

## Standard Operating Procedure

**Title: DQS India - Leave Policy and Procedure**

## DOS INDIA



**Doc Number: DQS India/HR/TM-007**

## Revision History

[illegible]

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Approved & Released By: Dr K Murugan

Date: 07/06/2022

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	Location	Copy #

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### Title: DQS India - Leave Policy and Procedure

**1.0 Purpose:** The leave policy has been formulated to enable DQS India employees to maintain a healthy work life balance. The leave policy sets out the various types of leaves that an employee is eligible for and outlines the procedure for availing leave.

**2.0 Scope:** The leave policy is applicable to on roll employees of DQS India

**3.0 Responsibility:** Human Resource Department

**4.0 Input:** Attendance / Bio-metric data / I Module

**5.0 Output:** Salary payout / Leave encashment calculation

**6.0 Interfacing Process:** HR, Functional Heads

**7.0 Reference Docs:** DQS Process Model & Corporate Directive – HR (S1) Supporting processes.

#### **8.0 Procedure:**

- ❖ The guidelines on the types of leave and their eligibility.
- ❖ Administration and Accounting of leave.
- ❖ Guidelines for Applicants, Granting Authorities and Admin Authorities.

#### **1.1 Probation period:**

- Probationers are eligible for only Sick leave (for six months' probation), Casual Leave pro-rated from the date of joining.
- Upon completion of six months the Privileged Leave will be pro-rated from the date of the joining and credited to the employee's account for the rest of the year, till December.

#### **1.2 Notice-Period:**

- Employees while serving their notice period with DQS India are eligible for only Sick leave , Casual Leave pro-rated till the date of relieving.
- Upon relieving at DQS India the balance Privileged Leave will be encashed to the ex employee.

#### **2.0 LEAVE TYPES AND APPLICABILITY:**

- a) Sanctioning of leave is at Managers discretion based on exigencies of business or gravity of the case.
- b) Leave year is from 1st January to 31st December.
- c) Eligible leave is credited to the employees on the 1st of January every year.

The different types of leaves given under the policy are:

- Privilege/Earned Leave (PL)
- Casual Leave (CL)
- Sick Leave (SL)
- Maternity Leave (ML)
- Bereavement Leave (BL)

- d) Paternity Leave policy is applicable for all permanent staff/ on roll employees of the company.

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- e) Employees who are appointed during the year shall be entitled to the above leaves on pro-rate basis.
- f) The leave rules are subject to change from time to time, in accordance with the Organization's business objectives.

### **2.1 Privilege (earned) leave for on rolls employees:**

#### **a) Eligibility:**

- All employees of DQS India, excluding consultants and probationers, shall be eligible for earned leave every calendar year (January to December). Employees are eligible for 18 days of Privilege leave per calendar year.
- Privilege leave shall be prorated in the first, last year of service.
- Privilege leave for half day is admissible. However, a min of 4 hours of work (excluding lunch break) should be clocked in by the employee to avail half-day leave.
- Any type of leave/combination of leave continuously for a period of 10 days or more shall not be allowed to avail, however under exceptional circumstances the competent authority may grant such leave subject to exigencies and merits of the case.
- Leave Travel Allowance (LTA): A Minimum of 3 continuous days of Privilege leave to be availed in the year, in order to avail of LTA tax benefits for that year.
- Week Ends and Public Holidays: While applying for and granting earned leave, weekends and Company declared public holidays falling within the leave period, will not be counted as leave.


#### **b) Accrual of PL: Carrying Forward of Unutilized Privilege Leave:**

- Unutilized Privilege leave can be carried over from year to year up to a maximum of 30 days. I.e. Privilege leave can be accumulated up to a maximum of 30 days of closing balance of the Earned leave in a calendar year, shall be carried forward to next year.

#### **c) Privilege /Earned Leave Encashment:**

- Leave encashment can be availed by employees, provided they have completed two years with the company.
- The accumulated Privilege leave of more than 30 days that gets encashed at the end of the year. For example, if the accumulated PL at the end of the year is 40 days, 30 days of PL will be carried forward to next year and 10 days of PL will be encashable.
- Leave encashment will be calculated @ Basic Salary (except for MD/CEO) and on financial year basis which is from April-March and pay-out is along with January salary of the consecutive year.
- If the accumulated PL at the end of the year is 30 days or less, all the days of PL to credit shall be carried forward to next year. For instance, employees having 30 days or less the accumulated
- Privileged leave to the credit of employee at the end of year shall be the balance which is carried forward from the previous year.
- Encashment of the pending Privilege leave at the time of relieving will be calculated considering the Basic Pay for on-roll employees.

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**d) Eligibility criteria for employees for receiving leave encashment and carried forward leave balance:**

- i. **Auditors:** The auditor shall achieve the minimum expected utilization target in that year (January to December). i.e 70% of his/her utilization (not applicable for the newly joined auditors in that year and the auditors who are under qualification path)
- ii. **Sales personnel:** The salesperson shall achieve the minimum expected revenue target in that year (January to December) i.e 70% of his/her revenue/sales target.
- iii. **All other Employees:** All other employees including CSPs and all office - based employees shall achieve the minimum expected KPI target in that year (January to December) i.e 70% of his/her KPI targets.

**e) Administration:**


- Leave application for Privileged/ earned leave should be made in the I Module/prescribed form at least 10 days in advance.
- Privileged leave has to be applied in advance as mentioned above and duly approved by the concerned Manager on a case-to-case basis.
- Privileged leave will be sanctioned at the discretion of the supervisor keeping in view the transition and work exigencies.
- Approved leave applications must be submitted by the applicant, to the HR Manager, prior to proceeding on leave, to enable proper leave accounting.
- In case the employee does not avail of the approved leave (partly or fully) due to any reasons the same shall be credited back to his / her account.

## **2.2 Casual leave:**

**a) Eligibility:**

- All Full-time employees of DQS India shall be eligible for 6 days' Casual leave in a calendar year.
- Casual leave shall be prorated in the first and last year of service.
- Holidays and weekly off days occurring during the period of Casual leave shall not be counted as part of the leave.
- Casual leave for half day is admissible. However, a min of 4 hours of work (excluding lunch break) should be clocked in by the employee to avail half-day leave.
- In case the employee does not avail of the Casual leave and reports back to work earlier the same shall be credited back to his / her account.

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### **b) Accrual of CL:**

- No accumulation of Casual leave is permissible.
- Casual leave cannot be encashed.

### **c) Administration:**

- Administration of Casual leave is similar to Privilege leave.

## **2.3 Sick leave:**

### **a) Eligibility:**

- All Full-time employees of DQS India shall be eligible for 8 days sick leave in a calendar year.
- Sick leave shall be prorated in the first and last year of service.
- Sick leave applications for more than 3 days must be supported by certificate from Registered Medical Practitioner. If certificate is not provided on joining, the leave shall be treated as Earned Leave.
- Holidays and weekly off days occurring during the period of sick leave shall not be counted as part of the leave.
- In case the employee does not avail of the sick leave and reports back to work earlier the same shall be credited back to his / her account.

### **b) Accrual of SL:**

- No accumulation of sick leave is permissible.
- Sick leaves cannot be encashed.

### **c) Administration:**


- Employees who are unable to attend for duty on account of sickness must immediately inform their immediate superior and preferably to HR also. Upon resumption of duty, the staff member must submit the leave application along with the sickness and fitness certificate (if the sick leave availed is for more than 3 days), to his Manager for approval.
- Sick leave is a contingency leave and can be availed only when a Staff Member is disabled from discharging his/her day to day duties due to illness. Sick leave should not be treated as substitute for Earned leave. Availing sick leave for purpose other than genuine sickness amounts to malingering, which shall be dealt appropriately, by the Manager.
- On resuming work, the employee must apply for SL on I Module. Failing to do so will result in counting it as EL.

## **2.4 Funeral/ bereavement leave:**

### **a) Eligibility**

- In addition to the earned leave and sick leave, all employees are eligible to avail bereavement leave; accordingly, upon the death of a member of an employee's immediate family. (Family here

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means as declared under General Health Insurance Coverage – viz Spouse, Children and Parents, Parents- in-laws)

- Bereavement leave is calculated for a period of one calendar year (January to December)

### **b) Entitlement**

- All employees are eligible for three days Bereavement Leave granted by the Manager. This cannot be carried forward for any reason.

## **2.5 Maternity leave**

### **a) Eligibility**

All on roll female employees who have completed on year in company are eligible to avail Maternity leave for instance of pregnancy as per the Maternity Benefit Act Rules and Regulations.

### **b) Entitlement**


- As mandated by The Maternity Benefit (Amendment) Act 2017 , a maximum period of 26 weeks (calendar days) of paid leave for maternity, for up to two children, will be granted in accordance with the current government regulations. However, for those women who are expecting after having 2 children, the duration of the leave remains unaltered at 12 weeks. Medical Certificate from the employee's doctor advising when the leave should begin and when the employee is able to return to work is required. The paid maternity leave can be availed 8 weeks before the expected date of delivery.
- If a female employee suffers a miscarriage after her third month of pregnancy, she will be granted up to a three-week maternity leave if she provides certifying documentation from her doctor.
- In addition to the above period of maternity leave, every female employee who undergoes a tubectomy operation, upon prescribed proof, would be entitled to 2 weeks paid leave immediately following the day of the tubectomy operation.
- Every female employee who undergoes medical termination of pregnancy or miscarriage, on providing a doctor's certificate, would be entitled to 6 weeks paid leave immediately following the day of medical termination of pregnancy or miscarriage, as the case may be.
- For illness arising out of pregnancy, delivery, premature birth, miscarriage, medical termination of pregnancy or a tubectomy operation, the employee can take additional paid leave up to a maximum of 4 weeks. These 4 weeks are in addition to the sick leave entitlements. DQS Indi reserves the right to ask for a medical certification from a doctor confirming the need for the leave due to a pregnancy, related problem.

## **2.6 Paternity leave**

### **a) Eligibility**

- A married male employee of the Service (including a probationer) with less than two surviving children, are eligible for paid paternity leave for a period of 7 calendar days, during the

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confinement of his wife for childbirth, i.e. up to 15 days before, or up to 15 days from the date of delivery of the child.

- The paternity leave may be combined with leave of any other kind.
- The paternity leave shall not be debited against the leave account.
- If paternity leave is not availed of within the period specified in sub rule (1), such leave shall be treated as lapsed.

### **b) Administration:**

- Leave application for Paternity leave should be made in the I Module/prescribed form at least 5 days in advance.
- Paternity leave has to be applied in advance as mentioned above and duly approved by the concerned Manager on a case-to-case basis.

### **3.0 GUIDELINES FOR AVAILING THE LEAVES:**

- All Employees are bound to regularize their leave through I Module leave procedure (no of days' type of leave availed).
- Planned leaves needs prior approval from the superior, i.e., not less than ten days before the date on which he/she wishes the leave to begin. Leave sanctioning authority has the full discretion to refuse, revoke or curtail the leave when required, due to exigency of work.
- In case of sick leave/ casual leave it should be applied and approved maximum within two days of resuming work. Failure to do so will automatically count it as PL.
- In case of emergencies, the superior must be informed as early as possible.
- Your I Module Leave Application contain the following details
  - a) Purpose of Leave
  - b) Period of date for which Leave is required
  - c) Contact Address and Phone Number when you are on leave.

Any applied leave without approval of the Reporting Manager is not valid.


### **4.0 PROCEDURE FOR CALCULATION OF THE LEAVE:**

- All leaves are calculated for a period of one calendar year (January to December).
- Leave is calculated on a pro-rata basis from the date of joining or from the date of completion of probation period for PL and credited into employee leave balance at the beginning of each month.
- Intervening Saturdays, Sundays and Company holidays prefixed, suffixed or in between leave are not counted.
- In case of Leave without Pay (LOP), Saturdays, Sundays and Company holidays in between leave period will also be counted as Leave without Pay.

E.g. – In case of long leave- If an employee avails a leave (under LOP) for a week beginning from Monday to the next Monday and reports to work on Tuesday, then 8 days of salary, will be deducted from his/ her salary.

If an employee avails a leave (under LOP) for a week beginning from Monday to Friday and reports to work on Monday, then 5 days of salary will be deducted from his/ her salary.

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### 9.0 Process Indicators:

Sl. No.	Process Indicator	Unit of Measurement	Target	Measuring & Reporting Frequency	Responsibility for Initiate Corrective Actions
01	Employee absenteeism: Leave regularised	Ratio	=1	Monthly	Thriveni Shetty
02					

### 10.0 Documented Information:

Sl. No.	Title of the Document / Record	Document / Record	Location	Retention Period
01	Leave Policy & Procedure	Document	M-Drive: Human Resources	Lifetime

### AMENDMENT SHEET

Sl. No	Document Name	Document No.	Page No.	Reasons for Revision	Rev. Date.	Rev. No.
1	Leave Policy and Procedure	DQS India/HR/TM-007	All	First Release	22.06.2017	01
2	Leave Policy and Procedure	DQS India/HR/TM-007	--	Internal and Legal – Maternity Leave	06-07-2018	02
3	Leave Policy and Procedure	DQS India/HR/TM-007	--	Leave Encashment for MD/CEO	04-03-2019	03
4	Leave Policy and Procedure	DQS India/HR/TM-007	--	Leave Encashment linked to Performance	14-03-2020	04
5	Leave Policy and Procedure	DQS India/HR/TM-007	All	Rebranding (From old logo to new logo)	07-06-2022	05