

# **LEAVE POLICY**

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### Introduction

- At Zignuts, we recognize the importance of work-life balance and the well-being of our employees. By establishing guidelines that prioritize transparency, fairness, and open communication, we aim to build a stronger sense of trust and partnership.
- This policy provides an overview of employee leaves, covering leave types, request procedures, and employee responsibilities.

### **Leave Allotment**

- All full-time employees are entitled to total 16 leaves within a designated financial year. This encompasses various types of leaves, such as Casual Leave (CL), Planned Leave (PL), Sick Leave (SL), combined into General Leave (GL). These 16 leaves are divided further into:
  - General Leaves: 15 (Including CL, PL, SL)
  - Special Day Leave: 1
- Special Day Leave: This leave is reserved for your special days including your birthday or anyone's in the immediate family member (spouse, parents, children) and your anniversary or anyone's in the immediate family member. You can utilise this leave for any other reasons, as well as can treat them with General Leaves.
- Please note that a financial year, distinct from the calendar year, spans over 12 months, starting on April 1st and concluding on March 31st, in alignment with organizational practices.

#### **Leave Allocation Across Financial Year and Monthly Basis**

• For instance, if an individual becomes a confirmed part of the organization in July, their initial leave balance shall be 11.25 General Leaves and 1 Special Day Leave. Similarly, if someone completes their probationary period within the financial year, perhaps in May, their initial leave balance shall be 13.75 General Leaves and 1 Special Day Leave. The initial leave balance is calculated on a pro-rata basis from the date of confirmation. Furthermore, with the commencement of each new financial year, the total leave balance will be reset to 16.

#### **Quarterly Leave Entitlement: General Leave Allocation**

Employees are entitled to get 1.25 General Leaves in each month.

## **Types of Leave Entitlements**

#### Casual Leave(CL)/General Leave(GL)

- Casual Leave (CL)/General Leave (GL), are forms of paid time off granted to employees for personal reasons or unexpected situations, usually lasting for 1-2 days. These types of leave are typically utilized for short-term work absences such as attending functions, celebrations, taking short breaks, addressing pressing health matters, participating in local events or activities, and more.
- In adherence to the leave policy, all employees are required to submit their leave applications at least **3 working days** in advance of the intended leave date.

#### **Long Planned Leave**

- Long Planned leave, also referred to as scheduled or pre-arranged leave, refers to a
  designated timeframe in which an employee takes an extended period of time off
  from work. This form of leave is systematically arranged well ahead of time, often
  including activities such as vacations, attending important life occasions like
  weddings, and engaging in family gatherings, etc. Usually, planned leaves
  encompass a time span ranging from 3 to 10 days.
- When opting for planned leave, employees are required to adhere to the company's
  prescribed policies and procedures for submitting time-off requests. For planned
  leaves, the application must be submitted a minimum of 14 working days before the
  planned leave date.

#### **Sick Leave/Medical Leave/Emergency Leave**

- In situations where an employee is unable to attend work due to health issues or medical emergencies, an employee needs to notify their manager or human resources department as soon as possible and provide relevant information about the situation. In such cases, employees are required to submit a medical certificate from authorised doctor/hospital to the HR department in case of such leaves lasting for 3 days or more. In case of sick leaves less than or equal to 2 days, no need to submit any medical certificate.
- In case of non-provision of medical certificate, the leaves taken will be considered unpaid and also be deducted from the leave balance.

#### **Special Day Leave**

• This leave is reserved for your special days including your birthday or anyone's in the immediate family member and your anniversary or anyone's in the immediate family member.

#### **Maternity Leave Policy**

- Eligibility: All full-time employees who have completed [2] years of continuous service with the company (excluding any initial training/probation period) are eligible for Maternity Leave. This policy do not apply to part-time employees, contractual employees and external consultants.
- **Duration:** Eligible employees are entitled to [12] weeks of Maternity Leave.
- Application Process: To apply for Maternity Leave, employees must notify their project manager and the HR department in writing, at least [4] weeks before the intended start date. The application should include the proposed duration.

- Managerial Approval: Employees are required to discuss their Maternity Leave plans
  with their project manager to ensure proper workload management and project
  continuity. The approval process will involve assessing the impact of the employee's
  absence on team productivity and making necessary arrangements.
- Salary and Benefits during Maternity Leave: During Maternity Leave, employees will
  not be entitled to their regular salary. Employees will continue to receive any
  accrued benefits, such as health insurance coverage/mediclaim as per the company
  policy.
- Extending Leave: In exceptional circumstances, employees may request an extension of Maternity Leave beyond the allotted duration. Such requests will be considered on a case-by-case basis, subject to managerial approval and the company's operational requirements.

Review and Amendments: The Maternity Leave policy will be periodically reviewed to
ensure its effectiveness and relevance. Any amendments to the policy will be
communicated to all employees in a timely manner.

#### **Paternity Leave Policy**

- Eligibility: All full-time employees who have completed [2] years of continuous service (excluding any initial training/probation period) with the company are eligible for Paternity Leave. This policy do not apply to part-time employees, contractual employees and external consultants.
- **Duration:** Eligible employees are entitled to [1] week of Paternity Leave.
- Application Process: To apply for Paternity Leave, employees must notify their project manager and the HR department in writing, at least [4] weeks before the intended start date. The application should include the proposed duration.

- Managerial Approval: Employees are required to discuss their Paternity Leave plans
  with their project manager to ensure proper workload management and project
  continuity. The approval process will involve assessing the impact of the employee's
  absence on team productivity and making necessary arrangements.
- Salary and Benefits during Paternity Leave: During Paternity Leave, employees will
  not be entitled to their regular salary. Employees will continue to receive any accrued
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  requirements.

Review and Amendments: The Paternity Leave policy will be periodically reviewed to
ensure its effectiveness and relevance. Any amendments to the policy will be
communicated to all employees in a timely manner.

#### **Half-Day Leave**

- To take a half-day leave, employees are required to complete a minimum of (4 hrs 30 minutes) of work. For instance, if an employee plans to take leave for the second half of the day, they must first work for (4:30 hrs) before going on leave. Similarly, if an employee applies for leave for the first half of the day, they need to work for (4:30 hrs) after joining before their leave begins.
- Half day leave cannot be split further. For example, if an employee starts the day, then takes half day leave, then completes the remaining hours, is not allowed. In this case, they can either make necessary arrangements to either fulfil the conditions of half-day leave or apply for full day leave instead.

### **Compensatory Off**

- Compensatory Off, also known as **Comp Off or Compensatory Time Off**, allows employees to take time off in lieu of extra hours worked on weekends.
- To avail the benefits of Compensatory Off, employees must discuss this and obtain approval from their managers. The respective managers needs to apply for compensatory time off on your behalf depending on the situation, project health and other parameters. The approval/rejection of the same will be at the discretion of the project managers and operational head.
- Additionally, it is to be noted that if any employee(s) is(are) assigned tasks according
  to sprints or deadlines but is(are) unable to complete the work within the designated
  timeline while maintaining the expected quality, (s)he/they may be required to work
  extended hours, including weekends (Saturday or Sunday). In such cases, the
  employee(s) will not be eligible for any compensatory off.

## **Leave Without Pay(LWP)**

- Leave without pay (LWP) is a situation where an employee is given time off from work, but they do not get paid for that time. This means the employee is not receiving their usual salary or wages during the period of leave. It's like taking a break from work, but without the compensation that comes with regular employment.
- For instance, if an employee takes a 3-day leave that is not approved or if they don't
  have sufficient leave balance, those days off will be considered as unpaid. This
  means the employee won't receive their usual salary for those days and will
  essentially be on leave without pay. If an employee's per day salary is Rs. 1000 and
  they take 3 days as leave without pay, the resulting unpaid amount would be Rs.
  3000.

#### **Leave Without Pay Scenarios**

- No Available Leave Balance: The employee has used up all their paid leave days during the month/quarter/year.
- Probationary/Training period: During the intern's initial phase of employment, he/she
  will not have an accumulated leave balance because interns are not eligible for any
  paid leaves. As such, any leaves taken during this period will be handled as unpaid.
- Notice Period/Departure Period: During the notice period, which signifies the period
  after an employee has submitted their resignation, leaves taken during this time will
  be designated as unpaid.
- Managerial Approval: Manager's approval is essential for taking any leave. If an employee takes leave without approval, it may result in unpaid leave due to short notice or unmanageable dependencies.
- Any other reasons: The HR manager and management reserves the right to consider any leave as paid or unpaid. Any discussions, negotiations or arguments will not be addressed.

## **Approval Process**

- It is important for employees to plan their leaves in advance and seek approval from their respective supervisors and managers.
- If an employee takes a leave without obtaining prior approval, two leaves will be deducted from their remaining leave balance.
- All employees must follow the leave policy and submit their leave applications through HRMS (Human Resource Management System).
- Before proceeding on leave, employees must ensure that their leave is approved, have a substitute arranged for emergencies and be available on their mobile phones for any necessary communication.

#### **Leave Request Authorization Workflow**

- **Submission**: Submit leave request through HRMS
- Supervisor Approval: Approved by immediate Supervisor/Team Lead
- Managerial Approval: Approved request forwarded to Manager for confirmation



### **Leave Encashment**

- At the conclusion of each financial year, employees will have 2 options:
  - Either opt for Encashment OR
  - Carry Forward the remaining balance of General Leave to the next financial year.
- In case of Encashment, Any remaining unused leave days of General Leave will be converted into cash based on your basic salary. The compensation for these days will be included in the salary payment of the first month of the following financial year. The leave encashment will be processed only once at the end of the financial year.
- In case of Carry Forward, the remaining leave balance of General Leave will be carried forward to the next financial year.
- Leave Encashment is not applicable to employees serving their notice period or departing from the organization during the financial year due to resignation or termination.
- Special Day Leave is not applicable for Encashment or Carry Forward. It will lapse at the end of the financial year.

## **Holidays**

- All Employees are entitled to public holidays. The list of public holidays is subject to change based on the industry standards from time to time.
- For more information, please refer to list of holidays of respective financial year available on our Human Resource Management System (HRMS) portal. Please note that this list shall be updated periodically on the HRMS portal.

### **FAQs**

- Can I use leave from the next quarter in advance and then not take any leave during that next quarter? - It is not possible for employees to take leaves in advance. However, they do have the option to utilize any unused accrued leaves from the past at a later time.
- Can I take or use all available leaves at once? Yes, in special cases such as marriage, bereavement or vacations, you can utilise all available leaves, however necessary approvals are required as per the processes, considering the specific responsibilities and dependencies of each employee. All such leaves must be planned in advance and discussed with your immediate supervisor and manager for smooth processing.
- Will I have an option to avoid taking Leave Without Pay (LWP) by working on weekends or extending work hours? - Please review the policy regarding Compensatory Off.

- Can I utilize paid leave during the notice period if there's a willingness to extend working hours or the duration of the notice period? - No, it is not permissible.
- Can I receive leave encashment at any point during the year? Please review the policy regarding Leave Encashment.
- If I have taken maternity/paternity, is there a possibility to extend my increment/appraisal due date? Yes, your appraisal due date will be extended by the number of days you are on leave due to maternity/paternity.

- Do I need to submit medical documentation/certificate/reports for sick leave? Please review the policy regarding Sick Leave.
- Is it possible for my manager to reject my approved leave even if it has been
  endorsed by the Team Lead or HR? Yes it is possible; if your manager choose to
  decline or not approve the leave, it won't be sanctioned. In this scenario, the HR
  department has the authority to facilitate paid or unpaid leave requests.
- Can I take leave right after joining the company? We recommend refraining from taking leave immediately after joining the company, as your presence may be necessary for knowledge transfer, training (if needed), and other crucial activities. Nevertheless, if you find yourself in need of sick leave or facing an emergency, that is certainly understandable. It is important to note that such leaves taken during training/probationary period will be considered LWP.

- Am I allowed to leave early before the regular working hours are completed? Occasionally, it is possible to grant early departure twice a month, taking into
  account individual requirements and project performance. It's important that before
  leaving early, the employee should have fulfilled their standard working hours, which
  is 8 hours. To seek approval, employees are required to submit a early leave request
  via email, clearly indicating the respective manager, team lead, and HR.
- Is there a breakdown in leave entitlements, such as allocating four days for sick leave and another four days for casual leave? etc. - No, there is no breakdown, combining all leaves one gets 16 leaves a year.

### **Conclusion**

- By adhering to this leave policy, we reinforce and support employees in their personal and professional growth. It is the responsibility of every employee to follow this policy and contribute to the positive work culture at Zignuts.
- This leave policy will be reviewed periodically to ensure its relevance and effectiveness. Updated policies will be made available on our HRMS portal.
- Non-compliance with this leave policy may result in appropriate disciplinary actions.

For any feedback, suggestions or to report any issues, write to <a href="mailto:hr@zignuts.com">hr@zignuts.com</a>







