road), accommodation, local conveyance, fuel, etc., incurred during business travel. It includes specific entitlements for travel modes and lodging based on employee category and destination.

**2.2. Dearness Allowance (DA) / Daily Allowance:** A daily expense allowance (also called per day) for meals and incidental costs during travel. This may be provided as a fixed per day amount or as a reimbursement up to specified limits, as detailed in this policy.

**2.3. Local Travel:** Travel within the employee's base city/region or trips not involving an overnight stay.

**2.4. Outstation Travel:** means when one has to make a night halt in some location while on tour or when one has to travel more than 200km away from its local territory for official visit.

#### 2.5. City Definition

For the purpose of this policy, cities in India will be divided into A, B and C classes.

City Class	Cities
A Class cities	Mumbai, Delhi, Kolkata, Chennai, Hyderabad, Ahmedabad, Chandigarh and Bangalore (Where population is Above 25 Lakhs)
B Class cities	Pune, Nasik and other cities (Where Population is between 5 to 25 Lakhs)
C Class cities	shall consist of all other cities excepting the above (Where Population is below 5 Lakhs)

#### 2.6. Designation-wise Employee Grades:

Grade-4	Grade-3	Grade-2	Grade-1
Director/ Vice President	NSH/GM/DGM	RSM, ZSM, ASM	Sales/Application Engineers, Executive

### 3. Travel Planning and Approvals

All business travel must be pre-approved. Employees shall submit a Travel Plan or request (via the HR portal or Travel Module) detailing the trip itinerary, expected expenses, and required bookings. Except in emergencies, plans should be submitted well in advance – preferably at least 7–10 days before travel – to allow cost-effective bookings and approvals . Last-minute travel is permitted only for unforeseen urgent work, with requisite post-facto approval from [Department Head/HR]. Key guidelines:

**3.1. Advance Booking:** Employees are expected to book tickets (air/rail) as early as possible to avail low fares and avoid premium pricing. Wherever feasible, use company-approved travel agents or online systems to secure negotiated rates.

**3.2. Approval Workflow:** The employee's Reporting Manager (or designated approving authority) must approve the travel plan and budget before any booking. The approved Travel Request ID (or form) should accompany all later reimbursement claims. The Accounts/Finance team will not reimburse expenses lacking prior approval or beyond approved limits, unless an exception is granted.

**3.3. Travel Itinerary Changes:** If travel dates or routes change after approval (e.g. trip extended or shortened), the employee must inform the approver and amend the plan as soon as possible. This ensures any cancellation or rescheduling is done promptly to minimize penalties. In case of cancellations, employees should endeavor to cancel tickets/hotel bookings in time to get refunds or credits for the company.

**3.4. Emergency Travel:** In exceptional cases where advance approval isn't feasible (e.g. emergency service visits), email approval should be obtained from a superior. A formal travel request must then be submitted at the earliest opportunity. The policy recognizes exigencies but requires documentation afterward for accountability.

### 4. Travel Modes and Class Entitlements

Employees should use the mode of transport that is safe, timely, and cost-effective, in line with their entitlement and the distance traveled. The following rules apply for transportation:

**4.1. Air Travel:** Allowed for long-distance travel or where time is critical. As a standard, all employees fly Economy Class, and business/first class is not permitted under normal circumstances. Air travel may be subject to role or distance criteria (e.g., Grade-4 and above, or if one-way travel by train would exceed ~8 hours). In our policy, any employee can be authorized for air if the situation warrants (urgent client meeting, etc.), but prior approval is required. Air tickets should be booked on the lowest fare available for the day/time (including use of corporate discounts or advance purchase rates).

**4.2. Rail Travel:** Recommended for moderate distances or when flying is not justified by cost. Entitlements of the rail travel class is mentioned as per the table below. Tatkal or premium Tatkal charges will be reimbursed only if regular quotas were unavailable and travel was urgent (with justification).



## MALHOTRA GROUP

G4 & G3	G2	G1
Economy Air	Sleeper Class/3rd AC/2nd AC Rail; Economy Air if travel is urgent with approval from reporting manager	3rd AC Rail/Sleeper Class

**4.3. Road Travel (Car/Bus):** For short trips or travel to areas not well connected by air/rail, employees may travel by road. Company vehicles or hired taxis should be shared where possible if multiple employees travel to the same destination, to optimize cost. When hiring a taxi or car, choose a reasonably priced service; prior approval is needed for car rentals, especially for long distances or multi-day use. Self-driving (using personal vehicle) is addressed under "Local Conveyance & Fuel" below. Bus travel (AC coaches or Volvo buses on inter-city routes) can be used where convenient; AC buses are generally acceptable for all levels as a cost-saving alternative to trains/flights. For overnight bus journeys, AC sleeper buses are permitted.

**4.4. Class of Travel Eligibility:** Travel class upgrades (e.g., premium economy air, first-class rail) are generally not allowed unless a specific business necessity or health reason is approved. The travel class entitlement is tied to employee level to maintain equity and cost control. Any exceptions (like a higher class due to non-availability of entitled class or safety concerns) require pre-approval from [HR Head/CEO]

**4.5. Local Transportation at Destination:** For movement within the destination city (from airport/rail station to hotel, traveling to client sites, etc.), employees should use cost-effective options. Use hotel shuttles, public transport, app-based cabs (Uber/Ola), or auto-rickshaws as appropriate, balancing cost with personal safety especially at odd hours. Wherever possible, share rides with colleagues traveling together to the same venue. Retain receipts for cab or auto fares; if a receipt is unavailable (e.g., auto-rickshaw), note the trip details and fare for supervisor approval.

### 5. Accommodation (Hotel and Lodging)

The company will reimburse the cost of hotel accommodations or lodging during business travel, within prescribed limits based on the city and the employee's level. Our aim is to ensure employees have safe, clean, and reasonably comfortable lodging without incurring luxury expenses. Key guidelines:

**5.1. Hotel Category and Rate Ceilings:** Employees should stay in hotels of a reasonable standard (mid-range or business hotels). As a rule, 5-star or luxury hotels are not permitted unless no other safe options exist in the area (such cases need special approval).



MALHOTRA GROUP

City Class	Nature of Expenditure	G4	G3	G2	G1
Class A	Lodging & Boarding	6000	3500	3000	2800
Class B	Lodging & Boarding	5000	2800	2500	2300
Class C	Lodging & Boarding	3500	2300	2000	1800

**5.2. Booking and Payment:** Hotel bookings can be arranged through the company's travel desk/ approved agent or by the employee (with prior approval). Employees are encouraged to choose hotels with corporate tie-ups or negotiated rates if available, or at least to book well in advance to secure good rates. The hotel should be convenient to the work location to avoid excessive local transit. Upon checkout, the employee must obtain a detailed bill showing room charges, taxes, and any other expenses. Only room rent and applicable taxes (and approved services as below) are reimbursable; personal charges should be settled separately.

**5.3. Meal Inclusion and Other Services:** If the room rate includes breakfast or meals, the employee should opt for that rate as it can be cost-effective. Laundry charges are reimbursable only for trips longer than 5 days or in case of emergency (with reasonable limits). Wi-Fi/internet charges at hotels will be reimbursed if used for work. Avoid minibar, in-room entertainment, or other non-essential extras, as these are not reimbursable. Any hotel service beyond basic lodging (e.g. laundry, internet) must be justified as work-related.

**5.4. Stay with Family/Friends:** If an employee chooses to stay with relatives or friends instead of a hotel during travel, the company will reimburse a token amount (e.g. 30% of the normal hotel cap for that city) as a gesture to cover hospitality or local travel, in lieu of hotel costs. The employee should note this arrangement in the expense claim (no hotel bill required in this case).

**5.5. Unforeseen Lodging Needs:** In case a trip is extended unexpectedly (due to project overruns, travel disruptions, etc.), additional stay will be reimbursed as per the same nightly limits, subject to manager's approval. If stranded due to reasons like strikes or weather, see "Travel Interruptions" below for guidance on accommodation. If an employee cannot find lodging within the prescribed limit (perhaps in peak season or a small town with limited options), they should seek approval for a higher expense ceiling before booking if possible (via email to manager), or provide justification later if prior approval was not feasible.



## MALHOTRA GROUP

### 6. Daily Allowance (DA) – Meals and Incidentals

Dearness Allowance (Daily Allowance) is provided to cover meals and incidental daily expenses during business travel. The company's approach is to either reimburse actual meal costs up to fixed limits or provide a fixed per day amount as per the following Annexure A, to ensure employees are not out-of-pocket for necessary food and miscellaneous expenses.

#### ANNEXURE A– DA Reimbursement (No bills required)

Type of Expense	G4	G3	G2	G1
Out station	Actual	Rs.600	Rs.450	Rs.350
Local	Rs. 300	Rs.250	Rs.200	Rs.150

**6.1. Meal Reimbursement Conditions:** If claiming actual expenses, retain all meal receipts (restaurant bills, etc.). The company will reimburse reasonable meal costs (breakfast, lunch, dinner) within the per day limit. It is expected that employees choose modestly priced restaurants appropriate for the locality and their normal living standards. Lavish or excessive meal bills may be curtailed by the approving manager. As guidance, an employee should typically not exceed roughly one-third of the daily allowance for any single meal (e.g. ~50% of per day for lunch, 50% for dinner as upper limits), unless entertaining clients (which should be pre-approved as a business entertainment expense). If the employee incurs meal expenses on behalf of clients or team members, those bills can be claimed but the personal per day will be adjusted down accordingly so as not to double- cover the same meal.

**6.2. Partial Travel Days:** For travel that is less than a full day, the meal allowance is prorated. If an employee's trip starts early morning or ends late night, they may claim breakfast or dinner respectively on that day. Specifically, if departure from home is >3 hours before normal work starts, a breakfast expense is allowable; if return home is >3 hours after normal work end, a dinner expense is allowable. For any travel duration under 12 hours in a day, generally half-day allowance (up to 50% of per day) can be claimed. Trips spanning more than 12 hours but not overnight can claim up to 100% of the day's per day. These rules ensure fairness for short trips.

**6.3. Incidentals:** The daily allowance is deemed to cover small incidental tips (porters, baggage handlers), snacks, water, and so on. Separate reimbursement for these is not expected beyond the per day. However, if any single incidental expense is substantial (e.g. paying ₹300 for excess luggage trolley due to equipment), it should be billed and claimed separately rather than out of per day. Common incidentals like toiletries, personal items are not reimbursable.

**6.4. Documentation:** If claiming the flat per Day Allowance (no meal bills are required); however, employees must still submit a travel expense form indicating the days for which per day is claimed (with travel times). If claiming actual expenses, original receipts must be attached. In cases where receipts are impossible to obtain (e.g. rural area dhabas, roadside stalls), the employee should provide a written note of the expense. Managers may accept a

*Day*

## MALHOTRA GROUP

handwritten bill or note for meals in remote areas where GST receipts aren't available, but this should be the exception, not the norm.

### 7. Local Conveyance & Fuel Reimbursement

This section covers reimbursement for local transportation during business travel as well as use of personal vehicles for official purposes:

**7.1. Local Conveyance (within base location):** Field employees often incur travel costs within their city/ region for client visits or site support. Local conveyance via public transport, rideshare taxis, company-provided transport, or personal vehicle is reimbursable when on official duty (outside regular commute to office, which is not covered). Employees should prefer economical modes: e.g., use an auto-rickshaw or pooled taxi for short distances, rather than a dedicated car hire, unless necessary. Ride-sharing and optimizing routes between multiple meetings is encouraged to reduce cost and time. For any hired transport, keep the fare receipts. If receipts are unavailable (e.g., a bus fare or auto with no receipt), record the amount and trip details to support the claim. The company may provide a standard local conveyance allowance for intra-city travel if applicable, or else actual fares will be reimbursed.

**7.2. Personal Vehicle Use:** If an employee uses their personal vehicle (two-wheeler or four-wheeler) for official travel – either within the city or for outstation trips – they can claim reimbursement based on distance traveled. The company will reimburse at a per-kilometer rate to cover fuel and wear-and-tear.

7.2.A. Employees using personal vehicles for business travel shall be reimbursed as follows:

7.2.A.(i). Two-wheelers: INR 4 per km

7.2.A.(ii) Four-wheelers: INR 12 per km (for G4 & G3 grades only). However, following Annexure B is the reimbursement limits as defined.

#### ANNEXURE B– Fuel Reimbursement Limits

G4	G3	G2	G1
Rs.10000	RS.10000	Rs.8000	Rs.5000

7.2.B. Reimbursement claims must be supported with digitally printed fuel receipts.

**7.3.** To claim mileage, the employee should provide the starting and ending odometer readings or Google map distance printout for the trip. Fuel bills may also be submitted if claiming actual fuel cost instead of per-km; however, one method should be used consistently to avoid double-dipping (either per-km or actual fuel, not both). If actual fuel bills are reimbursed, they should roughly correspond to the distance (the company may still cap the total

## MALHOTRA GROUP

amount equivalent to the per-km rate calculation). Toll charges and parking fees incurred during business travel by personal or hired vehicle are fully reimbursable with original receipts – these should be claimed separately and not included under per-km rates.

**7.4. Company-Provided Vehicles:** If a company car or bike is assigned to an employee or a pool vehicle is used, the employee should utilize fuel/maintenance cards or prescribed processes for those vehicles rather than claiming per-km. Any fuel expense paid out-of-pocket for a company vehicle will be reimbursed on actual fuel bills. The use of company vehicles should still be recorded in the travel plan for approval.

**7.5. Outstation Road Travel:** If an employee drives their own car for an outstation trip instead of taking a train/flight (for convenience or lack of other transport), they must get approval in advance. For long distances, using a personal vehicle is generally discouraged unless necessary (due to safety, fatigue and cost concerns), but if approved, reimbursement will be as per the per-km rates plus tolls as above. The employee should ideally not drive excessive hours in one day for safety reasons; overnight halts en route can be claimed as per lodging policy if required.

### 8. Travel Advances

The company provides Travel Advances to minimize employee out-of-pocket burden for large travel expenses. An employee can request a cash advance or an advance payment of certain bookings prior to the trip, under these conditions:

**8.1. Eligibility and Request:** Travel advances are approved for official business travel only, and must be requested in the travel plan or via a separate advance request form. The request should include a breakdown of expected expenses (transport tickets, hotel, meals, etc.) and the total advance needed. All advances require approval from the employee's manager and the finance/accounts department. Requests should be submitted at least 2 working days before departure whenever possible to allow processing time.

**8.2. Advance Limit:** Typically, advances will cover up to 100% of estimated out-of-pocket expenses for the trip that would otherwise be paid by the employee (if major items like flights/hotels are prepaid by the company or corporate card, those shouldn't be included in the advance). The company may impose a limit (for example, not exceeding 1 month's salary or a fixed amount) if deemed necessary. In general, only one advance per trip is allowed. If an employee already has an outstanding travel advance from a prior trip not settled yet, a new advance may be denied until the previous one is reconciled.

**8.3. Unused Advance:** Any portion of the advance not used for the trip must be returned immediately upon return. The employee should calculate the unspent amount once the trip is over and deposit it back to the Accounts or via bank transfer before or at the time of submitting the expense report. Delays in returning unused funds are not acceptable; the company may deduct unreturned advances from the employee's salary if not settled promptly (see Settlement timeline below).



## MALHOTRA GROUP

**8.4. Reconciliation:** If actual expenses exceed the advance amount, the difference will be reimbursed to the employee after the expense report is submitted and approved. The employee should clearly indicate in the expense claim the amount of advance taken and calculate the net reimbursement due or refund due. The Accounts department will verify and either release the remaining payment or confirm the refund received.

**8.5. No Duplicate Advances:** Employees are expected to settle any previous travel advance before taking another. The Finance team will not issue a new advance if any prior advance is long- pending for settlement, except with special approval. This encourages timely submission of expense claims.

**8.6. Corporate Credit Cards:** (If applicable) If the company provides corporate credit cards for travel, usage of those is encouraged in lieu of large cash advances. Even so, charges on corporate cards must adhere to this policy (e.g. within hotel limits, etc.), and an expense report is still required for reconciliation of card statements.

### 9. Expense Documentation and Claim Submission

Timely and proper documentation of travel expenses is critical for reimbursement and audit purposes. Employees must submit their Travel Expense Claim with supporting documents by the stipulated timeline. Below are the requirements and procedures:

**9.1. Submission Timeline:** All expense claims should be submitted within [7–15] days of returning from the trip (the company recommends within one week). If an employee received a travel advance, they should file the expense report immediately (within 2-3 days) upon return so that the advance can be settled. Delayed submissions may result in the claim being rejected or the advance amount being recovered from salary. For example, one company deducts the entire advance from the salary if expenses are not claimed within 7 days of return. Our company reserves the right to disallow or heavily scrutinize claims submitted late without valid reason.

**9.2. Receipts and Proofs:** Original receipts or proofs of payment are required for each reimbursable item, except per day allowances. This includes air/rail/bus tickets (e-tickets and boarding passes), hotel bills, fuel bills, taxi/ride receipts, meal receipts, toll/parking slips, etc. Each receipt should clearly show the date, amount, and vendor. For digital app-based rides, a screenshot or emailed invoice is acceptable. If any required receipt is lost or not available, the employee must provide a written explanation and may need to get exception approval for that expense. Photocopies are generally not accepted – if absolutely necessary (e.g. you had to submit the original somewhere else), a copy can be considered with a supervisor's sign-off, but this is discouraged.

**9.3. Organizing and Submitting Bills:** Attach all bills in a logical order (for instance, chronological or grouped by category) with the expense form. Each expense line in the form should correspond to a receipt number. The employee should cross-check that the totals match and that no bill is missing. It's advised to keep personal copies or scans of all submitted documents until reimbursement is received.

## MALHOTRA GROUP

**9.4. Manager Approval:** The completed expense report must be signed off by the employee's reporting manager or other designated approver (if the system workflow hasn't already routed it for approval). The approver verifies that the expenses are within policy and incurred for official purposes. Any deviations or exceptions noted should be specifically approved (with remarks) or corrected before forwarding to Accounts. Accounts will not process claims that lack the necessary approvals.

**9.5. Reimbursement Process:** Once the expense report is approved and submitted, the Finance/ Accounts team will verify the calculations and receipts. If everything is in order, reimbursement will be made via the regular payroll cycle or direct bank transfer, typically within 15 working days of claim submission . If discrepancies are found or clarification needed, the claim may be sent back to the employee. The employee is expected to promptly address any queries to avoid delays.

**9.6. Documentation for Fuel/Mileage:** If claiming mileage (per km) for personal vehicle use, attach a log with distances and destinations (and any fuel receipts if used for reference). For airfare, boarding passes should be attached as proof of travel (especially for round-trip flights) alongside the ticket invoice. For train travel, the ticket or PNR printout should be attached; if e-ticket, a printout with the final train status or boarding proof is ideal. Hotel bills must show a zero balance (indicating payment made). Credit card slips alone are not sufficient without the itemized bill.

**9.7. Foreign Travel (if applicable):** (This policy primarily covers domestic India travel; if any international travel occurs, additional documentation like visas, foreign exchange receipts, etc., would be required, and employees should consult the finance team for any country-specific compliance. All foreign travel must also adhere to this policy's spirit and have equivalent approvals.)

## 10. Allowable and Non-Reimbursable Expenses

To maintain clarity, the policy defines which expenses are covered (allowable) and which are not. Employees should exercise prudence and good judgment when incurring expenses, opting for economical choices and avoiding any spend that is personal or extravagant .

### 10.1. Allowable Expenses (if incurred for business travel purposes):

- 10.1. (i). Air, train, or bus fares as per entitlement (including reasonable booking fees, taxes, and one checked baggage fee if applicable).
- 10.1. (ii). Hotel room charges and taxes within limits as described.
- 10.1. (iii). Meals and beverages with meals (non-alcoholic) within daily allowance limits.
- 10.1. (iv). Necessary local transportation (taxi, auto, ride-share, public transit fares, car rentals with approval, fuel for company vehicles) for official business movement.
- 10.1. (v). Parking fees, road tolls, and interstate taxes when driving on official duty.
- 10.1. (vi). Laundry charges if trip duration warrants (typically, trips over 5 days) or in case of accidents (e.g. clothes spoiled during work) – must be reasonable and supported by bills.



## MALHOTRA GROUP

10.1. (vii). Business phone calls, fax, or internet charges if required for work (e.g. international roaming for a field engineer, hotel Wi-Fi if not free). Prior approval recommended for high amounts.

10.1. (viii). Minor tips to drivers, hotel staff, porters etc., where customary. (While these are covered under incidentals/per day, nominal additional tips for exceptional service can be reimbursed if documented, but should not be excessive).

10.1. (ix). Emergency medical expenses during travel (e.g. doctor visit, medicine) if the illness is directly caused by or occurs during the trip – and the company's travel insurance (if any) doesn't cover it. Such cases should be reported to HR as well.

### **10.2. Non-Reimbursable Expenses (examples, not exhaustive):**

10.2. (i). Personal entertainment expenses (movies, tourist attraction tickets, personal side trips), in-room entertainment (pay-per-view TV, games).

10.2. (ii). Alcoholic beverages (unless entertaining clients with prior approval, which falls under a separate entertainment policy).

10.2. (iii). Any fines or penalties (traffic tickets, parking violations) incurred by the employee. These are the employee's responsibility.

10.2. (iv). Expenses for travel companions who are not on company business (e.g. family member traveling with the employee) – except if specifically, pre-approved in exceptional cases.

10.2. (v). Upgrades beyond policy (like flight class upgrades, hotel suite upgrades) that the employee chooses for personal comfort. If done, the employee must bear the difference between actual cost and entitled cost.

10.2. (vi). Loss/theft of personal belongings – the company is not liable for personal items. Employees may use their own insurance for such incidents. (However, work-related equipment like a company laptop lost during travel should be reported and may be covered separately.)

10.2. (vii). Any expense not directly related to the business purpose of the trip. If something could be seen as personal or unnecessary for the work at hand, it likely will not be reimbursed. When in doubt, seek approval in advance.

10.2. (viii). Membership fees (airline clubs, hotel reward programs, credit card fees), and travel perks (travel insurance add-ons, preferred seating fees) unless pre-approved.

10.2. (ix). Excess baggage fees, unless carrying company materials or equipment. If an employee needs to carry heavy tools or product samples, that should be noted in the travel request and then such baggage fees would be allowed. Personal excess luggage (vacation shopping etc.) is not covered.

10.2. (x). Porterage for personal heavy luggage beyond normal (employees are expected to manage within reasonable limits or bear such costs themselves, except when transporting company equipment).

## 11. Budget Adherence and Compliance

All employees are expected to be cost-conscious and adhere to departmental travel budgets. This policy is designed to control travel expenses by setting standards; violations or abuse will not be tolerated. Key compliance and cost-control measures include:

**11.1. Pre-trip Budgeting:** Before travel, the employee and manager should estimate the trip cost and ensure it is within the approved budget for that project or client activity. If an expense is likely to exceed the initial budget (e.g., needing an extra hotel night), the employee should communicate and get approval as soon as known.

**11.2. Frugal Practices:** Employees should treat company money as they would their own. This means using good judgment to find cost-effective solutions – e.g., combining two client visits in one trip rather than separate trips, using early-bird flight discounts, and avoiding unnecessary taxi rides by planning the day efficiently. The policy encourages ride-sharing, shortest routes for travel, and utilizing company-negotiated deals where available to save costs.

**11.3. Monitoring and Audits:** The company's finance team (or internal audit) may conduct random audits of travel expense claims. This could include verifying receipts, checking distances claimed, or contacting hotels/agents for confirmation. These audits help detect any non-compliance or fraud. Employees should be aware that falsifying expenses is a serious offense.

**11.4. Fraud Prevention:** Any attempt to submit false receipts, inflate expenses, or claim personal expenses as business expenses will result in strict action. Claims that appear dubious may be suspended for investigation. Proven misconduct (for example, tampering with bills or claiming the same expense twice) can lead to disciplinary action up to termination. The policy aims to prevent fraud by requiring original documentation and managerial oversight.

**11.5. Claim Rejections and Exceptions:** Expenses that fall outside this policy will normally be disallowed. For instance, an expense beyond the set ceiling, or lacking a valid receipt, or submitted very late, may be rejected outright by Finance. However, the employee may seek an exception approval for legitimate cases where policy couldn't be followed due to circumstances. Such exceptions should be rare and must be approved by a high authority (e.g., Department Head or HR). Some scenarios requiring exception approval include: unusual expenses not covered by policy, costs that exceed guidelines, expenses that might appear personal but were necessary, or missing documentation. The approving authority will review these on a case-by-case basis.

**11.6. Accountability:** Managers and approvers are responsible to ensure that every expense they approve is reasonable and policy-compliant. They should not approve expenses that lack justification. Finance will do the final check, but primary responsibility lies with the traveler and their manager. Persistent breaches by any employee will result in escalation and possible revocation of advance or travel privileges.

**11.7. Budget Tracking:** Each department may have a travel budget. It's the manager's duty to track how much of that budget is used and to schedule trips in a way that stays within allocations. If budget constraints require, managers may

## MALHOTRA GROUP

ask employees to adjust travel plans (e.g., use teleconference instead of travel, defer non-urgent trips). Employees should understand that approval for travel is contingent on both necessity and budget availability.

**11.8.** By enforcing these measures, the company strives to keep travel expenditures in check and equitable, while still enabling employees to fulfill their field duties effectively.

### **12. Handling Travel Interruptions and Emergencies**

Travel plans can be disrupted by external factors (strikes, weather, vehicle breakdowns, etc.) or unexpected business needs. This section outlines what to do in such events to ensure safety and clarity in expense handling:

**12.1. Delays and Cancellations:** If a flight or train is cancelled or significantly delayed due to airlines or other issues, the employee should first ensure their safety and then inform their reporting manager of the situation. The company will reimburse necessary expenses incurred due to such delays (extra meals, additional night stay, rebooking fees) as long as they are reasonable. For example, if a late-night flight cancellation forces an overnight stay, the hotel and meal for that night will be reimbursed per normal limits. In such cases, try to obtain documentation (e.g., airline cancellation notice) and keep all receipts for the unexpected expenses.

**12.2. Strikes/Public Disturbances:** If a strike, bandh, or public unrest interrupts travel (e.g., roads blocked, transport not running), prioritize personal safety. Any additional lodging or change of route that becomes necessary will be treated as part of business travel. Employees should contact their manager and, if needed, local HR or admin for assistance. Expenses due to these detours or delays will be allowed with appropriate explanation. However, employees are expected to take economical steps even in disruptions – e.g., if trains are canceled due to a strike, one should book the next available reasonable alternative, not a lavish option.

**12.3. Personal Negligence or No-show:** If a travel disruption is caused by the employee's own negligence (e.g. missing a flight or train by not reaching on time), the company may not cover the additional costs to remedy this. According to standard practice, the employee would have to bear the cost of rebooking in such cases. Our policy states that missing a scheduled transport for personal reasons (oversleeping, misreading schedule) will make the employee responsible for any extra expense to continue the journey. In contrast, if the delay was caused by legitimate business reasons (meeting ran late causing a missed train, etc.), the company will treat it as an exception and cover the rebooking or alternate transport, provided the circumstances are documented and approved by the reporting manager.

**12.4. Vehicle Breakdowns/Accidents:** If a company-arranged vehicle or personal vehicle being used for company work breaks down or is in an accident during the trip, the employee should immediately inform their manager. The policy will cover reasonable expenses arising from this disruption: e.g., towing, alternate transport to destination, or emergency accommodation if stranded, as applicable. If a personal vehicle breaks down, repair costs are generally the owner's responsibility, but getting to the meeting via alternate means (like hiring a taxi) would be reimbursed. In case of an accident, the employee should prioritize medical care; any medical expenses can be claimed through the company's insurance or, if minor, reimbursed by the company as a gesture (these need separate HR approval).



## MALHOTRA GROUP

**12.5. Travel Rescheduling:** If an employee must cut a trip short or extend it due to unforeseen work changes (client cancellation, new urgent meeting, etc.), they should update their manager. Cancellation fees or new booking costs will be covered if the reasons are work-related and approved. If an extended stay is needed, the daily allowances continue to apply for the extended period. The employee should annotate any such changes in the expense claim (e.g., "Trip extended by one day due to additional client visit – approved by reporting manager with date").

**12.6. Emergency Assistance:** The company will provide support during emergencies. Important contacts (managers, HR, travel agent, insurance emergency number) should be accessible to employees on the road. If an employee falls ill or faces a serious issue while traveling, they or a colleague should notify HR. Any major deviation from normal policy due to emergency (e.g. needing to use a deluxe hotel because no other safe option while sick) should be communicated, and the company will reasonably reimburse the costs to ensure the employee's well-being, in line with our duty of care responsibilities.

**12.7. Documentation of Interruptions:** For any claims that arise from the above interruptions (additional bills, etc.), the employee must provide a brief explanation and any proof available (e.g., news of strike, mechanic's invoice for car repair, airline email of delay). This will help the approvers understand the context and approve the exception expenses. These should be attached to the expense report or sent to Finance.

