

# Employee Leave Policy

This document outlines the leave policy for [Company Name]. It details the types of leave available to employees, the conditions under which they can be availed, and other related guidelines.

## 1. Types of Leave and Details

The following types of leave are available to employees:

- **Earned Leave (EL):**
  - Accrues over time based on the number of days worked.
  - Can be used for vacation, personal reasons, or any other purpose.
- **Sick Leave (SL):**
  - Can be used for medical reasons, including illness, injury, or medical appointments.
  - A medical certificate may be required for absences exceeding a specified number of days (e.g., 3 days).
- **Casual Leave (CL):**
  - Can be used for short absences due to unforeseen circumstances or personal emergencies.
  - Typically limited to a certain number of days per year.
- **Maternity Leave:**
  - Available to female employees for childbirth and related recovery.
  - Duration and pay are as per government regulations and company policy.
- **Paternity Leave:**
  - Available to male employees for childbirth and to care for their newborn child.
  - Duration and pay are as per company policy.
- **Bereavement Leave:**
  - Available to employees in the event of the death of a close family member.
  - Duration is as per company policy.
- **Compensatory Leave (Comp-Off):**
  - Granted to employees who work on holidays or weekends.
  - The number of comp-off days is usually equivalent to the number of extra days worked.
- **Leave Without Pay (LWP):**
  - Can be availed when an employee has exhausted all other types of paid leave.
  - The employee will not receive any salary for the duration of this leave.

## 2. When Each Type of Leave Can Be Availed

- **Earned Leave (EL):** Can be availed after completing a certain period of service

(e.g., after probation). Employees are generally required to apply for EL in advance, except in cases of emergencies.

- **Sick Leave (SL):** Can be availed for genuine medical reasons. Employees should inform their supervisor as soon as possible in case of illness.
- **Casual Leave (CL):** Can be availed for short, planned or unplanned absences. Employees should try to inform their supervisor in advance, if possible.
- **Maternity Leave:** Can be availed as per the Maternity Benefit Act and company policy. Employees are required to provide prior notice and relevant medical documentation.
- **Paternity Leave:** Can be availed within a specified period following the child's birth, as per company policy.
- **Bereavement Leave:** Can be availed immediately upon the death of a close family member. The employee is required to inform their supervisor as soon as possible.
- **Compensatory Leave (Comp-Off):** Can be availed after working on a holiday or weekend, subject to approval from the supervisor.
- **Leave Without Pay (LWP):** Can be availed after all other paid leave options have been exhausted and with the approval of the management.

### 3. Leave Encashment

- Employees may be eligible to encash a portion of their accumulated Earned Leave (EL), subject to the following conditions:
  - The employee must have completed a minimum period of service with the company.
  - A minimum leave balance must be maintained after encashment.
  - Encashment may be restricted to a certain number of days per year.

#### Leave Encashment Calculation

The amount payable to an employee on leave encashment is calculated as follows:

Leave Encashment Amount = (Number of Leave Days Encashed) \* (Basic Salary per Day)

Where:

- **Number of Leave Days Encashed** is the number of EL days the employee wishes to convert into cash.
- **Basic Salary per Day** is calculated as:  
Basic Salary per Day = (Monthly Basic Salary) / 30

For example: If an employee's monthly basic salary is \$60,000 and they encash 10 days of Earned Leave, the calculation would be:

Basic Salary per Day =  $\$60,000 / 30 = \$200$

Leave Encashment Amount = 10 days \* \$200 = \$2000

#### 4. Maximum Leave Entitlement for the Entire Year

The maximum number of leave days an employee can have in a year is determined by the sum of the entitlements for each leave type, subject to company policy and any legal restrictions. This may vary based on factors such as:

- The employee's grade or level
- The employee's length of service
- Company policies

For example, an employee may be entitled to:

- Earned Leave: 12 days
- Sick Leave: 10 days
- Casual Leave: 7 days
- Maternity Leave: As per government regulations (e.g., 26 weeks)
- Paternity Leave: 5 days
- Bereavement Leave: 3 days

In this case, the maximum leave entitlement for the year would be the sum of these individual entitlements. However, it's important to note that some leave types, like Maternity/Paternity Leave, are not typically included in the annual leave calculation.

#### 5. Leave Accrual and Carry Forward

- **Leave Accrual:** Earned Leave (EL) is typically accrued over time, usually on a monthly basis. For example, an employee may accrue 1 day of EL for each month of service.
- **Carry Forward:** A certain number of accrued Earned Leave (EL) days may be carried forward to the next year, subject to a maximum limit. For example, an employee may be allowed to carry forward a maximum of 30 days of EL. Any leave balance exceeding this limit may lapse at the end of the year.
  - *Example: If an employee has 35 days of EL at the end of the year and the carry-forward limit is 30 days, 30 days will be carried forward, and 5 days will lapse.*

The rules regarding leave accrual and carry-forward may vary for different types of leave and are subject to company policy.