

# Standard Leave Encashment Calculation Template

## Employee Details

Employee Name: John Doe  
Employee ID: EMP1023  
Department: Finance  
Designation: Accounts Manager  
Date of Joining: 12-Jan-2018

## Leave Encashment Calculation

Particulars	Details
Total Earned Leave Balance (in days)	25
Number of Leave Days to Encash	20
Last Drawn Basic Salary (per month)	â, '50,000
Last Drawn Dearness Allowance (per month)	â, '5,000
Salary + DA (per day)	â, '1,833.33
Total Leave Encashment Amount	â, '36,666.60

## Calculation Formula

Encashment Amount: (Number of Leave Days to Encash) Ã— (Last Drawn Basic + DA per month Ã· 30)

## Important Notes

- Leave encashment is subject to company policy and statutory regulations.
- Taxation rules may apply as per prevailing law at the time of payment.
- Encashment amount is typically calculated on basic salary plus dearness allowance only.
- Supporting documents and approval from HR are generally required for processing.
- This calculation is for reference only and should be verified by Payroll/HR before disbursal.