



## Separation Policy

Policy Process FAQ(s) History

 Expand All  Collapse All

### Objective

To provide guidelines for Employees regarding separation from employment.

### Scope

The policy covers resignation and termination.

- o **Resignation:** A resignation is a voluntary separation from employment.
- o **Termination:** A termination is an involuntary separation from employment.
- o **Retirement**
- o **On Job Demise**

### Applicability

- o This policy is applicable to all permanent Employees of HCL in India, in the band EX and below
- o This policy is also applicable to all Employees active on the rolls of C2SIS.

### Policy Details

#### DEFINITIONS

- o **"Company"** refers to HCL Technologies Limited, HCL Infrastructure and BPO Division in India.
- o **"Employee"** shall mean a person who is on the payrolls of the Company including but not limited to permanent/ part-time/fixed term/ expatriates working on work visa issued by appropriate authority, if any;
- o **"HR"** refers to the HR Employee Partner of the Employee
- o **"Full and Final Settlement"** refers to the calculation and settlement of monetary dues (payable/receipts) with respect to Employee separation from Company.
- o **"Notice Period"** refers to the time given by employer and /or Employee to each other for separation.
- o **"Last Working Date /Release Date"** refers to the last working day (LWD) of Employee, when person ceases to be Employee of the company. Release day is always a Working Day. The full and final settlement of dues is calculated up to the LWD.
- o **"Reporting Manager"** shall mean any other Employee of the Company or its affiliated companies, who by nature of his duties, exercises authority or supervision or control over an Employee during the course of this normal duty hours;
- o **"L1 Head"** shall mean any other Employee of the Company or its affiliates who is authorized by the management to head a line of business;
- o **"Lob"** shall mean Line of Business.
- o **"Authorized Person"** shall Mean Direct Supervisor/Reporting Manager of an Employee (minimum E3 band and above)
- o **"Unauthorized Absence"** shall mean absence from work without any intimation to the Authorized Person shall amount to Unauthorized Absence.
- o **"NRTW"** shall mean 'Not reporting to Work'
- o **"Warning letter"** shall mean a formal written letter issued to a Potential Absconding Employee
- o **"Absconding"** shall mean Any Employee who does not notify his absence in spite of the issuance of the warning letter(s).
- o **"Voluntary Separation"** shall mean an exit when an employee separates from his/her services with the company willingly.
- o **"In-Voluntary Separation"** shall mean an exit on because of conditions like – Asked to leave on grounds or performance or disciplinary issue, Demise.

### Policy Details

#### 1. RESIGNATION

Resignation is a separation when Employee voluntarily resigns from the services of the company. Resignation is a personal decision of an Employee and is initiated by giving formal notice by Employee with intension to leave the company.

- a) Employee has to initiate exit in Exit Management System (EMS) hosted on MyHCL.com. Notice period will be effective from the date of initiation in EMS.
- b) The period of probation in respect of all employees in BSERV Operations E0 (voice) employees shall be 6 months
- c) The period of probation in respect of all other Employees across all entities shall be 1 year (unless specifically communicated).
- d) Notice period will be calculated as follows:
  - o For an Employee resigning in the home location (India) the minimum notice period shall be as per table given below:

Tech	Infra	BSERV	
		1600 (State street)	1400/3000
All grades – 3 months (90 days)	E0- E1: 2 months (60 days)	E0.1 - 2 Months (60 days)	E0.1 and E0.2 - 2 Months (60 days)
	E2 and above: 3 months (90 days)	E0.2 & above - 3 Months (90 Days)	E0.3 - 3 Months (90 days)
			E1 and above – 3 months (90 days)

- o Employee resigning at host Location will have to serve notice period at the host location as per the policy of the host country and will be relieved from host country only. Travel back to Offshore will not be permitted.
  - o In case, employee resigning at host location is sent back to Offshore post resignation basis Management/ HR decision, then the Notice period as per India Separation Policy will be applicable.
- e) LWD for a Voluntary Exit will always be a Working Day. In case LWD happens to be a Weekend or a Holiday, the LWD will be preponed to the previous working day of the Week.
- f) Employment with the Company can be terminated either by the Company or by the Employee by giving the other party advance notice as specified in the Notice Period table above. If the Company terminates the employment and decides to relieve the Employee before the completion of the notice period, the "Basic" component of the salary for the balance notice period would be paid to the Employee.
- g) In case an Employee requests for an early release without serving complete notice period, s/he is liable to pay the Company the "Basic" component of the salary for the balance notice period.
- h) The company reserves the right not to accept notice pay in lieu of notice period. Waiver of notice period in lieu of pay upon resignation shall need to be authorized by respective LOB HR for all Employees. However, there will not be any waiver in notice pay under any circumstances.
- i) All the employees mapped to New Vistas locations ( Lucknow, Nagpur, Madurai and Vijayawada) will have a notice period of 90 ( ninety) days.
- j) Components to be paid or recovered for Full and Final Settlement
- o Employee should settle all outstanding dues towards loans, advances or pending assets at least one week before release date so Full and final Settlement can be initiated.
  - o No outstanding dues can be recovered from Employee's PF, Gratuity.
  - o Annual Leaves (if any) prorated till LWD, will be encashed along with Full and final settlement. Any excess Annual Leave (over and above the prorated entitlement till LWD) taken by the employee will be recovered.
  - o Annual Bonus will be paid only if the employee has been active till 60<sup>th</sup> day post the Annual Performance Review Cycle completion.
  - o Payments if any will be made through NEFT/Online Transfer.
  - o Employee will be responsible to take all clearances in the system from all stakeholders before the LWD. Any pending clearances will be auto cleared in the system within 5 days from LWD with default inputs.
- j) Salary Holding
- o The salary for any Employee who has submitted his/her resignation or "Intention to separate" in EMS application will be put on hold for the month in which his/her resignation information is made available to the payroll team. The salary for subsequent month(s) will be released to the Employee in the regular manner. In case, there is any outstanding amount stand on Employee post holding the first month salary, then the salary of the subsequent months (till date of relieving) will also be put on hold.
  - o The held-back salary of one month or subsequent months for the Employee will be paid along with the full and final settlement.
  - o If the EMS gets initiated as Absconding (Involuntary –and reason of resignation is absconding) then the salary of such Employees will be put on hold from date of EMS initiation till indefinite period.
  - o While on notice period, Employees will not be eligible for any compensation increase and / or change in position related attributes that are due as on the date of resignation or deemed due from a prior date owing to Company decisions at a later date.
- Note: Salary including any other payments like Bonus, Allowances etc. scheduled for that month will be put on hold.
- k) Compensation Increase
- o Employees who have initiated pre-separation before the release of revised compensation increase letter will not be entitled for compensation increase.
- l) Leaves during Notice Period
- o Employees cannot avail of any leave (paid/ unpaid) during the notice period except for exceptional circumstances (to be approved by RM, Line HR). In such cases, the notice period may be extended by the same number of day(s) for which the Employee is on leave(s). However, this will not be applicable for Company holidays, My Leave and RHs.
  - o The company reserves the right to terminate the employment without notice on grounds of breach of policy, misconduct, Employees being absconding, disciplinary issues, failure of background check, Employee being convicted under any court of law etc.
  - o If Resignation is submitted on long leave paid/unpaid (greater than 60 calendar days): The policy provisions provided above will apply. The period when Employee is on leave will not be considered as valid notice period and/or agreement commitment. The Employee should pay liquidated damages in lieu of notice period and /or agreement commitment as per policy.

## m) Exit Interview

- o The Employee will be required to complete an exit interview with the Human Resources Department and also fill in an online form exit generated through EMS. During the exit interview, the Employee can express him/herself freely.
- o The exit interview will be conducted by respective HR Partner. All information will be kept strictly confidential and will in no way affect any reference information that HCL Technologies management will provide to another employer about the concerned Employee.

**2. ABSCONDING / UN-AUTHORIZED ABSENCE**

- o An employee, who are on the un-authorized absence without notifying the reporting manager in writing, will be treated as potential absconding and will be liable for following action from the company.
  - o Any un-authorized absence of 3 or more days has to be reported by RM to the HR. As soon as the HR is intimated about an absconding employee, HR will try to establish the contact with the employee through 2 e-mails and subsequently if he/she does not respond till 15<sup>th</sup> Calendar day of absence, HR will initiate absconding termination in the system. ES departments will be notified accordingly informed and will start sending warning letters to employee as prescribed below. Salary of the employee is put on hold
  - o In case of any potential Absconding/ Unscheduled absence identified by the i Time non-compliance for more than 15 days, the system will trigger NRTW process on 31<sup>st</sup> day and ES will start sending warning letters to employee as prescribed below. Also, the salary of the employee is put on hold from that date and ES departments accordingly informed.
  - o For BSERV, any unauthorized absence of 3 or more days will be posted as NRTW from PRU/Smart-Card to EMS. HR will be provided 3 days post the NRTW initiation to decide for revoke and fill leaves/time entries as appropriate. No action from stake holder will trigger auto exit of type absconding from EMS. On the 7th day, Pre-Separation (Absconding) will get triggered and ES will start sending warning letters to employee as prescribed below.
- o First Warning letter will be sent on the date of absconding initiation with a period of 7 working days to join back (in case absconding is initiated on Holiday/ Weekend, letter will be released on next working day).
- o Second Warning letter will be released after 7 working days of the release of first warning letter with a period of 7 working days to join back.
- o In absence of any response/ action from Employee and HR within the defined timelines, Auto Termination letter will be released for employee by email & post and LWD will be captured as the termination date in EMS.
- o If the employee returns in between the period from dispatch of 1st warning letter to dispatch of termination letter, Employee will be eligible to apply his/her annual leave/ sick leave in the Leave Management System (LMS) of HCL. All Sick leaves (if any) must be supported by medical certificates issued by a registered medical practitioner and the HR will revoke the absconding.
- o The internal full and final settlement will be completed within 30 days from the date the employee has been separated from the company based on the clearance provided by respective stakeholders in EMS checklist. and if there is any recovery from the employee, the process of recovery will start
- o The company may move to the court against the employee if the employee doesn't return the outstanding amount to the company or doesn't respond to the notice sent by the company.
- o Any employee terminated on grounds of absconding from work will not be reconsidered for re-employment with HCL
- o No relieving letter will be given to the absconding employees and experience letter will be issued on completing all clearance and on payment of dues as per the full and final settlement and clearance.

**3. RETIREMENT**

Retirement is type of separation Employee stops employment on reaching a superannuating age. This is natural physiological state of age.

- o The retirement age for Employees of band E8 and above shall be 58 years.
  - o The retirement age for Employees up to band E7 shall be 55 years.
- a) Notice Period-Not Applicable.
- b) LWD will be the last day of the month in which the Employee is completing retirement age. LWD for a Retirement case can be a Weekend or a Holiday. However, the exit formalities for a retirement case has to be completed on the Last week day of the month.
- c) Components to be paid or recovered for Full and Final Settlement
- o Employee should settle all outstanding dues towards loans, advances or pending assets at least one week before release date so Full and final Settlement can be initiated.
  - o No outstanding dues can be recovered from Employees PF or gratuity.
  - o Annual Bonus will be prorated for the number of months served in the Appraisal period and will be calculated taking 100% as the base.
  - o Annual Monthly Performance Bonus paid till Retirement date will not be recovered.
  - o Annual Leaves (if any) prorated till LWD, will be encashed along with Full and final settlement. Any access Annual Leave (over and above the prorated entitlement till LWD) taken by the employee will be recovered.
  - o Payments if any will be made through NEFT/Online Transfer.
- d) Retirement on Assignment outside India: An Employee may be on assignment outside India at the time of retirement. In such cases Employee should report one month before his/her release from the company to his base location in India to complete the necessary formalities.
- e) In case a Geo hired employee is transferred to India, he would be governed by retirement age as prescribed in this Policy.
- f) This being a planned activity, all necessary care shall be taken to ensure timely release of the entire terminal benefits viz. PF, Gratuity and encashment of balance Annual leaves payable to the Employee. The Full & Final Settlement payable to the Employee must be made available within 15 days of the LWD of the retiring Employee.

**4. On Job Demise**

On Job demise is most sensitive and unfortunate event where Employee's demise takes place while in service of the company.

a) Components to be paid or recovered for Full and Final Settlement

- o All outstanding dues towards loans, advances or pending assets recoverable from Employee will be deducted from amount payable and for remaining amount (which cannot be recovered due to insufficient payable amount) company will request beneficiary to settle dues. Decision regarding any waive off for outstanding dues will be at Management Discretion. Approval from L2 Head and LOB HR will be needed for the waiver.
- o Notice Period will be waived off and recovery shall not be applicable.
- o No outstanding dues can be recovered from Employees PF and Gratuity.
- o Annual Bonus will be prorated for the number of months served in the Appraisal period and will be calculated taking 100% as the base.
- o Annual Leaves (if any) prorated till LWD, will be encashed along with Full and final settlement. Any access Annual Leave (over and above the prorated entitlement till LWD) taken by the employee will not be recovered.
- o Payments if any will be made through Cheque/Demand Draft to beneficiary
- o Gratuity will be paid to the beneficiary.
- o

## 5. Full and Final settlement

Full and Final Settlement (F&F) of Dues will be made:

- o For Resignation cases and involuntary cases, it will be done within 45 days from the Last Working Day, subject to no dues and relevant details also being made available in the Clearance Checklist form in the EMS.
- o **Employee's provisional settlement** is made available in the separation portal within 7 day of the acceptance of resignation in EMS by reporting manager who is referred as First Level Manager (FLM) along with the status of clearances by all stakeholders. It will be visible on myhcl.com portal – My Transaction – My Separation Portal.
- o For Absconding cases, F&F will be done on completion of clearance in the system.
- o For Retirement cases it will be done within 15 days from the date of clearance.
- o For Demise Cases F&F will be done at the earliest, on receipt of requisite documents like Death Certificate, Indemnity bond from claimant and non-claimant party.

Employee serving notice period can view following particulars in my separation portal:

- o Provisional full & final statement (amount due to Employee and Amount Due from Employee)
- o EMS clearance status
- o Active claim details (for CVCS, Medical, LMS, TAS, TEC)
- o Last three years Form16's

Post separation also, separated Employees can log in at <https://wf4.myhcl.com/MySeparation/Login/Ex-HCLitesLogin.aspx> to view following particulars:

- o Actual Full & Final Statement
- o Last six pay-slips
- o Forms (Form 10-C, Form 13 & Form19) for Provident Fund
- o Reliving letter, experience letter, Income tax computation sheet.
- o Last three years Form16 details

PF and Superannuation are settled separately on receipt of the prescribed forms from the separating Employee. All the F&F settlement payments will be made through fund transfer mode along with full and final settlement, following items will be taken care of:

- o Balance salary payable / recoverable.
- o Medical claim balance, if any, will be paid on receipt of amount from the Insurer.
- o Unavailed LTA if due and supported by claim.
- o AL encashment.
- o Gratuity, if applicable.
- o Performance bonus, if applicable, for the last financial year, if not already paid.
- o Recoveries for advance outstanding, PF, AMPB, un-served notice period, Income Tax, recoveries for benefit reversals under various schemes, etc.
- o Applicable GST on the recovery.

**Note:**

- o Employee must submit soft copy of HRA rent receipt and current year investment in IT declaration at-least 15 days before your LWD.
- o **Employee need to ensure that their Timesheet is filled and approved till their LWD.**
- o Employees must ensure that they complete their clearances before Last Working date, else post 5 Days from LWD, system will auto-close the Open Clearances with a default recovery amount.
- o IT clearance will not be auto-closed. F&F will remain pending till IT clearance is completed.
- o Non –Submission of company assets will lead to recovery from F&F. The recovery cannot be reverted once F&F is closed.

## 6. Relieving letter / Experience Letter

- o Employee will be able to view and take the print out of the Relieving letter from Separation Portal post 6:30 PM on the Last Working Day. This will be subject to completion of clearance from all stakeholders. The relieving letter will not be available in case there is any recovery due as per provisional F&F statement.
- o In case Clearance is completed post 6:30 PM on Last Working Day, Relieving Letter will be available post 6:30 PM on the next working day.
- o Experience Letter shall not be available till the time Employee clears his/ her dues with the Company.
- o Experience letter shall also be available at separation portal and Employee can view and take the print out after full and final settlement is done.

**Separated employee can use the following channels for their specific request:**

- o For Full and final settlement related queries - [fnfsettlement@hcl.com](mailto:fnfsettlement@hcl.com)

- For PF related queries - [pfhelpdesk@hcl.com](mailto:pfhelpdesk@hcl.com).
- For PB, any other additional pay out or for any other query employee can get in touch with their LOB HR

**Disclaimer – The company reserves the right to alter, append or withdraw this policy either in part or in full based on management's discretion.**

This application is best viewed on Microsoft Internet Explorer (7.x through 10.x) at a screen resolution of 1024 x 768 or higher.