

LEAVE AND ATTENDANCE POLICY

Effective Date: [DD Month YYYY] | Version 1.0 | Policy Owner: Human Resources Department

[COMPANY NAME]

1. Purpose

This Leave and Attendance Policy ("Policy") sets out the types of leave available to employees of [Company Name] ("the Company"), the entitlement and eligibility for each, and the procedure for recording attendance and applying for leave. The Policy is designed to meet or exceed the minimum standards prescribed under the Labour Act, 2074 (2017) and the Labour Rules, 2075 (2018) of Nepal, and should be read together with the Company's HR Policy.

2. Scope and Applicability

This Policy applies to all permanent, probationary, and fixed-term employees of the Company working in Nepal, unless a separate written agreement or statutory provision provides otherwise. Employees engaged through a labour supplier/staffing agency, interns, and consultants are governed by the specific terms of their engagement, which may refer to this Policy in part.

3. Working Days, Working Hours and Attendance

- Standard work week: *[6 days, Sunday–Friday, with Saturday as the weekly holiday]* — to be specified by the Company. In no case shall an employee be required to work more than 6 days in a week without a weekly holiday.
- Weekly holiday: every employee is entitled to at least one full paid day of rest each week (Section 40, Labour Act, 2074).
- Working hours: not more than 8 hours a day and 48 hours a week. A paid break of at least half an hour must be provided after 5 consecutive hours of work (Section 28, Labour Act, 2074).
- Overtime: work beyond normal hours is voluntary except in narrowly defined emergencies, is capped at 4 hours a day and 24 hours a week, and is paid at one and a half (1.5) times the employee's basic hourly rate, unless a collective agreement or a managerial-level employment contract provides an alternative arrangement (Sections 29–31, Labour Act, 2074).
- Attendance: employees must record their attendance (biometric or digital system, as adopted by the Company) at the start and end of each working day. Repeated late arrival, early departure, or unrecorded attendance will be addressed under the Company's disciplinary procedure set out in the HR Policy.
- Standard office hours: *[9:00 AM to 5:00 PM]*, inclusive of a *[1-hour]* lunch/meal break, or as otherwise notified for a specific role, shift, or department.

4. Leave Year and General Principles

The "Leave Year" for the purposes of this Policy runs from [Shrawan 1 to Ashadh end] unless the Company notifies a different cycle. All leave requires the prior approval of the employee's reporting manager or the HR Department, except in cases of genuine emergency (e.g., sudden illness), where the employee must notify the Company as soon as reasonably possible and formalize the application upon return.

Leave entitlements below reflect the statutory minimums under Nepal’s Labour Act, 2074 and Labour Rules, 2075. The Company may, at its discretion, provide more favourable terms; it may not provide less than the statutory minimum.

5. Summary of Leave Entitlements

Leave Type	Entitlement	Pay	Key Conditions
Annual (Home) Leave	12 days / year	Full pay	Accrues with actual days worked; see Section 6.1
Sick Leave	12 days / year	Full pay	Pro-rated in first year; medical certificate required beyond 3 consecutive days
Public Holidays	13 days / year (14 for women employees)	Full pay	Per Company’s annual holiday calendar; includes May Day and, for women, International Working Women’s Day (8 March)
Weekly Holiday	1 day / week	Full pay	Commonly Saturday; may vary by shift/department
Maternity Leave	98 days (14 weeks)	First 60 days full pay*	At least 2 weeks before and mandatory 6 weeks after delivery
Paternity Leave	15 days	Full pay	On the birth of the employee’s child, to be taken around the time of delivery
Mourning (Kirya) Leave	13 days	Full pay	Death of spouse / own kirya rites; or, for a married woman employee, death of her own parents or parents-in-law
Substitute Leave	1 day for each holiday worked	Full pay	For employees required to work on a weekly/public holiday in continuous-operation roles; granted within 21 days
Leave Without Pay	As approved	Unpaid	At Company discretion once paid leave balances are exhausted

*Where the Social Security Fund (SSF) covers maternity-leave pay for a registered employer, the Company’s payment obligation is reduced to the extent covered by the SSF, per Section 47 of the Labour Act, 2074.

6. Types of Leave — Detail

6.1 Annual (Home) Leave

Employees earn one day of paid Annual Leave for each month worked. Employees whose role already provides for institutional recess (for example, a monsoon or winter break at an educational institution) are not separately entitled to Annual Leave, except to the extent their recess period is shorter than the Annual Leave they would otherwise accrue.

- **Accumulation:** unused Annual Leave may be carried forward and accumulated up to a maximum of [•] days (a commonly used benchmark in Nepali market practice is 90 days) — the Company should specify its own cap here.
- **Encashment:** leave accumulated beyond the Company’s cap, and any unutilized Annual Leave balance remaining at separation (resignation, termination, or retirement), shall be encashed based on the employee’s last-drawn basic salary.
- **Notice:** employees should apply for Annual Leave at least [3 working days] in advance, subject to operational requirements and manager approval.

6.2 Sick Leave

Employees are entitled to 12 days of paid Sick Leave each year (Section 44, Labour Act, 2074), pro-rated for employees who have worked less than a full year. A medical certificate from a registered physician is required to support any Sick Leave request exceeding 3 consecutive days. In the event of sudden illness, the employee must inform their manager or the HR Department by the fastest available means as soon as reasonably practicable.

6.3 Public Holidays

The Company will publish an annual holiday calendar comprising no fewer than 13 paid public holidays (14 for women employees, including International Working Women's Day on 8 March), in line with Section 41 of the Labour Act, 2074. Where an employee in a continuous-operation role is required to work on a scheduled public holiday, Substitute Leave applies (see Section 6.9).

6.4 Maternity Leave

- Total entitlement: 98 days (14 weeks), of which at least 2 weeks must be taken before the expected date of delivery and a minimum of 6 weeks must be taken after delivery (Section 45, Labour Act, 2074).
- Pay: the first 60 days are paid in full; the remaining period is unpaid by the Company to the extent the Social Security Fund covers it once the employee is registered and contributing (Section 47).
- Extension: on the recommendation of a registered physician, up to one additional month of leave may be granted for the health of the mother or child, adjusted against other leave or as unpaid leave as applicable.
- Miscarriage/stillbirth: an employee who has completed 7 or more months of pregnancy and experiences a stillbirth or miscarriage is entitled to maternity leave as if she had delivered (Section 45(5)).
- Death of the mother: if the mother passes away within 60 days of childbirth, the child's father, if employed by the Company, is entitled to the remainder of the maternity leave with pay for childcare purposes (Section 45(6)).
- Nursing breaks: a mother with a child under 3 years of age is entitled to an additional half-hour break (beyond standard breaks), which may be taken at once or in parts, for breastfeeding and childcare (Rule 17, Labour Rules, 2075). This break is counted as working time.
- Documentation: a copy of the child's birth registration certificate (or hospital/health-post birth proof where the certificate is not yet available) must be submitted to the Company within 3 months of the end of maternity leave (Section 46; Rule 18).

6.5 Paternity Leave

A male employee whose spouse gives birth is entitled to 15 days of paid paternity/childcare leave, to be availed around the time of delivery (Section 45(7), Labour Act, 2074).

6.6 Mourning (Kirya) Leave

An employee is entitled to 13 days of fully paid leave on the death of their spouse or where they are required to observe mourning rites (kirya) according to their own religion. A married woman employee is also entitled to this leave on the death of her own parents or parents-in-law (Section 48, Labour Act, 2074).

6.7 Leave Without Pay

Where an employee has exhausted all applicable paid leave and requires further time away from work, the Company may, at its sole discretion, approve unpaid leave for a defined period, considering the reason for the request and operational requirements.

6.8 Substitute Leave

Employees in roles that cannot be stopped or must run continuously, and who are consequently required to work on their weekly holiday or a public holiday, are entitled to a Substitute Leave day in lieu, to be granted within 21 days of the holiday worked (Section 42, Labour Act, 2074).

6.9 Other Leave

The Company may, at its discretion, provide additional leave categories not mandated by law (for example, marriage leave, examination leave, or compassionate leave) — such categories, if offered, should be listed here together with their entitlement and eligibility criteria: [•].

7. Leave Application and Approval Procedure

- Employees must apply for leave through the Company's designated system (HRMS/email/leave form) with reasonable advance notice, except in emergencies.
- The reporting manager reviews the request against team/operational coverage and approves, rejects, or proposes alternate dates within [2 working days] of the request.
- Leave taken without prior approval and without a valid, promptly communicated reason will be treated as unauthorized absence.
- The HR Department maintains the official leave ledger for each employee and will make individual balances available to employees on request or through the HRMS.

8. Unauthorized Absence

An employee absent from work without approved leave and without adequate explanation may be treated as being on unauthorized absence, which may result in loss of pay for the period of absence and disciplinary action under the HR Policy, up to and including termination of employment for prolonged or repeated unauthorized absence.

9. Public Holiday Calendar

The HR Department will circulate the Company's public holiday calendar for each Nepali fiscal year in advance. Where a Company-observed holiday differs from the Government of Nepal's official gazette, the Government's notified holiday will prevail for statutory purposes.

10. Policy Review

This Policy will be reviewed periodically by the HR Department and updated to remain consistent with amendments to the Labour Act, 2074, the Labour Rules, 2075, and any related Nepal legislation, including social security regulations. The Company reserves the right to amend this Policy from time to time; employees will be notified of material changes.

Disclaimer: *This is a generic template made available by RigoHR for general reference. It is not a substitute for legal advice. Employers should have this Policy reviewed by qualified Nepali legal counsel and adapted to their specific workforce, sector, and any applicable collective agreements before adoption.*