

Paid Time Off (PTO) Policy

Company: {Your Company Name Pvt. Ltd.}

Effective Date: January 1, 2024

Applies To: All full-time employees

1) Purpose

This policy establishes the company's guidelines for Paid Time Off (PTO), ensuring employees have adequate rest, personal time, and work-life balance while enabling business continuity.

2) Eligibility

- **Full-Time Employees:** Eligible for PTO as per tenure and grade.
 - **Part-Time/Contract Staff:** Not eligible unless specified in contract.
 - **Interns/Trainees:** Stipulated separately in internship agreement.
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3) Accrual & Allotment

- PTO is calculated on a **calendar year basis** (Jan–Dec).
- **Standard entitlement:** 18 PTO days annually for full-time employees.
- Accrual is **monthly**: 1.5 days per month.
- PTO can be carried forward up to **6 days** into the next year; unused PTO beyond this will lapse.

- New employees accrue PTO **after 90 days of employment**.
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4) Usage

- PTO may be used for vacation, illness, personal appointments, or family care.
 - PTO must be applied for in the HR system at least **5 business days in advance** (except emergencies).
 - Minimum unit: **half-day**.
 - Consecutive PTO exceeding **10 working days** requires manager + HR approval.
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5) Holidays & Other Leave

- Company-declared public holidays are separate and not counted against PTO.
 - PTO is distinct from maternity/paternity leave, sick leave (if separately covered by law), and bereavement leave.
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6) Approval Workflow

1. Employee submits request via HR system.
 2. Manager reviews for business impact and approves/denies.
 3. HR validates balances.
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7) Separation of Employment

- Unused accrued PTO will be **encashed** at the time of resignation/termination, subject to statutory rules.
 - Negative PTO balance (advance leave taken) will be adjusted in the final settlement.
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8) Policy Governance

- **Owner:** HR Department.
- **Review cadence:** Annual.
- **Exceptions:** Must be approved in writing by the HR Head.