



Union of IT & ITES Employees

#27 Mosque Street, Chepauk, Chennai 600005

Press Statement

We Union of IT & ITES Employees (UNITE) a registered trade union(reg. no. 3621/CNI) working towards protecting IT & ITES employees rights and livelihood.On the background of the deepening global economic crisis and the pandemic situation many companies are illegally retrenching employees and also performing wage cuts and appropriate rights while making employees work more. We like to bring to your attention two recent developments as part of our continuous effort to resist the illegal and unjust attacks on employees.

HCL is one of the leading software company in India with employee strength of 1.5 lakh. In Q4 the company posted a profit of 3,154 crores Indian rupee with 20.9% of operating profit margin. In early April, HCL gave assurance to employees there would be no salary cut or job cut due to covid19.Based on the recent HR desk email to employees HCL breaks promise in the name of restructuring for work from home with suspension of the allowances(The allowances being suspended are: Shift Allowance, Captive Allowance, Weekend working, Recruitment Allowance, Meal Allowance). Its indirect mean of salary cut is that HCL is trying to formalize in the name of new norms.

Allowance is not mercy payment of the management. Its the labour right of the employees to get an allowance component for their work. Even in times of COVID employees are still working on extended hours, shifts and weekends supporting business across the globe. So denying them an allowance is a mere cut of their salary component. Its outright violation of Indian labour law and ILO conventions for profit maximization of the company.Despite getting all exceptions for work from home from the government it's unethical to opt for suspension of allowance.

Cognizant, the US based IT giant has taken steps to illegally retrench around 12000 of their employees. The most affected will be from India as more than 60 percent of their employees are from india. This is part of the "2020 Fit for Growth Plan" which has been announced on November 2019. This was also been mentioned in the company's last year annual report as "The layoffs are part of their realignment programme and this would reduce their compensation expense by \$140 million USD annually". The report also says the company's revenue for the year 2019 is 16.8 billion USD which is 4.1% growth from 2018.With a steady growth in revenue it is unfair and illegal to force an employee to resign saying he/she was on bench. The company has reduced the bench time which makes it difficult for the employees to find a project in very short duration. These employees have spent day and night for the company's growth. This is nothing but a cost cutting method to show an increase in profit margin. The employees will be the worst affected due to this unethical practice that too in this pandemic time and deepening global economic situation.

UNITE demands HCL & CTS managements to stop this illegal and unjust practice and requests the central and state labour ministry to take action immediately against this.UNITE calls upon the employees to unite together and form a union inside your office to fight for our own and our colleagues' livelihood and well being.

Welkin
General Secretary,UNITE.
7358061136

Bharanidharan
President,UNITE
9750358370