SOP Template: Overtime and Compensatory Off Management

This SOP outlines the procedures for **overtime and compensatory off management**, including the approval process for overtime work, calculation and recording of overtime hours, eligibility criteria for compensatory off, scheduling and granting compensatory leaves, and compliance with labor laws and organizational policies. The purpose is to ensure fair and transparent management of employee overtime and compensatory time off, promoting work-life balance and operational efficiency.

1. Purpose

To define standardized procedures for managing overtime and compensatory off within the organization, ensuring compliance with applicable laws and internal policies.

2. Scope

This SOP applies to all employees eligible for overtime and compensatory off, including managers responsible for approval and record maintenance.

3. Definitions

- **Overtime (OT):** Working hours exceeding the standard prescribed work hours as per company policy or statutory requirements.
- **Compensatory Off (Comp-Off):** Paid leave granted to employees in lieu of overtime worked, subject to eligibility and approval.

4. Approval Process for Overtime

1. Employees must seek **prior written approval** from their immediate supervisor/manager for planned overtime.
2. In emergent situations, **post facto approval** may be considered, subject to valid justification.
3. Supervisors will review and approve or reject OT requests based on business needs and budget.

5. Calculation and Recording of Overtime

1. Overtime hours are calculated as the difference between actual hours worked and regular working hours in a workday/week.
2. Overtime must be recorded in the official **attendance/timekeeping system** and verified by the supervisor.
3. All calculations should comply with labor law limits and organizational overtime policy.

6. Compensatory Off: Eligibility and Granting Procedure

1. Employees are eligible for comp-off if they work on holidays, rest days, or as per organizational guidelines on minimum OT hours.
2. To claim comp-off, employees must submit a request through the HR portal or prescribed form within the designated time frame.
3. Supervisors/HR will verify OT records before approval.
4. Comp-off must be availed within the stipulated period (e.g., within 3 months), failing which it may lapse unless otherwise approved.

7. Scheduling & Availing Compensatory Off

1. Requests for comp-off should be made in advance, subject to approval from the reporting manager based on work exigencies.
2. Once approved, comp-off must be reflected in the employee's leave records.
3. HR will monitor availed and pending comp-off days regularly.

8. Compliance with Laws and Policies

- All overtime and comp-off practices must comply with statutory labor regulations (e.g., Factories Act, Shops and

Establishments Act) and the company's HR policy.

- Non-compliance or falsification of records will invite disciplinary action.

9. Roles and Responsibilities

Role	Responsibility
Employee	Request overtime approval, record OT hours, submit comp-off requests timely, ensure compliance.
Manager/Supervisor	Review OT necessity, approve/reject OT and comp-off requests, verify records.
HR Department	Monitor compliance; maintain records; provide guidance on policy and legal provisions.

10. Review Period

This SOP shall be reviewed annually, or as required due to changes in laws/policies.

Document Control

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