

6.2 HR MANUAL CONTENTS

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ABOUT THE KCP LIMITED

KCP Group is a leading, dynamic industrial group in South India for over 7 decades, with its business spanning over diverse products. Cement, Heavy Engineering, Sugar, Power generation (Hydel, Wind, Thermal & Solar) and Hospitality are the core areas of its business. KCP Group has associate companies such as Fives Cail-KCP Limited, which develops and designs machinery for sugar industry; KCP Technologies Limited, is engaged in providing software solutions and software products reselling; KCP Vietnam Industries Limited, produces refined sugar at the factory located in Vietnam.

6.2.0 - KCP PHILOSOPHY

KCP's philosophy is to 'Modernise, Indigenise, Never Compromise on Technology'. This has taken KCP from being a single co-operative sugar factory in 1941 to being one of the largest and most well diversified industrial houses in India.

6.2.1 - KCP VISION

Our Vision is to achieve Organisational Excellence through Innovation.

6.2.1(a) - KCP MISSION

Sustainable Growth through Diversified Quality Products, Processes and Services for all our Stakeholders.

6.2.1(b) - KCP CORE VALUES

- Indigenise:** Indigenisation is key to sustainable development and stay competitive. We strive to use our own resources, knowledge and skills. We strive to generate economic value for the nation through indigenization of industry complying with applicable laws and regulations at all levels.
- Respect People:** We care for our employees and customers. Workplace safety is our top priority. We show respect, compassion and humanity to all associated with us. We share prosperity with employees and shareholders.
- Integrity:** We conduct our business with honesty and transparency upholding highest standards of business ethics.
- Commitment:** We honour all commitments – passion for quality, excellence, superior technology and accountability. We are committed to the betterment of our environment and community.
- Innovation:** To be at the forefront in our operations, innovation is the key. We continuously seek cutting-edge technologies. We pursue newer and better processes, procedures, products, services and management practices.

6.2.2 - HR POLICY

KCP's Human Resources Development & Services (HRD & S) Department will add value to all its Units and associate companies by ensuring that the right person is assigned for the right job and that they grow and contribute towards organisational excellence.

6.2.3 - OBJECTIVE OF THE MANUAL

The objective of this HR Policy Manual is to enlighten the employees of the company/associate companies about the various HR practices/procedures/welfare and amenities of the company, which would help the Unit Heads / HOD's not only to keep themselves abreast of the various policies and procedures but would also be useful as a valuable guide in their day-to-day discharge of their respective functional areas and the employees at large would get an insight of the procedures/rules to be followed in respect of various areas of HRD & Services.

6.2.4 - MANPOWER PLANNING

6.2.4 A. PURPOSE

To outline the basic procedure to be followed in undertaking manpower planning; developing organisation structure, role description and authorising changes in them.

6.2.4 B. SCOPE

This procedure is applicable to all units of the organisation (and its subsidiaries) and covers all levels of employees. It is mandatory for all the personnel involved in the above defined activities to follow this procedure.

6.2.4 C. PROCEDURE

1. Manpower Studies

- (a) The Industrial Engineering department (IED) or Independent Agency will undertake manpower studies and determine the standard force. The studies will be done once in every three years. However, a yearly review will be done to accommodate for changes.
- (b) During the studies by the IED or Agency the concerned department heads and personnel heads will be consulted.
- (c) The studies pertaining to an unit will be approved by the concerned Unit Head and the Head of HRD & Services department and put up for management's (ED/JMD/CMD) clearance.

2. Organisation Structure & Role Description

- (a) On approval by the management, the HRD & Services department will arrange for the preparation of organisation structure charts and role description sheets in the final form.
- (b) Organisation charts will also indicate the names of the personnel in the respective positions.
- (c) Role descriptions prepared will be illustrative in nature and not exhaustive and it shall be obligatory on the part of the incumbents to carry out such duties /assignment which falls within the overall perspective and or adjunct to their functional position (i.e.) they will not be the only do's and do not's of a particular role. They will not include descriptions of general in nature. In addition to any such defined role description, the concerned superiors instructions and the various other organisational day to day requirements will form part of any individual personnel's function.
- (d) Any unit head or department head can at any time make requests for a copy of the organisation chart and position description sheets pertaining to them. HRD & Services department will act on all such requirements.

3. Changes

- (a) Any change to the organisation structure and role descriptions will have to be authorised by the HRD & Services department.
- (b) If required, the HRD & Services department will initiate a study by the IED or Agency before authorising any change.
- (c) In case any changes come up during the studies of IED they will have to be authorised by the HRD & Services department.
- (d) In case of any new position to be created, upgradation of the existing position or deletion of a position the HRD & Services department will obtain the management's clearance.
- (e) Any department head or unit head can request for a review of the organisation structure and role descriptions. All such requests will be routed through HRD & Services department for necessary action.

4. Monitoring

- (a) The HR & S departments of the units will send manpower statements to HRD & Services department every month.
- (b) The statement will show the present manpower position.
- (c) The HRD & Services department will continuously monitor the deviations from the standard force and ascertain the reasons for the same.

6.2.5 - RECRUITMENT AND SELECTION

6.2.5 A. PURPOSE

To provide a general outline of uniform procedures to be followed in acquiring personnel possessing the knowledge; skills and abilities required for the operation, growth and development of the organisation.

6.2.5 B. SCOPE

This procedure will be followed in all recruitment and selection activities of the organisation to ensure uniformity. All personnel involved in such activities stated will have to adhere to this procedure.

6.2.5 C. PROCEDURE

1. Vacancy Identification

Vacancy normally occur due to -

- (a) Superannuation of an employee
- (b) Resignation by an employee
- (c) Termination of an employee
- (d) Changes to the organisation structure, or
- (e) Internal personnel adjustments
- (f) Death of an employee
- (g) New Business

2. Whenever a vacancy is identified the HRD & Services department will initiate action for filling up the vacancy in case of Management, Administrative and Technical Staff. The unit HR & S department will initiate action in case of staff other than those stated above. However, HRD & Services department will be informed of the vacancies as and when arises.
3. In case of superannuation of an employee, an action for succession will be initiated at least a year before such superannuation. A succession planning exercise will be undertaken and reviewed every year for the next five years. For Management, Administrative and Technical staff the HRD & Services department and for others the unit HR & S department will be responsible for this. The units will discuss these with HRD & Services department.
4. In case of new positions being created, the procedure for approval of the position has to be followed as explained in Section 6.2.4 (Man Power Planning). On approval, the HRD & Services department or unit HR & S department, as the case may be, will initiate steps for filling up the positions.
5. Any recruitment action will begin after the HRD & Services department determines that it is within the budgeted strength. For any recruitment beyond the budgeted strength the HRD & Services department will take the management's clearance before initiating any action.

6. Whenever changes are effected to the organisation structure, the HRD & Services department will also study the feasibility of personnel readjustments before initiating action on recruitment, if any.
7. The HRD & Services department or the unit HR & S department, as the case may be, will use all available sources for hiring suitable personnel.
8. Whenever possible, suitable candidates from within the organisation will be considered for promotion/rotation into more responsible positions/different areas.
9. All advertising, including newspapers, magazines, dot.com and all other advertising media, for employment purposes will have final approval of the HRD & Services department. For advertising expenditures crossing Rs.50,000/- management's clearance will be taken.
10. All applications received by any source whatsoever will be scrutinised by the HRD & Services department or the unit HR & S department as the case may be. After such scrutiny, a list of candidates for interview will be prepared.
11. Interview Panel: The HRD & Services department or unit HR & S department will nominate a panel for the interview. A suitable date for the interview will be fixed by the HRD & Services department or unit HR & S department and all concerned will be informed.
12. The shortlisted candidates will be sent a call letter/telegram/e-mail for interview, specifying the date, time and venue by the HRD & Services department or unit HR & S department, as the case may be.
13. Each applicant has to fill the Personal Profile application form of the organisation before they attend the interview.
14. Every panel member will evaluate the candidates' performance on an assessment form (format enclosed) and the HRD & Services department or unit HR & S department collects all such assessment forms for final action.
15. The method of interview and various other selection criteria will be determined prior to the interview by the HRD & Services department or unit HR & S department.
16. After the interview a list of selected candidates will be prepared in the order of selection and signed by all panel member. If the interviewed candidates are not found to be good, fresh process will be initiated as outlined above.
17. Expenses incurred by the candidates for attending the interview will be reimbursed as per the rules given in the **Annexure-2**. All such reimbursements must be duly approved by HRD & Services department or unit HR & S department, as the case may be.
18. All aspects of employment will be discussed by HRD & Services department or unit HR & S department, with the shortlisted candidates and a final selection will be made. In

cases where the unit HR & S department has conducted the interviews, it will inform HRD & Services department about the same and obtain its clearance before issuing appointment orders.

19. In case of Management, Administrative and Technical staff, where it is deemed necessary by the HRD & Services department and particularly for all recruitments in Manager and above levels, management's clearance will be obtained before issuing appointment orders.
20. Wherever it is deemed necessary, the HRD & Services department or unit HR & S department, as the case may be, will first make an offer to the selected candidate and on acceptance of the offer, a formal appointment order is issued after joining.
21. Issuance of the appointment orders will be as per the guidelines enunciated in the Section 6.2.6.

6.2.6 - APPOINTMENTS

6.2.6 A. PURPOSE

To outline the procedure for issuing the appointment letters; promotion letters; increment and all other letters of personnel related orders and the follow up actions.

6.2.6 B. SCOPE

This procedure is applicable to all units of the organisation. Various aspects related to this are presented in more detail under separate procedures.

6.2.6 C. PROCEDURE

1. Appointment Letters

- (a) On acceptance of the offer by a candidate or on a decision of selection of a candidate, the process of preparing the appointment letter will be initiated by the HRD & Services department or unit HR & S department, as the case may be.
- (b) Appointment letter models for different levels are shown in the **Annexure-4** and the rules and regulations and all other terms of employment like employment related benefits etc. are as enunciated in various sections of this manual.
- (c) Before initiating an appointment letter preparation, the grade, designation, salary etc. details will be decided by the HRD & Services department or unit HR & S department, as the case may be.
- (d) The HRD & Services department or unit HR & S department may consult the unit heads/department heads, if required in deciding the grades and designation. However, normally a set practice, as approved by top management and mentioned separately in the concerned sections of this manual, will be followed.
- (e) After the appointment letter is prepared, the HRD & Services department or unit HR & S department, as the case may be, will approve the draft and put up for signature, to the concerned authority specified later on in this procedure. All letters will be in 2+2 copies.
- (f) Wherever, the HRD & Services or unit HR & S department is the signing authority, they will duly sign the letter and indicate further action as outlined later in this procedure.

- (g) All the other copies will be maintained by the issuing authority (i.e.) HRD & Services department or unit HR & S department, as the case may be. Further action will be initiated after the receipt of acceptance by the appointee and as per the procedure outlined herein. All appointment letters will be posted alongwith other benefits letter after joining the duty.

2. Increment Letters

- (a) Generally increments are given annually and the quantum of increments will be decided as per the procedure mentioned later in this manual.
- (b) HRD & Services department for Management, Administrative & Technical staff and unit HR & S department for other staff will prepare the increment letters and on verification put up for signature by the concerned authority; specified in this procedure later on.
- (c) After the letters are duly signed by the concerned authority they will be sent to the individual employee through the departmental heads.

3. Promotion Letters

- (a) Promotion from grade to grade, category to category are decided by the HRD & Services department or unit HR & S department, as outlined in a different sections of this manual.
- (b) Letter for promotions will be prepared by HRD & Services department in case of promotions within the Management staff, the Administrative Staff and the Technical Staff. For the promotions within the staff other than stated above, the unit HR & S department will prepare the letters. These letters are prepared in 2+2 copies.
- (c) On verification, letter will be put up to the concerned signing authority, specified later in this procedure.
- (d) On the letters being duly signed, the first copy is sent to the employee through the concerned unit head/department head and remaining copies are distributed as outlined later in this procedure.

4. Signing Authority

Sl.No.	CATEGORIES	APPROVING	SIGNING
1.	APPOINTMENT LETTERS:		
(a)	Management Staff: Grade 1 - 10	CMD/JMD/ED	Head of HRD & Services
	Grade 11 - 19	CMD/JMD/ED	CMD/JMD/ED
(b)	Non-Management Staff: Admin/Technical/Workers at Units	Unit Head/ Head of HRD & Services	Unit Head/ Head of HRD & Services
	Admin/Technical at R.O.	Head of HRD & Services	Head of HRD & Services
(c)	Executive Trainees/ Management Trainees/ Company Trainees/ Industrial Trainees & other Trainees in Diploma and Graduate Levels	ED/ Head of HRD & Services	Head of HRD & Services
(d)	Apprentices	Unit Head	Unit Head
(e)	Retainers/Consultants/ Advisors	CMD/JMD/ED	CMD/JMD/ED
2.	INCREMENT LETTERS:		
(a)	Management Staff Grade 1 - 10	CMD/JMD/ED	Head of HRD & Services
	Grade 11 - 19	CMD/JMD/ED	CMD/JMD/ED
(b)	Non-Management Staff – Units & R.O.	JMD/ED	Head of HRD & Services
3.	PROMOTION LETTERS:		
(a)	Management Staff Grade 1 - 10	CMD/JMD/ED	Head of HRD & Services
	Grade 11 - 19	CMD/JMD/ED	CMD/JMD/ED
(b)	Non-Management Staff - Units & R.O.	CMD/JMD/ED	Head of HRD & Services
4.	REDESIGNATION:		
(a)	Management Staff Grade 1 - 10	CMD/JMD/ED	Head of HRD & Services
	Grade 11 - 19	CMD/JMD/ED	CMD/JMD/ED
(b)	Non-Management Staff – Units & R.O.	CMD/JMD/ED	Head of HRD & Services

Sl.No.	CATEGORIES	APPROVING	SIGNING
5.	OFFER/BENEFIT LETTERS:		
(a)	Management Staff	Head of HRD & Services	Head of HRD & Services
(b)	Non-Management Staff - Units & R.O.	Head of HRD & Services	Head of HRD & Services
6.	TRANSFER LETTERS:		
(a)	Management Staff Grade 1 - 10	CMD/JMD/ED	Head of HRD & Services
	Grade 11 – 19	CMD/JMD/ED	CMD/JMD/ED/
(b)	Non-Management Staff (Transfers within the Unit)	Unit Head	Unit Head/ Head of HRD & Services
(c)	Non-Management Staff (between Units and Non-Management Staff - R.O. within the Office)	Head of HRD & Services	Head of HRD & Services
7.	RETIREMENT NOTICES/RETIREMENT LETTERS:		
(a)	Management Staff	-	CMD/JMD/ED
(b)	Non-Management Staff – Units & R.O.	-	Head of HRD & Services
8.	SPECIAL COMMENDATIONS:		
(a)	All Categories of Employees	CMD/JMD/ED	CMD/JMD/ED/ Head of HRD & Services
9.	DISCIPLINARY ACTION/ TERMINATION/ CONFIRMATION AFTER PROBATION/ CONFIRMATION AFTER COMPLETION OF TRAINING Non-Management Staff – Units	CMD/JMD/ED CMD/JMD/ED	Head of HRD & Services Unit Head/ Head of HRD & Services
10.	TEMPORARY SERVICES:		
(a)	Below Diploma and Graduate Levels	Unit Head	Unit Head/ Head of HRD & Services
(b)	Diploma, Graduate and above Levels	Head of HRD & Services	Head of HRD & Services
11.	ACCEPTANCE OF RESIGNATION:		
(a)	Management Staff Grade 1 - 10	Head of HRD & Services	Head of HRD & Services
	Grade 11 – 19	CMD/JMD/ED	CMD/JMD/ED
(b)	Non-Management Staff – Units & R.O.	Unit Head / Head of HRD & Services	Head of HRD & Services

5. (a) Further action on offer letters will be taken on receipt of the duplicate copy of the same duly signed by the appointee.
 - (b) Once the appointee accepts the offer, an approximate date of joining will also be taken from him/her and the unit head and department head where the appointee is to join will be informed of the appointment and likely date of joining of the appointee.
 - (c) The appointee will be joining duty at the headquarters mentioned in the appointment letter. Any change in this will have to be approved by the signing authority.
 - (d) The appointee will be eligible for certain joining allowances as per the rules given in the **Annexure-3**. On reporting for duty he can claim this by submitting necessary details.
 - (e) On reporting for duty, the other aspects relating to induction will be initiated, as outlined separately.
6. Increment letters, other benefit letters, redesignation letters, transfer letters, relief letters, confirmation letters, retainer/consultant/advisor letters, temporary service letters will be copied to –
 - (a) Concerned Unit Head / Department Head
 - (b) Concerned HR & S departmentapart from sending the original to the concerned employee and having one file copy for the personnel file.

6.2.7 - INDUCTION

6.2.7 A. PURPOSE

To ensure that a new employee, who is an investment, will be thoroughly oriented and inducted into the organisation.

6.2.7 B. SCOPE

This procedure is applicable to all units of the organisation and covers all levels of the employees.

6.2.7 C. PROCEDURE

1. As outlined in the earlier sections, an employee is selected and appointed will intimate the signing authority of his acceptance and the likely date of joining. This will be informed to all concerned as mentioned earlier.
2. The HRD & Services department or unit HR & S department in consultation with the unit head and department head will develop an induction program for every appointment accepted. Copies of this will be made available to all concerned in advance.
3. On the date of joining, the employee will sign a joining report with the HRD & Services department or unit HR & S department, as arranged for earlier.
4. The HRD & Services department or unit HR & S department will ensure all the aspects of the employment and related benefits are explained to the new employee and have him complete necessary forms.
5. The HRD & Services department or unit HR & S department, as the case may be, will inform the concerned payroll section for pay roll purposes.
6. The HRD & Services department or unit HR & S department, where it is the signing authority, will prepare and maintain a permanent personnel record file on each employee.
7. On giving the joining report, the employee will go through the induction program, which is developed as per point 2 of this procedure.
8. After the total induction is over, a feed back is obtained from the new employee in order to further strengthen the induction program.

Eligibility of Various Facilities will be as Follows

Grade	Designations	Laptop (need based)	Desktop	Mobile (need based)	Email ID	Business Card (need based)
Grade 15-19	EP, CFO, Sr. VP, VP, Sr. GM, GM	<input checked="" type="checkbox"/>	✓	✓	✓	✓
Grade 11-14	GM, Sr. DGM, DGM, AGM	✓	✓	✓	✓	✓
Grade 7-10	Sr. Manager, Manager, Dy. Manager, Asst. Manager		✓	<input checked="" type="checkbox"/>	✓	✓
Grade 4-6	Asst. Officer, Officer, Sr. Officer		✓		✓	<input checked="" type="checkbox"/>
Grade 1-3	Other Management Staff		✓		✓	
NMS (T)	Drivers, Electricians, etc			<input checked="" type="checkbox"/>		

☒ Need based only.

Note:

All Laptops, Telephones / Mobiles / Office telephones are to be used purely for official business purposes. However, in cases of emergency, personal calls may be made on prior approval from the departmental heads. Charges for such calls will be borne by the employee. Where a misuse is identified necessary action will be taken as deemed fit by the Management.