

LEAVE POLICY

Objective

To provide guidelines to avail leave and to specify the leave procedures at Novartis Hyderabad.

Applicability

The policy is applicable to all associates on a permanent employment contract with the Company.

Types of Leave

Leave	Entitlement	Encashment	Accumulation	Approved By
Annual	29 days	On separation or retirement	10 per annum up to 65 days	Immediate Manager
Sick	Open	Nil	Nil	Immediate Manager
Parental Leave (Birth / Surrogacy / Adoption)	26 weeks	Nil	Nil	Immediate Manager
Transition/Relocation Leave	5 days	Nil	Nil	Immediate Manager
Marriage Leave	2 days	Nil	Nil	Immediate Manager
Bereavement Leave	2 days	Nil	Nil	Immediate Manager
Leave Without Pay	Maximum of 30 days	NA	NA	LF Head & HR Business Partner
Compensatory Off	2 days	Nil	Nil	Immediate Manager

Leave Guidelines

- ❑ For the purpose of calculating leave accounts, 'year' shall mean the year commencing on the first day of April and ending on the last day of March next year ('Financial year').
- ❑ Discretion is reserved with the manager empowered to sanction leave, to refuse or revoke leave at any time according to the exigencies of the organization's work.
- ❑ Leave must be applied for through HR Core.
- ❑ The associate is responsible for his/her attendance and leave records and should always keep it updated.

1.1 Annual Leave (AL)

Entitlement

- ❑ All associates are entitled to 29 working days of AL for the financial year, credited on 1st April every year. Associates joining during the year will be credited with leave on a pro-rate basis for the remaining part of the financial year.
- ❑ New Joiners joining on or before the 15th of the month are entitled to (2) two days AL for the first month and those joining after the 15th of the month are entitled to 1 (one) AL for the month.
- ❑ Associates can avail a minimum of half day Annual Leave at a time.

Accumulation

- ❑ In a given year, an associate can carry forward a maximum of 10 days of AL. The balance AL of that year would automatically lapse on 31st March.
- ❑ For hires during the leave calendar year, the leave accumulation will be pro-rated up to a maximum of 10 days.
- ❑ AL can be accumulated up to a maximum of 65 days in total. Any leave balance in excess of 65 days will lapse without any encashment.
- ❑ For associates joining during the year, the accumulation of leaves will be pro-rated up to a maximum limit of 10 days.

Encashment

- ❑ Encashment of leaves will be calculated on Base Salary' (not basic salary) as per the formula "Base Salary / 26 * no. of leaves"

Guidelines

- ❑ Intervening Holidays do not form part of the Annual Leave.
- ❑ AL can be combined with Sick Leave.
- ❑ If associate could not make use of the leave after it was sanctioned, he/she is required to cancel the leave giving reasons to their manager in the system.
- ❑ On resignation/superannuation of services from the company, excess AL in the current year, against entitlement, will be adjusted in the full & final settlement on a pro-rata basis subject to a cap of 10 days AL.

1.2 Sick Leave

Objective & Eligibility

To give associates time off to recover and recuperate in the event of illness or accidents. All internal associates are eligible for this policy.

Procedures and Conditions

- ❑ The company may, at its discretion, grant sick leave to an associate, based on the nature of sickness.
- ❑ In case of absence beyond 3 days, the associate is required to submit a medical certificate.
- ❑ In case where absence is likely to be prolonged beyond 3 days, the likely duration of absence along with the doctor's certificate certifying the same should be submitted.
- ❑ Any sick leave in excess of 30 continuous days will require the approval of the division management team. The management team will review the case and may at its discretion approve additional sick leave with pay or without pay (Loss of Pay - LOP).
- ❑ The company may request the associate to undergo a medical examination by a nominated medical practitioner if felt necessary.
- ❑ Sick leaves can neither be accumulated nor encashed nor carried forward to the next year.

1.3 Parental Leave

Both Birthing mother and Non-birthing parent are eligible for Parental Leave of 26 weeks following the birth, surrogacy or adoption of a child.

Associates must avail the Parental Leave within one year of child's birth/surrogacy/adoption. Any Parental Leave that is not used within one year of a covered life event will be forfeited and will not be financially compensated, or carried forward. For details, refer to the policy document – [Parental Leave Policy - India](#)

Leave Policy for Trainees

Interns are eligible for a maximum of one day per month during their internship period in case of medical and personal exigencies, subject to Manager's approval.

Guidelines

- ☐ A minimum of one and maximum leave is at the discretion of the Manager.
- ☐ Intervening Holidays do not form part of the leave
- ☐ Any leave taken in excess of these 15 days in a given financial year would be treated as leave without pay.

Leave Without Pay (LWP)

Eligibility

Leave without Pay (LWP) will be given to associates only in exceptional circumstances purely at the discretion of the management. LWP can be availed only AFTER exhausting the Annual Leave

Process

Any associate planning to go on LWP will need to apply for the same to the immediate Manager which would be approved by the SLT member and HR.

Entitlement

Maximum 30 days Leave Without Pay in a year, at the discretion of the SLT member.

Unauthorised Absence

- ☐ Unauthorized absence refers to absence from work without requisite approval.
- ☐ The associate will need to offer an explanation to his/her immediate manager in the event of any unauthorized absence.
- ☐ In the event of an associate failing to give an explanation to the satisfaction of the immediate manager, the employment is liable to termination as per organization rules.
- ☐ The associate will not be eligible for payment of salary during this absence.

General Compliance on Leave Rules

- ☐ Each associate is responsible for maintaining his/her updated leave record with all leaves availed by him/her during the year on HR Core.
- ☐ An associate on leave may be recalled to duty if an exceptional situation arises, and the Company deems fit to do so.
- ☐ An associate going out of station during his/her leave must furnish to the manager the contact numbers at which he/she can be contacted while out of station.

1.4 Transition/Relocation Leave

Objective & Eligibility

Applicable only for those Associates who relocate (at the time of joining / internal transfer) from other cities, it aims to provide them some time off to comfortably relocate and settle in the new location.

Procedures and Conditions

- ☐ Eligible Associates will be entitled to Five (5) working days of Relocation Leave.
- ☐ This leave must be availed within Six (6) months from the date of joining / transfer to the new location.
- ☐ The leave can be availed continuously or as and when required.

1.5 Marriage Leave

Entitlement

Associates can avail 2 days leave at the time of own marriage

Conditions

2 days need to be taken consecutively at the time of marriage. If the marriage falls over the weekend, marriage leave can be clubbed with the weekend.

1.6 Bereavement Leave

Entitlement

In the unfortunate event of the death of a parent, sibling, spouse or child, associates may avail 2 days leave within a period of 3 months of the event.

1.7 Compensatory Offs

Objective & Eligibility

In order to meet business exigency associates have to come to work on weekly off or public holidays. Associates who work on public holidays / weekly off day in case of exigencies of work will be provided with a compensatory off. Compensatory off is allowed subject to approval from Operational Manager

Eligibility: All associates at GJFA 5 to 8

Procedures and Conditions

1. An associate should have worked at least for 8 hours on any off day to avail compensatory off for the same.
2. The compensatory off must be availed within two months.
3. The compensatory off cannot be taken in advance.
4. The compensatory off will not be carried forward or accumulated or en-cashed.
5. Maximum 2 compensatory offs can be availed in a month

1.8 Periodical Review of Leave Records

It is the responsibility of the manager to ensure that the leave records of their respective teams are periodically reviewed and any discrepancies identified should be immediately brought to the notice of the HRBP. HRBPs will then initiate corrections, if required, by sending it to the HR Services team (XDHR) or through the employee/manager on HR Core directly. In case any leaves are not recorded, managers should ensure that the leaves are recorded on HR Core. Sufficient evidences of periodical review of leave records should be maintained by the managers for their teams.