

Exit and Retirement Policy

HR-PO712, Ver. 1.9

Effective 1-April-2017

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1. OBJECTIVE

The document outlines the Company's policy relating to separation of associates from the rolls of the Company. The updated version of the policy supersedes any and all communications received previously.

2. SCOPE & APPLICABILITY

The provisions of this policy are applicable to all associates on permanent rolls in India including associates deputed to India, trainees and associates on direct contractual agreement with Tech Mahindra in India who may be separating from the Company's services on account of Resignation, Retirement, Death, Termination, and Transfer to a Group Company or Closure of Contract.

Terms and conditions mentioned in this policy do not apply for any interns during their assignment/internship period.

3. ACRONYMS AND DEFINITIONS

Term/ acronym	Explanation
CPO	Chief People Officer
PACE	Platform for Agile Connected Enterprise
CEBC	Code of Ethical Business Conduct
IBU/G	Integrated Business Unit / Group
LWD	Last Working Day
SLA	Service Level Agreement
HR	Human Resource

4. NOTICE PERIOD

Employment with the company may be terminated by either party through a prior written notice. The stipulated notice period for regular associates will be three months from the date of resignation marked in the system. For direct contractors, notice period will be 30 days or as mutually agreed upon in the contract.

This is applicable to all the new joiners hired on or after February 1st 2014. For the associates who have joined before February 1st 2014, the notice period applicable will be as per their employment contract/offer letter.

The company further reserves the right to:

- Terminate with sooner effect by tendering equivalent salary in lieu of the notice period.
- Terminate with immediate effect without serving written notice or payment in lieu of notice, where such termination is on account of disciplinary action against the associate.

The company is entitled to either waive the notice period in part or in full at its sole discretion or require payment of base salary in lieu of the un-served notice period. Such period cannot be set-off or adjusted against the associate's leave balance.

The process for a waiver will vary depending on whether the request is for Notice Period or Notice Pay Waiver.

The approver for a Notice period waiver will depend on the number of days requested as under:

No. of Days Requested	Step 1: Approver(s)	Step 2: Final Approver
< 30 days	Reporting Manager	IBU Head or equivalent
>= 30 days	Reporting Manager and IBU Head	IBG Head or equivalent

Note: Request (at Step 2) not approved within 3 days will be auto-approved. Waiver request, if denied, will be routed back to the Reporting Manager.)

Process:

Where the associate does not serve the requisite notice period as per the last working day agreed upon by the Reporting Manager and BHR, such exit would be flagged as an unclear exit.

In case an Associate is covered under a Service or Training Agreement or any other Employment Agreement with a Fixed Term, the terms and conditions of such agreement shall prevail.

5. RESIGNATION

Where an associate voluntarily leaves the services of the organization, it is termed as a resignation. Resignation should be necessarily initiated by submission of a formal resignation by the associate, through the Resignation application in PACE, as a notice of intent to resign.

No associate may voluntarily separate from the Organization without serving a notice of resignation and completing the agreed Notice Period. However, the company is entitled to either waive the notice period in part or in full at its sole discretion by paying the required payment of the base salary in lieu of the unserved notice period.

Associates are not permitted to avail any leave during their notice period except for any exigent circumstances. The notice period may then be extended by the duration of leave taken.

If associates covered under Service Agreements/Training Agreements resign before completing his/her tenure, as per the terms and conditions of the applicable agreement, he/she will be liable to pay the full liquidated damages (if any), without any pro-rata calculations. Notice Period will be as per the agreed terms and conditions of the applicable agreement (reference clause as above).

6. TERMINATION

Company initiated separations on account of misconduct, unclear background verification, Information security violation, unapproved absence, integrity issues, violation of CEBC Policy, non-performance, other disciplinary issues and other such similar events will be termed as Terminations. .,

The initiation of a termination will be through a personal discussion with the associate by the BHR and/or Reporting Manager or Business Leader where the decision will be conveyed. Tech Mahindra at the discretion of the management reserves the right to initiate legal action against the associate in the case of a gross misconduct.

An associate who has been terminated from Tech Mahindra would be required to leave the Company's services with immediate effect.

Careful consideration shall be given and adequate documentation laying out details of the reasons for termination thereof along with the relevant evidences reviewed before a decision is taken..

All company property/ company assets and any amount due will be recovered from the associate before releasing the final settlement statement. The associate may (wherever possible) be given an option to resign at her/ his request. Associates whose services are terminated on account of disciplinary action will not be considered for re-employment in Tech Mahindra.

7. RETIREMENT

The organization determined age of retirement for associates on the permanent rolls of Tech Mahindra effective 1st April 2017 is as under:

Band	Retirement Age
Up to P Band	55 years
E1 / RG1 Band	58 years
E2/ E3/RG2 Band	60 years

- Effective 1st April 2018, the last working day of the month in which the associate attains the retirement age, will be considered the date of retirement for the associate.
- Notwithstanding the above, associates due to retire by 31st March 2018 on account of the above change will retire on 31st March, 2018.

Retirement age for Executive Directors will be governed by the provisions of Companies Act. For the purpose of determining the age of Associate and Executive Directors, the date of birth as per official records shall be considered.

Related processes including but not limited to clearances,, full and final settlement. will be initiated by the HR Department.

8. DEATH

In the unfortunate event of the death of an associate, all retirement benefits will be settled with the beneficiary (as per the last updated nominee details or as per the law).

- Payables, if any, towards the salary components, will be paid via a cheque to the beneficiary and not to the associate's salary account.
- All outstanding dues recoverable from the deceased associate towards loans, advances or pending assets will be deducted from the amount payable. No outstanding dues will be recovered from the Gratuity or Provident Fund.
- Recovery against the ID card will not be initiated.

- Claim against the Group Life Insurance and pending medical insurance claims, if any, will be submitted by HR on behalf of the associate's family.

9. ABSCONDING

Unauthorized exit / unapproved absence (from work) for more than seven working days will be treated as absconding.

The BHR will send an enquiry notice to the associate for any Un-authorized exit / unapproved absence (from work) for more than 3 working days. In the event of the associate not reporting to Office for more than 7 working days, absconding process will be initiated, associate's GID will temporarily be deactivated and all accesses to the Company Premises will be blocked

- Intimation about settlement of dues will be forwarded to the associate along with the process to be followed for settlement.
- In case of non-payment, the Company will initiate the necessary legal recourse including recovery of outstanding dues. Once legal actions are initiated, associates will need to necessarily discuss with the legal department to arrive at any agreement for closure.
- Relieving Letter and Service Certificate will only be issued on completion of the full and final settlement and confirmation from legal in the event of an ongoing legal proceeding.

For associates under a Service Agreement:

- Company will initiate the necessary legal recourse including recovery of outstanding dues. Once legal actions are initiated, associates will need to necessarily discuss with the legal department to arrive at any agreement for closure.
- Relieving Letter and Service Certificate will only be issued on completion of the full and final settlement and confirmation from legal in the event of an ongoing legal proceeding. .
- No recovery towards notice period pay where associate settles the dues as per the Service Agreement, if any.

10. CLEARANCE PROCEDURE

Notification to the necessary stakeholders to provide clearance against their respective items will be triggered upon activation of the Clearance Module on PACE by the BHR.

Clearances have to be provided per defined SLAs and recovery, if any, needs to be mentioned explicitly, assets recovered & all rights and privileges revoked. .

The Associate must ensure his/her address for correspondence, settlement of all outstanding dues towards loans, advances, bond recoveries, and pending assets is updated on PACE latest by the last working day/release date.

Clearance status can be monitored through self-service module on PACE.

11. RELIEVING AND SERVICE CERTIFICATE

The Service Certificate and Relieving Letter will be issued to the associate only upon completion of clearance checklist on PACE and after all payment dues are settled.

Termination Letters will be issued to associates whose employment with the Company has been terminated.

The following scenarios will be treated as an unclear exit and no relieving and service certificate will be issued if:

- An associate submits his/her resignation but does not serve the applicable notice period.
- Associate absconds without settling dues with the Company.

12. FULL AND FINAL SETTLEMENT

Initiation of Full and Final Settlement formalities will be subject to completion of clearance checklist on PACE. Salary may be withheld to facilitate recoveries, if any, and paid via the full and final settlement post adjustment of pending dues, as applicable.

In case an Associate opts to adjust any outstanding dues against the Gratuity eligibility, he/she should sign a written undertaking for the same. No outstanding dues will be recovered from the associate's Provident Fund.

Payables (if any) will be paid to the Associates salary account post adjustment of all dues and necessary tax deductions.

13. DEVIATION APPROVAL

Any leave request during notice period will require IBG /CDG Head approval.

14. RESPONSIBILITY MATRIX

Associate	<ul style="list-style-type: none"> • Initiate the resignation process in the system • Close all expense reports in PACE • Submit the ID card to the location CS on the last working day • Handover all Company assets to the concerned stakeholders at the time of separation. Failure to do so will result in deductions (as applicable under the governing policies) at the time of full and final settlement. • Complete clearance formalities through PACE • Pay dues, if any.
RM/supervisor	Accept the resignation letter and ascertain the Date of relieving.
RM	<ul style="list-style-type: none"> • Ascertain Retention possibility and share the same with the IBU Head, Retention Committee and HR

	<ul style="list-style-type: none"> Accept Resignation in the system and provide the confirmation on the agreed last working day Ensure appropriate approval in case of notice period waiver Approve pending requests from associate Provide clearance to the exiting/retiring associates
Executive - Legal	<ul style="list-style-type: none"> Provide legal consultation if Associate is under a Service Agreement Specify the amount to be paid by the Associate as settlement of dues Initiate legal action if Associate does not pay dues
HR Business Partner	<ul style="list-style-type: none"> Conduct Retention Discussion with the associate Initiate clearance checklist in the system Separate the associate ID on the last working day Inform the concerned associate and the Reporting Manager the date of Associate's retirement
Separation Helpdesk	<ul style="list-style-type: none"> Issue Resignation Acceptance Letter, post completion of clearance checklist Receive full and final settlement statement from finance team and share with the exited associate, along with the Relieving & Service Certificate Raise a service request with THE HUB in case of recovery and inform the same to the associate
Finance/ Payroll	<ul style="list-style-type: none"> Calculate full and final settlement and advise payment through salary account Share the full and final settlement statement to the Separation helpdesk
Stake-holders: Clearance	<ul style="list-style-type: none"> Update clearance status on the system by the last working day Advise recovery amount, if any, to the separation helpdesk for deduction through the full and final settlement

15. POLICY REVIEW

The policy will continue to be in force unless superseded by a revised policy. The Company reserves the right to amend, abrogate, modify, rescind / reinstate the entire policy or any part of it at any time.

16. DOCUMENT HISTORY

Version	Date	Author (function)	Reviewed by	Approved by	Nature of changes
I1.0	6-Nov-2013	HR	Function Head	Function Head	First Integrated Issue
I1.1	30-Jan-2014	HR	Function Head	Head People Policy Practice	Changes in the notice period to 3 months

Version	Date	Author (function)	Reviewed by	Approved by	Nature of changes
I1.2	20 April 2015	HR	Function Head	Head People Policy Practice	Update in Notice period/pay waiver (4)
I1.3	04- June - 2015	Process Owner	Function Owner	Function Head (Benefits)	PS updated to PACE
I1.4	11-Sept-2015	Process Owner	Function Owner	Function Head (Benefits)	Document Formatting
I1.5	18-Apr-2015	Process Owner	Function Owner	Function Head (Benefits)	Updated Approving Authority for Notice Period and Notice Pay Approvals
I1.6	24-Nov-2016	Process Owner	Function Owner	Function Head (Benefits)	Updated Absconding Clause
I1.7	02-March-2017	Process Owner	Function Owner	Function Head (Benefits)	Updated Scope & Applicability (Section 2)
I1.8	24-March-2017	Process Owner	Function Owner	Function Head (Benefits)	Updated Retirement (Section 7)
I1.9	02-Aug-2017	Process Owner	Function Owner	Function Head (Benefits)	Updated Resignation (Section 5)
I 1.9	1-April-2019	Process Owner	Function Owner	Function Head (Benefits)	Annual review, No changes.