

HR Dept.	KALYANI TECHNOFORGE LTD	Revision 04
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## Terms of Employment Policy



### INDUCTION POLICY FOR NEW EMPLOYEES

#### Purpose

All new employees are expected to go through the Induction program at the location where they have joined to get familiar with company information, policies and working of their department.

#### 2.0 Scope

Induction is compulsory for each and every employee who is joining on company's roll irrespective of which ever entity of Kalyani Technoforge Limited they join.

#### 3.0 Procedures

##### 3.1 Grade O4 and Below

For all new joiner Plant HR Coordinator will induct the employee with company information post which the employee will go through the detailed safety Induction provided by the Plant Safety Person . After completing the basic Induction, shop floor round will be provided to the new joiner and introduction with Plant Head, and other HOD's will be completed.

HR Coordinator will hand over the new joiner to respective HOD from where the Department Induction will be planned and detail plan and competition report will be sent to HR coordinator. If HOD feels the need of inducting him in other plants, he will have to request the HR Coordinator to plan accordingly, specifying exact induction requirement.

Induction sheet will be duly signed by each HOD who has provided the induction and will be signed by the new join employee and will be filled in his / her personal file for records.

##### 3.2 Grade O5 and Above

For all new joiner at Sr. Manager and above grade the Induction will be taken care at corporate. For new joiner in this grade, Plant Visit is planned as per requirement. Recruiter along with Plant HR coordinator will ensure that the plant induction is

happening as per the plan.

### **3.3. Feedback**

After completing the induction process the new joiner will be asked to fill in his induction feedback form and the same will be handed over to the HR coordinator and filled in the personal file.

## **RELOCATION POLICY FOR NEW EMPLOYEES:**

### **1.0 Purpose**

To keep diversified culture and to attract talent, hiring is done from various locations. To ensure that the new joiners settle well in the new city, relocation policy has been introduced.

### **1.1 Applicability :**

This Policy will apply to all new employees who are not residents of employee's work location and are currently working outside work location and are relocating. Prior approval, with signed approval note for availing this policy benefit is a must.

### **1.2 Procedure**

For availing the relocation benefit the employee will have to take prior approval from HR. Employee will have to submit the quote received from the agency engaged for shifting. Insurance amount charged during the shifting process will have to be paid by the employee himself.

Application for the relocation allowance is to be submitted by the new joiner within three months of joining

Employee will have to sign the letter provided by the HR department which has clause of repayment by the candidate if he/ she leaves or is terminated from service before completion of 3 Years in the organization

<b>Grade</b>	<b>Amount</b>
Below O4 and Below	15000/-
For O5 and Above	25000/-

### **1.3 General Rules:**

Employee availing the benefit should submit the bills within three months of their joining. Any deviation to the above shall be approved by CHRO.

## POLICY OF TERMS AND CONDITIONS OF EMPLOYMENT

### **[a] Purpose**

To define the policy related to the employment terms and conditions. To keep uniformity, parity and clarity amongst all the employees across KTFL

### **[b] Applicability**

To all employees

### **[c] Policy**

#### **1. Performance review – Completion of 1 month and 2.5 months**

During probation period of six months after completion of **1 month from the employee.** and **2.5 months** employee has to take pre- assessment form the immediate Manager and submit a copy to HR for records.

#### **2. Probation & Confirmation**

- a) The probation period is of **six months**. The Management may at its sole discretion extend the probation period. The probation period can be extended up to 3 - 6 months if the performance not found suitable.
- b) After completion of 5 month appraisal forms will be generate in HR portal.
- c) After online appraisal by respective HOD / BU Head and / BU HR / Head HR on the HR portal System will generate confirmation letter and employee can view the same in Confirmation Tab in his login.
- d) In the case of extension – separate letter to be given to concern employee by HR Dept.
- e) After completion of Trainee period of all Trainees, the performance of the employee is reviewed by Department Head and BU HR / Head HR and further action is decided.
- f) The Concerned location HR person will be completely responsible for the process to be completed in time lines.

#### **3. Salary payment \ Disbursement**

All salary payment is done through the bank, an individual is advised to open a bank account and give the account number to the HR department

The salary will be credited to the employees account on or before 7th of every month.

#### **4. Income-Tax Declaration**

By end of April of each financial year, the individual is required to give online declaration about the proposed investments with LIC, PPF, NSC etc. or any other tax savings scheme. This information can also be filled online in the HR Portal and is needed for tax computation of the individual.

- The proof of investment made (Xerox copies) to be submitted in the month of March online through portal.
- Based on the declaration by the individual employee tax will be deducted from the monthly salary
- The company will not be responsible to refund the employee tax deduction once it is deducted and has been paid to the authorities.

## **5. Safety**

- Safety induction is given to the employee on his\her joining.
- 4th March to 11th March is observed as safety week every year wherein the employee is encouraged to participate in various activities and also win prizes.
- Other safety related trainings are conducted by the safety department throughout the year.
- Whenever an individual is nominated to take safety training it is mandatory for that employee to participate in the training program.

## **6. Accidental Insurance**

The Company will also insure employee under a Group Personal Accident Insurance Policy. In case of an unforeseen accident (coverage of 24 hours), employee is required to duly intimate to Personnel department about the details of the accident in order to expedite the claim procedure.

This is applicable only to those employees who are not covered under the ESI Scheme

## **7. Medical Insurance**

- This is applicable only to those employees who are not covered under the ESIC.
- This is an additional facility extended to the employees by the management to reduce the hardship in case of hospitalization. Management will not be responsible to reimburse the expenses if insurance company fails to do the same. All are advised to please read and understand the terms and conditions of the policy.
- Mediclaim Floater Policy is applicable to all employees except the ones who are covered under ESIC. The sum assured is Rs.1,50, 000/- for self, Spouse and Two children (age up to 25 years) for Dy. Manager and below grade employees. For Manager O4 and above employees the sum assured is Rs. 4,00,000/- w.e.f. 01<sup>st</sup> May 2023. The benefits under the policy are applicable only for hospitalization (i.e. minimum 24 hours hospitalization). However, getting admitted for Medical check-up is not covered under this policy.
- Insurance Coverage form will be made to fill at the time of joining.

If claim of employee is not settled by Insurance Company within three months of lodging the same, the employee may contact HR Department. The decision of insurance company is final

## **8. Group Accident Policy**

- All Employees should be covered under this policy. Sum Insured will depend upon the respective employee's basic salary
- Manager & Above 72 Times of Basic
- Dy. Manager & Below 36 Times of Basic

## **9. Rewards and Recognitions**

Employees who are a part of Core Team A, B and C whose performances are consistently excellent are rewarded and recognized timely. Organization has a thought process for rewarding these employees half year and yearly as applicable.

#### **10. Employee Participation**

For keeping the employees engaged for making them work effectively at work place taking into consideration the TPM process. To cultivate this culture, organization has taken many initiatives few being

- **Kaizen and Gemba:** Each employee can submit can improvements done through Kaizen in and around workplace. From all the Kaizens submitted at each plant of KTFL a Gemba competition is organized monthly it is interplant competition. Also apart this competition two more initiatives are taken
  - a. **Five Star Employee :** The employee who submits best Kaizen each month is been awarded with “I Appreciate”, once the employee has five “I Appreciate” collected he/she is felicitated in the plant along with his family in a ceremony
  - b. **Kaizen Competition:** Every quarter there is Interplant Kaizen competition organized where the best Kaizens are awarded in various categories.
- **Innovation Projects:** Organization has taken up the initiative for process improvements and system development in order make organization work with innovative way. Each plant has taken up Innovative projects by challenging the fundamental assumptions in the existing process.

## LEAVE POLICY BELOW ASST.MANAGER

### a) Purpose

To define the policy for availing leave by an employee

### b)Applicability

To all employees, Earned leave will be credited proportionately to employee succeeding year on 1<sup>st</sup> January.

### c) Policy

#### **For All Plants**

Employees are eligible for:

- 30 Earned Leaves
- 8 Casual Leaves per calendar year.

#### **For Corporate All Employees (Since they have 5 days working; i.e. Monday - Friday)**

- 18 Earned Leave
- 6 Casual Leave per calendar year

#### **Earned Leave (EL)**

- EL – Earned leave is credited to an employee's Leave Account on 1st January of the succeeding year at the rate of 2.5 days for every completed month of service(calculated yearly in the basis of present days), with following considerations:-
- In present day consideration of the present day, all types of leaves taken(except Maternity Leaves), OD and weekly off
- Attendance consideration is from Biometric system, manual attendance, leave application and gate pass
- At the end of the year, based on days worked, 30 or less earned leave days get credited.
- Leave calculation:
- If employee is present for more than 10 days and less than 20 days then 1 earned leave will get credited to his account.
- If an employee is present for more than 20 days and less than actual working days, then 2 earned
- If an employee is present for all the days of the month then 2.5 days leave will get credited to his account in case of probationary employees.
- Leaves will get credited on employee account of time and attendance system.
  - Earned leave can be carried forward upto 60 days.

- There is no restriction on times EL can be availed. Minimum leave that can be taken is one day.
- Earned Leave cannot be prefixed or suffixed by Casual Leave.

**a. Casual leave**

On joining the Company the employee gets one Casual Leave for every two months worked. At the end of the year the balance CL will get lapsed. CL cannot be carried forward.

There is no restriction on times CL can be availed. Minimum leave that can be taken is half a day. Maximum Leave that can be taken is three days at a time. CL cannot be prefixed or suffixed by Earned Leave.

**b. Late Coming**

a.) Late coming is allowed only three occasions in a month up to 15 mins post which if the employee comes late it will be considered as half day leave (1/2). If the employee exceeded the above said limit of 3 days , for the next three occasion half day leave (1/2) will be considered and likewise it will precede for any further late comings.

b.) Late in and/or Early out (For Core A, B and Corporate Employees)  
If employee any is late in or early out on any day and then following would followed

1. Hours worked less than 4 hours- would be marked be absent for full day , leave to be applied
2. If hours worked is more than 4 hours but less than 6 hours then half day present would be considered
3. If working hours are more than 6 hours then it would be considered as days present
4. Employee needs to be understand that Sr. no 3 would be considered only on exigency conditions only.

**c. Trainees**

**a) Earned Leave**

For newly joined Trainees, entitlement is 1 day Earned Leave for 20 days worked

- ☐ 15 Days Earned Leave.
- ☐ Balance Earned Leave can be en-cash at the time of leaving.
- ☐ EL – There is no restriction on the times it can be availed. Minimum leave that can be taken is one day. EL cannot be availed along with CL and vice-a-versa.

**b) Casual Leave**

- ☐ 6 days Casual Leave when the new calendar year begins.
- ☐ CL – No restriction on the times it can be availed. Minimum Leave that can be taken is half day. Maximum CL that can be availed is 3 days at a time. CL cannot be taken along with EL and vice-a-versa.

**d. Leave Encashment & Accumulation**

- ☐ Employees have to maintain the earned leave balance as per the notice period clause mentioned in appointment letter / circulars issued by the management. Employee can en-cash their earned leaves as per the upper limit of 60 Days.
- ☐ Balance EL more than 60 Days can be en-cashed in the month of January along with salary January paid in February.

- ❓ In case of Full and Final settlement complete EL balance will be encashed maximum upto 90 days.
- ❓ In case employee need encashment during the year minimum balance to be maintained in 30 over

**e. Advance Leave**

- Employees can be given advance EL only if he is confirmed in the service of the organization, for Trainees only in crucial cases. Generally days granted are after taking into consideration the attendance and the years of service completed in the organization.

**f. Maternity Leave**

- Maternity Leave up to 26 weeks, over and above other types of leave will be granted to the female employee for reasons specified in the Maternity Benefit Act.
- In case an employee intends to avail Leave in excess of 26 weeks, and in continuation of the Maternity Leave, such extended leave will have to be availed out of the accumulated balance of Earned Leave.
- In case an employee intends to avail more leave in excess of ML and EL referred earlier, such excess leave will be considered as "Leave without Pay".
- However, if the female employee is covered under the ESI scheme, then she will be governed by the ESI Act and not the Maternity Benefit Act.
- Maternity Bonus to be paid as per the act.

**g. Compensatory Off**

- In case an employee has worked on a weekly off then he is entitled for compensatory off.
- Compensatory Off can be taken as a full day off or If an employee has worked extra for 4 Hrs. then he /she is eligible for ½ (Half Day) C/Off.
- Compensatory Off should be availed within 90 days.

**h. Leaves for TTSA:**

- For all TTSA grade employees leave balances will be allocated as per the agreement as per the locations. Bhiwadi employees to follow the



## LEAVE POLICY FOR ASST. MANAGER & ABOVE GRADES

### **Purpose:-**

Considering the long commuting time required to reach at work place on everyday basis. After informal interactions with the employees we realized that employees are interested and happy to avail first and third Saturday off. This will help them to improve their work life balance and can contribute more energetically in a focused way on the work. Hence the following leave structure is introduced with effect from 1.01.2022

### **Eligibility: Asst. Managers & Above for all Plants**

- Entitlement of the 2 additional weekly off is introduced with effect from 1<sup>st</sup> January 2022.
- The employees shall not be eligible for compensatory off for extra work done by him on any days excluding additional weekly off in which he / she is entitled for leave .
- As per work and location requirements if any manager and above grade employee is not availing or not able to avail the benefit of addition weekly off (as mutually decided with HOD and Plant HRM) then he/she will be given EL balance as 30.
- For Corporate Employees – Five Days working; i.e. Monday – Friday.

### **Casual leave**

- On joining the Company the employee gets one Casual Leave for every two months worked.
- At the end of the year the balance CL will get lapsed. CL cannot be carried forward
- There is no restriction on times CL can be availed. Minimum leave that can be taken is half a day. Maximum Leave that can be taken is three days at a time. CL cannot be prefixed or suffixed by Earned Leave.

### **Earned Leave:**

- For the calendar year that is January to December maximum 18 Earned Leaves will be entitled. Those employees who are not availing additional weekly off or are not eligible as per above policy shall be entitled to maximum 30 Earned Leaves. This will be proportionately calculated based on date of joining for the new employees who will be joining in between the calendar year.
- Sunday that is weekly off and additional weekly off will not be counted considered against leave. For Example: If employee taken leave from Monday to Sunday and up to Thursday continuously for 11 days and if additional weekly off falls in between then these 2 days will not be counted against leave. Accordingly his 9 days leaves will be consumed.
- Casual leave cannot be clubbed with Earned Leave.
- It is must for an Employee to consume 10 days of EL in a calendar year compulsory. The balance 8 days leaves shall be accumulated. At any point of time EL maximum accumulation balance should not be more than 60 days. Any accumulations over and above 60 days will be encashed to the employee every year in the month of January salary which is paid in 7<sup>th</sup> February.
- Casual leave cannot be clubbed with Earned Leave.

- It is must for an Employee to consume 10 days of EL in a calendar year compulsory. The balance 8 days leaves shall be accumulated.
- At any point of time EL maximum accumulation balance should not be more than 60 days. Any accumulations over and above 60 days will be encashed to the employee every year in the month of January salary which is paid in 7<sup>th</sup> February
- In case of Full and Final settlement complete EL balance will be encashed maximum upto 90 days
- In case employee need encashment during the year minimum balance to be maintained in 30 over and above can be encashed after approval by HOD.
- EL – Earned leave is credited to an employee’s Leave Account on 1st January of the succeeding year at the rate of 2.5 days for every completed month of service(calculated yearly in the basis of present days), with following considerations:-
- In present day consideration of the present day, all types of leaves taken(except Maternity Leaves), OD and weekly off
- Attendance consideration is from Biometric system, manual attendance, leave application and gate pass
- At the end of the year, based on days worked, 30 or less earned leave days get credited.
- Leave Calculation
  - If employee is present for more than 10 days and less than 20 days then 1 earned leave will get credited to his account.
  - If an employee is present for more than 20 days and less than actual working days, then 2 earned
  - If an employee is present for all the days of the month then 2.5 days leave will get credited to his account
- Leaves will get credited on the employee account of the time and attendance system.
- Earned leave can be carried forward upto 60days
- There is no restriction on times EL can be availed. Minimum leave that can be taken is one day.
- Earned Leave cannot be prefixed or suffixed by Casual Leave.
- As per work and location requirements if any manager or above grade employee is not availing or not able to avail the benefit of addition holiday then he/she will be given EL balance as 30.
- **Locations:**

Location	Weekly Off	2 Additional Weekly Off	EL	CL
Ranjangaon, Khed Bhiwadi, Gujarat, Mundhwa, Baramati, Ambethan	Sunday	Saturday	18	8
Chakan	Sunday (w.e.f. -	Saturday	18	8
Corporate	Sunday	All Saturday	18	6

## SOCIAL SECURITY BENEFIT POLICY

### a) Purpose

To make all the employees aware of the different securities benefits provided to them

### b) Applicability

To all employees

### c) Policy

#### 1. Provident Fund

<b>Contribution</b>	12% basic salary from employer and employee
<b>Accumulation of transfer of P.F.</b>	In case an employee is already a member of Provident Fund in his previous organization, he will have to fill the transfer form on joining
<b>Nomination</b>	Prescribed Nomination Form will have to be filled at the time of joining. In case of change of nomination (i.e. in case of marriage, etc.), a fresh nomination form shall have to be filled in and submitted to Personnel Department. Nomination forms are available at Personnel Department
<b>Clearance of family pension</b>	Upon retirement the employees are advised to approach Personnel Department with the following documents for submitting their application towards Family Pension Scheme : 1] Form No.10C 2] Form No.10 D (may be filled as may be applicable)
<b>Employees deposit linked Insurance scheme</b>	All employees who are covered under "The Employees Provident Fund and Miscellaneous Provisions Act, 1952" are also entitled to benefits under the Employees Deposit Linked Insurance Scheme. Benefits under this scheme are available in case of death only. The amount payable is maximum Rs.150,000/- as insurance claim
<b>Final Withdrawal</b>	Please check the Income Tax liability before submitting withdrawal forms.

## 2. Gratuity

<b>Coverage</b>	Will be paid only if an Employee leaves after completion of 5 years of continuous service in KTFL or group companies.
<b>Eligibility</b>	<p>As per act</p> <p><b>For 5 years up to 10 years</b> 15 days of Basic Salary for every completed year of continuous service.</p> <p><b>For Service above 10 years</b> If an employee completes 10 years of service or more then he will be entitled for 30 days basic salary for every completed year of continuous service.</p> <p><b>For Trainees</b> Date of eligibility Gratuity applicable from date of appointment as Trainee w.e.f. 01<sup>st</sup> Sep 23</p>
<b>Taxability</b>	As per Income Tax Act
<b>Nominees</b>	Employee must fill in a nomination form on joining the organization. Change of nomination if any will be employee's responsibility.
<b>Forms Management of the Schemes</b>	Prescribed forms to be filled in for availing the Gratuity Presently the scheme is managed through LIC.

## 3. Superannuation

<b>Eligibility</b>	<p>All M1 &amp; M2 Grade Employees.</p> <ul style="list-style-type: none"> <li>- Management has given option to existing O5 and below level w.e.f. 18.05.2011.</li> <li>- New joinee will be eligible to get the superannuation allowance paid in his salary per month at the rate of 15% of his basic.</li> <li>- Salary limit: having the basic salary of 21,000 per month and above.</li> </ul>
<b>Nominees</b>	<p>Wherever applicable, concerned employee should fill the nomination form.</p> <p>Change of nomination if any will be employee's responsibility</p>

<b>Withdrawal</b>	Presently the scheme is managed through LIC. In case of separation of the employee from the company, superannuation amount accumulated to credit, may be withdrawn or transferred. In case of Retirement, 1/3rd amount can be withdrawn and 2/3rd goes to pension. The Employee leaving the company before retirement has to fill in the form and the entire amount can be withdrawn or transferred as per his/her will.
<b>Taxability</b>	As per Income Tax Act

## EMPLOYEE MOTIVATION POLICY

### Introduction

We believe that our employees are assets for the company, so we strive to retain motivated workforce and always encourage them for better performance. We also believe that employee participation in all process is very instrumental in achieving success.

Employees are the Human Beings who are always feel better if they are appreciated for right cause. The work environment and working condition plays a vital role in motivating the Employees. Management has initiated various people processes to the overall employee engagement.

Following are the initiatives taken by the Management to Motivate:

**1. Wage Settlement:** We ensure that employees are given the necessary compensation and benefits as per the market as well as industry region comparison. This settlement signed amicably with mutual discussions, higher benefits has been incorporated in the wage agreement.

**2. Incentive:**

The Incentive is given to the Employees based on their Extra Ordinary Performance in monetary terms. Precise Targets are set to achieve incentives as per annexures attached in wage agreement.

**3. Attendance Bonus:**

The above benefit is applicable to TTSA as per their agreement.

**4. Birthday Celebration:** On birthday, Employee receives a birthday greeting at the Communication Meeting there is a lucky draw through which we pick up two lucky winners who receive a birthday gift.

**5. Employee Engagement Activities:**

Employee Engagement Activities are carried out as per Event Calendar.

**6. Communication Meeting:**

Every month the meeting is planned to give brief information about previous month performance and upcoming targets. Also the top management team appreciates the top performer of the month and awards are given to achievers.

**7. Involvement of Employees in improvement.**

We involve all the employees of our company in every improvement activities like TPM Circles and Kaizen Drives etc.

**8. In-house Bulletin.**

The In-house bulletin "Spandan" is published half yearly which includes achievements of all employees during that particular period. Also the employees whose children excel in 10<sup>th</sup> & 12<sup>th</sup> standards, their name and photographs are published.

**9. Festival Greetings.**

At the time of Diwali the management is providing Sweet Boxes/Dry Fruit Box to every employee.

**10. Appreciation Awards:**

These awards are given on the achievement of certain targets set for them.

**11. Safety week Celebration:**

On 1<sup>st</sup> week of March the Safety week is celebrated to provide them importance about the safety.

**12. Annual Health Check Up:**

The free medical health checkup facility is given for Manager and Above employees and their spouse every year.

**13. Employee Transport:**

The bus facility is provided to everyone with a low cost that is from the location where the employee lives. This is not applicable for Corporate and Mundhwa Plant employees.

**14. Canteen:**

The proper hygienic food is provided from the Canteen to the employees. Also company arranges the

breakfast and lunch facility for them at subsidized rates.

**15. Uniform:**

It provides the identity for the employees of working with our organization. The company provides a pair of uniforms in a year.

**16. High Quality PPE:**

The good quality safety materials like Gloves, Goggles & Ear Plugs are provided to the workers to avoid accidents and easy material handling.

**17. Hospital Services:**

If any employee met an accidents within factory premises to provide the well hospitalization to those employees.

**18. Medi-Claim Policy:**

All the employees Medi-claim and Group accident policy shall be provide. Sum insure is as follows.

Grades	Mediclaime Sum insurance	Group Accident	Max limit (Whichever is less)	Medi-claim Cover Family
O3- and Below Grades	Rs. 1,75,000/-	Basic+DA *36= S.I.	15 Lakhs	Self, Spouse, 2 Children's upto age of 25 years.
O4 and Above Grades	Rs. 4,00,000/-	Basic+DA *72= S.I.	25 Lakhs	

## Salary Advance Policy

### **Objective:**

- To facilitate employee to avail benefit of obtaining advance from the salary in advance, in case of medical and educational emergencies wef 1<sup>st</sup> April 2020.

### **Applicability:**

- To all employees across organization.

### **Purpose:**

- Employee will be eligible to avail Rs. 15,000/- as salary advance in case of emergencies aroused due to
- Medical treatments—Self, spouse and children
- Educational emergencies
- This facility can be availed by the employee only twice in a financial year.
- Employee has to submit an application to the concerned Plant Head clearing mentioning the need for applying for the salary advance.
- After the Plant Head Signature the application has to be sent for signature to Plant HR head for further processing.
- The deduction will be done in min six equal and max ten installments in the next salary cycle after availing the facility.
- In case of receipt of application for the other emergencies like household etc.. will be considered by management in special case only.
- In case if the recovery schedule is not followed intimation to be given to HR by Finance department.
- Management reserves the right for any discretion and modification of the Policy.