

EMPLOYEEHANDBOOK

PREAMBLE

Rucha Engineers Pvt. Ltd. (RUCHA) traces back its history to a modest start in 1987 as a small enterprise, which in 1993 ventured into mainstream manufacturing of auto ancillaries. Over the years it has gone through multiple structural and business transformation to become what it is today as a leading auto ancillary business.

RUCHA firmly believes in R.U.C.H.A. values, which guides all aspects of work undertaken by the organization and adopts a pro-employee approach.

This Employee Handbook is a tool to communicate RUCHA's vision and mission along with pro-employee initiatives and benefits it extends to its employees. It is expected that the employees also act ethically, responsibly and in good faith while utilizing these benefits.

Employee Handbook serves only as a quick reference. Situation wherein a need of detail interpretation arises for purpose of implementation or execution we advise you to refer HR Policy Handbook or contact HCM department.

VISION

- > A globally preferred supplier based on our engineering edge
- > A benchmark company
- > Targeted growth of 25% YoY

MISSION

- Balanced growth
- Moving up the technology ladder
- Value creation
- Being "Partner of Choice" to all stakeholders

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1. GENERAL NORMS

RUCHA strongly believes in discipline in its overall conduct and expect the same from all their stakeholders. It is responsibility of individual employee to consciously follow the general discipline.

- 1.1. All employees are provided with an identity card (ID) which, contain employee particulars. This ID card is given for:
 - Identification of the employee
 - Entry and exit from the factory
- 1.2. The employee shall carry his ID card on themselves visibly at all times when inside the factory and present it while entering or leaving the factory or on demand by the security guard, supervisor or the HCM department.

1.3. ATTENDANCE

- 1.3.1. Every employee compulsorily "PUNCH IN" and "PUNCH OUT" their attendance through the biometric attendance recording machine at the time of entering and leaving the factory premises.
- 1.3.2. First 2 late comings in a month up to 10 minutes each can be considered for attendance regularization. If this late coming is more than 10 minutes then salary will be deducted for the actual late coming.
- 1.3.3. From 3rd late mark even for a minute, it will be considered as half day absentee without pay.

1.4. WORKING HOURS

- 1.4.1. The company works six days a week in an 8 hours shift, which excludes lunch break for thirty minutes.
- 1.4.2. The normal weekly off will be on Sunday or any other day in a week as observed at the plants wherein an employee is placed for the work or as modified from time to time to suit the needs of the Customers of that plant.

1.5. SHIFT TIMINGS

Individual plants can adopt different timing suitable for them as per customer they are catering to or on account of any other operational constraint. Indicative shift timings are given below:

Shift	Start shift	Meal Time	End shift
l Shift	07.00 A.M	11.00 – 11.30 A.M	03.30 P.M
General	09.00 A.M	01.00 – 01.30 P.M	05.30 P.M
II Shift	03.30 P.M	07.00 – 07.30 P.M	12.00 Night
III Shift	12.00 Night	-	07.00 A.M

1.6. **DRESS CODE**

All the employee must strictly adhere to the company stipulated dress code. It is expected from employees to maintain self-discipline in terms of dress code and frequent failure to adherence will attract Disciplinary Action.

For detail procedural aspect, please refer REPL/HCM/2018/014/Misconduct and Disciplinary Action Policy.

2. LEAVES

The company has a policy for leave entitlement and availment which is applicable for all the employee, which enable them to take rest/recover in case of illness or take care of any personal emergencies or unavoidable commitments. For detail procedural aspect, please refer REPL/HCM/2018/009/Leave Policy.

2.1. CASUAL LEAVES & PAID HOLIDAYS

- 2.1.1. The total casual leave + sick leave admissible during a calendar year will be 21 days.
- 2.1.2. Paid Holidays: In a year we recognises 6 Paid Holidays including mandatory Republic Day and Independence Day. Along with customer schedules and plants geographic location, local norms/customs/preferences will dictate paid/festive holidays. Respective location HCM will communicate this time to time.

2.2. COMPENSATION OFF

- 2.2.1. Compensatory off will be eligible only up to Sr. Engineer/Sr. Officer grade i.e. E1 level. Compensatory off is applicable to only those eligible staff who works a full day on their weekly off or on Paid Holidays or works in 2 consecutive shifts.
- 2.2.2. Compensatory off should be used within 30 days of its creation and maximum 2 compensatory off will be allowed to avail at a time. Maximum 4 Compensatory Off can be accumulated.

2.3. SHORT LEAVE

- 2.3.1. Short leave will be applicable to Asst. Manager and above grade employees and approved short leave won't be deducted from leave balance nor salary gets deducted
- 2.3.2. Short leave will be allowed only twice in a month for late coming or early going for 2 hours only subject to prior approval from DH / PH / FH.

2.3.3. If an employee came late or went early for more than 2 hrs, then, half-day leave will be considered.

2.4. MATERNITY LEAVE

- 2.4.1. Maternity leave right will be governed and exercise in accordance with latest applicable law at the time.
- 2.4.2. It is advisable to applicable employee to inform head HCM about maternity at earliest so that necessary steps can be taken to avail maternity benefits while not disturbing regular operations of the department employee belong to.

2.5. LEAVE ENCASHMENT

- 2.5.1. Casual and Sick Leaves can be accumulated by employee up to maximum 90 Leave. Any further balance will be automatically encashed on current Basic+DA salary in the month of January.
- 2.5.2. An employee can apply to take leave encashment benefits on current Basic+DA by maintaining minimum 30 leaves as balance.

3. COMPENSATION & BENEFITS

RUCHA compensation guidelines are designed to provide our employees with a salary that is competitive with local and national market conditions. All positions are classified under specific titles and salary grades or ranges. This classification system reflects job relationships and salary equity. Pay increases occur within minimum to maximum ranges assigned to each job classification.

3.1. MONTHLY SALARY

- 3.1.1. All Employees shall be paid monthly on a scheduled payday, which is on the first day of the subsequent month and attendance cut off will be the 25th day of the month.
- 3.1.2. In the event that a regularly scheduled payday falls on a weekend or holiday, an employee shall receive pay on the next day of operation.
- 3.1.3. The Company pays an employee by directly crediting individual salary into the respective bank accounts with Saraswat Bank.
- 3.1.4. The salary is credited into respective employee accounts after deduction of Tax, instalments towards advances and other mandatory contribution/deduction.
- 3.1.5. Please review your salary slip when you receive it to make sure it is correct. If you believe a mistake has occurred or if you have any question, please contact Human Resources.

3.2. VARIABLE PAY

- 3.2.1. The basic objective of variable pay is to motivate employees for delivering consistently on predetermined objective and recognise and reward an employee who consistently deliver objective set by performance management system
- 3.2.2. 'Variable pay' is a part of employee CTC who is drawing salary above a certain level and it is governed by performance management system which set individual KRA/KPI and targets at beginning of each financial year

- 3.2.3. Every month the employee will be evaluated on their performance against these set targets by their Department Head or Senior Management
- 3.2.4. Terms and Conditions for Variable Pay
 - 3.2.4.1. Applicable to Sr Engineers / Sr Officers and above grade staff members and drawing CTC more than Rs.30,000/-per month.
 - 3.2.4.2. Payable on Quarterly Basis after a quarterly assessment based on the performance rating only
 - 3.2.4.3. Payable for Rating A 100%, B 50%, C NIL
 - 3.2.4.4. Rating Criteria:
 - KRAs Score more than 75 'A' rating
 - KRAs Score 60 to 74 'B' rating
 - KRAs Score less than 60 'C' rating
 - 3.2.4.5. Variable Pay will be paid for Payable days only (Based on attendance)
 - 3.2.4.6. Employee whose performance for a quarter has rated below A [Marks < 75%], will get an opportunity to submit KRA of that quarter with improved performance rating in subsequent quarters
 - 3.2.4.7. On submission of improved performance rating employee will get paid remaining deducted variable pay of quarter under question in which his/her performance was below A
 - 3.2.4.8. The Maximum period for which employee is eligible for presenting improvised KRA is till the end of the current financial year i.e. March-end
 - 3.2.4.9. New employee during probation period (First Six Months) is eligible to receive of 100% variable pay irrespective of performance score but will strictly have to maintain and submit the KRA's

3.3. BENEFITS:

3.3.1. Accidental Insurance

- 3.3.1.1. Employees drawing gross salary up to Rs.21000 per month will be covered under the Employee State Insurance Act. There will be a deduction of 1.75% of the employees gross salary including all allowances and 4.75% will be contributed by the company.
- 3.3.1.2. For those who are not covered under ESIC, in order to provide monetary benefit in case of accident, we have taken Group Personal Accident Policy from New India Assurance Company.

3.3.2. Mediclaim Insurance

It is advisable for all employee to avail Mediclaim insurance especially who are not covered under ESIC. Company has standing arrangement with insurance provider, details of which can be sought from HR for enrolment. Cost of the same to be born by employee.

4. BUSINESS TRAVEL

Travel has become integral part of doing business and as an organization we are intend to ensure employees traveling for purpose of organization's business needs are having safe excursions.

- 4.1. Employees are advised to evaluate necessity of travel from perspective of time & cost against advance communication technology at our disposal, while not sacrificing the objective of traveling.
- 4.2. These guidelines are formulated to establish standards for reimbursing business expenses incurred by an employee during performing his duty to meet business objectives.
- 4.3. All business tour shall be undertaken after prior written approval from the concerned Department / Function Head.
- 4.4. The employee has to take their outstation tour is well planned with safety as a paramount concern and strictly avoid illegal mode of transport.
- 4.5. For safety concern, the employee has to communicate travel plans and accommodation details to the reporting manager and family members.
- 4.6. All the expenses incurred during a business tour needs to document carefully along with supporting bill and needs to claim within stipulated time on return.

 For detail procedural aspect, please refer REPL/HCM/2018/011/Travel Policy.

4.7. **LOCAL TRAVEL**

4.7.1. Rates will be reviewed on half-yearly basis i.e. on 1st April & 1st Oct.

Туре	Petrol		
2Wh	2.90INR		
4Wh	7.50INR		

These Per Km Rates are valid till 31st March.

4.8. **DOMESTIC TRAVEL**

4.8.1. Within the City Mode of Transport:

Level	Mode of Transport
L5 & L6	Shared Auto / City Bus (Auto in special circumstances)
L3 & L4	Auto
L1& L2	Taxi

4.8.2. InterCity Mode of Transport:

Level	Mode of Transport
L5 – L6	II Class Train / Bus
L3 – L4	II Class Train / Sleeper Coach Bus
L1 – L2	Flight / III AC Train / AC Car

4.9. INTERNATIONAL TRAVEL ADVANCE (Figures in US \$) / Per Day

Class	Countries	L1 & L2	L3 & L4	L5 & L6
'A'	Europe, U.K., USA, Canada, South Africa, Singapore, Japan, China & Middle East	250	200	150
'B'	All other countries etc.	200	150	100

4.10. LODGING ALLOWANCE

4.10.1. Except in cases where the company has a guest house, the lodging limit will be based on City Classification as under:

GRADE	CITIES
А	Mumbai, Delhi NCR, Bangalore, Calcutta, Chennai
В	Hyderabad, Ahmedabad, Pune & other state capitals
С	All other cities not listed above

4.10.2. Lodging allowance: (Figures in INR) / Per Day

Level	A Cities	B Cities	C Cities
L5 – L6	1500	1000	800
L3 – L4	2000	1500	1000
L1 – L2	3500	2500	2000

4.11. **FOOD ALLOWANCE** (Figures in INR) / Per Day

Emp. Level	Food Allowance
L5 – L6	400
L3 – L4	500
L1 – L2	800

4.12. LOCAL TRAVEL BOARDING ALLOWANCE

Rs 300/- if the employee is on outdoor duty for more than 8 hrs. & away from his working place more than 50 KM

5. PERFORMANCE MANAGEMENT

For RUCHA, each employee is an asset that contributes in process of achieving business goals.

RUCHA also appreciates that employees invest their time, energy and intellect and which needs to be rewarded in term of professional and personal development.

With this perspective RUCHA has carefully designed its Performance Management and Appraisal System to achieve mutual growth. At the core of this process is a set of individual targets (KRAs – PQCDSMITFB i.e Productivity, Quality, Cost, Delivery, Safety, Moral, Improvement, Team Work, Functional and Business Targets) which are set annually at beginning of financial year i.e. in April by respective Function and Department Heads

These mutually agreed on criteria sets a benchmark for individual employee's achievement and personal development over the period of one year. Furthermore, it translate into ratings for process of rewarding and recognizing employees for their performance and achievements at end of the year through the appraisal process.

With structured appraisal system, we ensure timely and fair increments and promotion of employee working in the organization purely based on their performance.

As a part of the appraisal process, an employee will be evaluated by the reporting manager based on which individual employee will either gets Increment, Promotion, Transfer and Training etc.

It is responsibility of employees and their respective reporting managers, to vigilantly monitor these targets for the betterment of both employee and organization, hence each employee need to submit KRA on a monthly basis.

For detail procedural aspect, please refer REPL/HCM/2018/006/Performance Management Policy.

6. TRAINING AND DEVELOPMENT

Training and Development is a multi-faceted tool which not only keeps a high level of employee engagement but also aligns workforce skill set with organization requirement

Training and Development evaluate and improve the employees knowledge, skills and attitude and to facilitate their overall development. Through Training process helping employees to enhance their competence in a planned and systematic manner.

Through the Training Process, the skills of the employees are to be continuously updated in tune with the organization's requirements and fills the gap between the present level of performance and the expected level of performance.

Training need generally categorise into employee's individual training needs and organization's needs arisen out of dynamic business environment

The activity of identification of training needs generally will be done at start of Financial Year. The need identification will be done through:

- Annual Performance Appraisal (Individual Needs)
- Directives from Functional Heads / Plant Head (Business/Organizational Needs)

It is mandatory for an employee to have nomination from FH/PH for any training program. Whoever attain any such training program will undergo necessary evaluation through applicable method to validate training effectiveness and individual development.

For detail procedural aspect, please refer REPL/HCM/2018/007/Training and Development Policy.

7. TALENT MANAGEMENT

Employees plays a larger role in ensuring continual operation of organization. It requires utmost planning to leverage collective skills and experience of our talent pool.

With our strategic objectives in mind, we have created a hierarchy which enable us to develop leadership across the levels while keeping appropriate checks and balances.

With the aim of uninterrupted operations and delegation of work and responsibility, while motivating employee to work toward clear progression path we have set up following hierarchy structure:

LEVEL	DESIGNATIONS	GRADE
1	PRESIDENT	М7
	SR VICE PRESIDENT	М6
	VICE PRESIDENT	M5
2	GENERAL MANAGER	М4
	DY GENERAL MANAGER	М3
3	SR MANAGER	M2
	MANAGER	M1
4	ASST MANAGER/MGMT TRAINEE	E2
	SR ENGINEER/SR OFFICER	E1
5	ENGINEER/OFFICER /GTE/MGMT TRAINEE	S 3
	SUPERVISOR/DTE	S2
	ASSISTANT/TRAINEE	S1

As an organization is perpetual entity, we always try to strike balance between experienced talent and grooming emerging leaders. We have following flagship initiatives to cater to our talent requirement:

RUCHA MANAGEMENT PROGRAM [L4/E2]

RMP has set for grooming talent through accelerated high exposure multidimensional path directly under MD/ED/FH. This program is especially for talent with 0-1 year experience recruited from premier institutes for period of one year. Function wise assignments/projects will be given to management trainee recruited under this program. Quarterly review of management trainee will be conducted by management team. Under RMP management trainee will be taken on probation after completion of one-year training program and will be assigned to specific role and function based on individual preference and business needs.

GRADUATE/MANAGEMENT TRAINEES [L5/S3]

This program is design to groom talent to fulfil organization's future needs by taking fresh graduates with O-1 year experience from reputed technical or non-technical institutions.

A Graduate Trainee will undergo one year trainee period at specific plant or function and will be reviewed under RUCHA's performance management system. On completion of one year trainee period he will be assigned to a department on probation.

GENERAL TRAINEE [L5/S1]

Recruitment under this category is generally with an aim of fulfilling specific requirement with specific responsibility.

INDUCTION: Effective on boarding of the new employee is crucial for both organization and employee. Induction has aim of familiarise new joinee to organization's code of conduct, products, process, procedures and people along with creating awareness about their role and responsibility as an employee.

8. SAFETY AT THE WORKPLACE

To work effectively, all of us need a healthy and safe work environment. All forms of substance abuse as well as the consumption or distribution of drugs, alcohol, tobacco or guthka while at work is prohibited.

Unless required as part of your role (for instance for security personnel where deemed necessary), possession and/or use of weapons/firearms or ammunition while on the business and/or premises of the Company is prohibited.

All of us should be safe at our place of work. Should you observe any unsafe situations at work, please reach out to the HCM department. Do take time to get familiarized yourselves with emergency procedures and the safety manuals applicable to your location.

9. GRIEVANCES REPORTING

It is necessary to provide platform & procedure for addressing employee grievances arising due to employment conditions.

In cases of grievances arising out of interpersonal conflicts at the workplace, the affected employee could approach HCM and present his grievance. HCM would investigate the matter and necessary action would be initiated.

A grievance arising due to employment conditions has to be given in writing to a supervisor or a reporting management, who has to provide counselling/assistance to solve the grievance.

In the event that the grievance is not resolved by them, you can convey in written either to the Plant Head or to the Functional Head who in consultation with the HCM will resolve the issue.

Everyone is expected to act ethical and responsible towards exercising rights under the grievance handling process and any misuse of the rights will be liable for disciplinary action.

For detail procedural aspect, please refer REPL/HCM/2018/0016/ Grievances Handling Policy.

10.ANNEXURE

What may attract disciplinary actions?

- 1. Violate the COC, Company policies and procedures, or applicable laws.
- 2. Direct others to violate the Code, Company policies and procedures, or applicable laws.
- 3. Are aware of a violation or potential violation, and fail to report it.
- 4. Fail to effectively monitor the actions of people you manage.
- 5. Do not cooperate in a Company audit or investigation.
- 6. Fail to participate in required training.
- 7. Retaliate against someone for reporting a concern in good faith or for participating in an investigation of such a report.
- 8. Disclose information learned during an internal investigation



RUCHA ENGINEERS PVT. LTD.
K249, MIDC WALUJ, AURANGABAD
MAHARASHTRA, INDIA 431136
PHONE NO: +91 240 255 3118
EMAIL ID: repl@ruchagroup.com