

India

Fixed Term Contracts

Fixed-term contracts are permitted. The work must be temporary and have an end date. If a worker continues working past the end date of a fixed-term contract, they will be converted into a permanent contract. If a Worker is terminated before the end of their fixed-term contract, they generally receive 2 weeks of notice and are owed the wages to the end of their contract.

Probationary Periods

Probationary periods are permitted and generally last between 3 and 6 months. During the probationary period, either party may terminate by giving 15 days' notice or salary in lieu.

Holidays

In India, Workers recognize 3 national public holidays in addition to state public holidays. On average, most states recognize about 10 public holidays each year. Workers are entitled to paid days off for public holidays.

Vacation

Annual holiday entitlements are addressed in the relevant state's State Shops and Establishments Act ("SEA"). Most SEAs provide for 15 to 20 days of paid leave per year, which accrues over time.

Working Hours

Regular working hours are regulated under the relevant SEA. Generally, work up to 9 hours per day and 48 hours per week is considered regular hours. Breaks are regulated under the relevant SEA but generally range from 30-60 minutes every 4 to 5 hours worked. Breaks are paid.

Overtime

Any time over the regular working hours is considered overtime, which is generally payable at double the Worker's wages.

Mandatory Bonuses

There is a mandatory bonus to be paid by November 30th of each year. The bonus ranges between a statutory minimum of 8.33-20%.

India

Termination

Workers on engagement for longer than 3 months generally must receive 30 days notice of termination. Notice can be reduced with a mutual agreement between Worker and Client. Workers who are considered “workmen” under the Industrial Disputes Act 1947 (IDA) and do not work in a factory, mine, or plantation, are entitled to one month’s notice of termination and severance (“retrenchment compensation”) equal to 15 days of pay for each year worked (or a pro-rata portion for work more than 6 but less than 12 months). Notice and severance requirements for non-workmen are regulated by applicable state law.

Resignation

Workers must give one month’s notice to end an employment arrangement. Employers may waive the notice period but if waived, retrenchment compensation is due.