

Employee Termination Checklist

Used by Top HR Professionals in India
(Compliant with Indian Labour Laws & HR Best Practices)

I. Pre-Termination Preparation

- ☐ **Review Employment Agreement / Appointment Letter**
 - ☐ **Check Notice Period Clause** and probation status
 - ☐ **Refer to Applicable Acts** (ID Act, Shops & Establishments, Standing Orders)
 - ☐ **Confirm Employee Classification:** Workman / Non-workman
 - ☐ **Evaluate Reason for Termination:**
 - ☐ Misconduct
 - ☐ Performance issues
 - ☐ Redundancy / Layoff
 - ☐ Absconding
 - ☐ Mutual separation/resignation
 - ☐ **Consult Legal Counsel** (for sensitive or high-risk cases)
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II. Documentation & Due Process

- ☐ **Maintain Performance Records / Warning Letters**
 - ☐ **Conduct PIP (Performance Improvement Plan)** if due to underperformance
 - ☐ **Issue Charge Sheet / Show-Cause Notice** in case of misconduct
 - ☐ **Conduct Domestic Enquiry** (with Enquiry Officer & witness)
 - ☐ **Prepare Enquiry Report with Findings & Recommendations**
 - ☐ **Provide Opportunity to be Heard (Audi Alteram Partem)**
 - ☐ **Issue Written Termination Letter** (with clear reason, final date)
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III. Statutory & Financial Compliance

- ☐ **Calculate and Process Full & Final Settlement:**
 - ☐ Notice period pay (if waived)
 - ☐ Salary till last working day
 - ☐ Earned leave encashment

- ☐ Gratuity (if applicable – over 5 years service)
- ☐ Bonus (if eligible)
- ☐ Retrenchment compensation (if required)
- ☐ Any deductions (loans, advances, etc.)

☐ **Generate FnF Payslip & Acknowledge Receipt**

☐ **IV. Exit Documentation**

- ☐ **Termination Letter** (signed by authorised person)
 - ☐ **Experience Certificate**
 - ☐ **Relieving Letter**
 - ☐ **Final Salary Slip & FnF Calculation Sheet**
 - ☐ **Gratuity Form L/Record (if applicable)**
 - ☐ **ESIC / PF Forms** (Form 10, withdrawal/transfer forms)
 - ☐ **Form 16 or tax documents (as needed)**
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 **V. IT & Admin Clearance**

☐ **Collect Company Property:**

- Laptop/Desktop
- ID Card/Access Badge
- Uniforms/Safety Gear
- Mobile devices, dongles
- Office keys

☐ **Disable Access to:**

- Email
- HRMS/CRM Systems
- Biometric Attendance
- Shared Drives/Accounts

☐ **IT/NOC Clearance Form Signed**

 **VI. Exit Interview & Feedback (Optional)**

- ☐ **Schedule Exit Interview**
- ☐ **Record Feedback Professionally**

- ☐ **Note Any Red Flags** or compliance concerns
 - ☐ **Update Employee Record as ‘Terminated’** in HRIS
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VII. Post-Termination Records & Statutory Filing

- ☐ **File EPFO Exit Date on Portal (if applicable)**
 - ☐ **Maintain Domestic Enquiry Records (for 3 years)**
 - ☐ **Update Labour Inspector File (if needed)**
 - ☐ **Retain signed termination letter in employee file**
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☒ **Final HR Review**

- ☐ All dues settled
 - ☐ All paperwork signed
 - ☐ Exit properly documented
 - ☐ No legal risks pending
 - ☐ Communication handled professionally and respectfully
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Notes:

- **Always treat the employee with dignity**, regardless of reason.
 - **Involve legal counsel** where applicable, especially for workmen.
 - This checklist ensures protection from wrongful termination claims and labor inspections.
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