

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)	₹50,000
Last Drawn Dearness Allowance (per month)	₹5,000
Salary + DA (per day)	₹1,833.33
Total Leave Encashment Amount	₹36,666.60

Calculation Formula

Encashment Amount: (Number of Leave Days to Encash) ÷ (Last Drawn Basic + DA per month ÷ 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.