



## Separation Policy

### **Objective**

The objective of this policy is to ensure a smooth transition when an employee retires or leaves the organization and a new employee is appointed in his/her place.

### **Scope & Applicability**

Separation policy is intended to state the organization's commitment to all employees in INDOCO.

### **Internal References-**

- INDOCO Code of Conduct
- Whistle Blower Policy
- Grievance Redressal Policy
- Values

### **Our Commitments**

Our commitment is to make the separation process smooth and healthy, to understand employee issues and to maintain productivity in the organization at the time of separation. We ensure the separating employees do not face any moral problems. They will also be supported by the outplacement programs of the organization **if required**.

### **Retirement**

The process of retirement shall be initiated by the HR Head three months prior to the retirement date of the employee. He / she shall discuss with the HOD & Plant Head the retirement of the employee and a possible successor to the position and decide on the person to whom the job responsibilities shall be handed over.

It shall be the responsibility of HOD to identify a successor for the person retiring, either from within the Organization or through external hiring.

The HR Head shall issue a letter of retirement to the employee three months in advance with copies marked to all concerned. Separation or exit formalities will be initiated as needed.

### **Retirement Age:**

All plant employees in staff grades and management employees shall retire on completion of 58 years.

### **Extension of Service**

In exceptional situations, if the HOD feels that the service of the employee needs to be extended, he/she shall discuss this with the Plant Head and Manager HR and seek approval of the Corporate

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HR Head for his/ her extension in consultation with Operation Head.

The extension of service shall be for a maximum of two years and the employee shall continue to enjoy all the benefits available to him/ her during his tenure, subject to management approval. However, gratuity shall not be payable to him/ her during the period of the extension.

#### **Acceptance of Resignation**

It is our policy to make reasonable efforts to retain good employees. If an employee seems to be resigning due to things that can be corrected, efforts should be made to retain him.

When an employee announces his intention to resign in writing, steps should be initiated by his immediate superior and HR Manager to ascertain the real cause and, wherever possible, initiate corrective action. Any assurance should be made only after due thought and with the concurrence of the Operation Head and Corporate HR Head.

Employees who decide to resign and move on should be treated with respect and dignity. We need to remember that an ex- colleague is an ambassador of the organization. We are open to rehiring employees who leave the company for reasons other than performance issues.

The settlement of the employees who finally wish to separate from the organization will be made as per the terms and conditions of their service.

#### **Notice Period**

Notice period for Employees shall be as per the Appointment letter of the Employee i.e.

1. On probation – One Month
2. After Probation – Three months

#### **Exit Interview**

The company attaches considerable importance in ascertaining the views of the employees who are separating from the organization for any reason - company's policies, working conditions or terms of employment. This is likely to help the company to review and change its policies from time to time.

An Exit interview will be conducted for all employees in the management grades, including management trainees. An Employee who has been asked to resign / terminate from service is also required to complete the Exit Interview on a case-to-case basis. Exit interview for Plant Employees would be conducted by the Unit HR Head.

#### **Handing Over and Taking Over Charge**

The separating employee should hand over all pending issues and provide an update on the progress on various issues or problems that need attention. The objective is to ensure that the person taking over charge is familiar with the subjects handled by the separating employee, that there is continuity of work, that information is available for a smooth flow of work and the new person does not waste a lot of time finding out the status of various issues that are pending.

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### **Clearance Certificate**

Before the employee is relieved from his duties, he should obtain the necessary signatures on the NO DUES form from all the concerned departments.

### **Service Certificate**

The company will issue a service certificate to all employees, including trainees, who separate from the organization indicating the reason for leaving, tenure of service and his conduct and behavior during the period of service. This is to enable the employees to have a record of employment with the company.

The service certificate will be signed by the HR Manager and it will be issued on the last day of his service along with his full and final settlement.

In cases where an employee is dismissed or discharged from service, a service certificate should be made out in consultation with Corporate HR Head.

Similarly, service certificates for people who separate without giving due notice or are asked to resign for any reason should be made in consultation with Corporate HR Head.

### **Full & Final Dues Settlement**

In all normal cases, the Company should settle the account within 45 working day of the resigned employee. There should be no delay in this for reasons attributable to the company.

In exceptional cases such as dismissal, discharge, leaving without due notice, people on probation where notice period does not apply the full and final settlement should be done within 30 working days. There should be no delay in this for reasons attributable to the company.

In case the estimated full and final settlement is negative and the final dues may not be sufficient to recover all dues, the HR department may hold the salary of the employee in consultation with him / her.

### **Termination**

Termination of an employee is done as a last resort. This shall be done only after providing the employee with all necessary opportunities to improve and mend his/ her ways.

Terminations can be initiated for the following reasons:

- a) Noncompliance to code of ethics
- b) For gross indiscipline or negligence
- c) Performance Issues

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All cases of termination based on performance issues shall be resorted to only after giving adequate opportunities for improvement.

All legal terminations in Technicians, Staff and Management grades shall be initiated by the HOD, recommended by the Plant Unit Head, Unit HR Head and approved by the Operation Head and Corporate HR Head. Terminations in Management grades must be approved by Operation Head and Corporate HR Head.

### **Policy Application**

Plant HR Manager is responsible for the application of this Policy.

### **Reporting Concerns**

If you suspect any behavior that is inconsistent with this Policy, you can report it through the Whistleblower Portal: [corporatehr@indoco.com](mailto:corporatehr@indoco.com)

### **Revision**

This Policy will be revised periodically to ensure its adequacy and effective implementation. All revisions shall be subject to approval by the Corporate HR Head of INDOCO.

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