



HUMAN RESOURCE MANNUAL

COMPANY PROFILE

Hero & Kiriu Joint Venture

October 2006 Start Of Production as Hero Motors Limited – FCU
June 2007 MoU with Kiriu & Sumitomo

July 2007 Incorporated as 'Hero Kiriu Industries Private
Limited' on 27-Jul-07 and rechristened to
Current name on 27-Aug-07

December 2007 JV Agreement & Technical Assistance Agreement Signed

Hero Motors Limited, a part of Hero Group(India) and Kiriu Corporation, a Company in Sumitomo Group of Japan have Formed a Joint Venture Company, Munjal Kiriu Industries (P) Ltd. to manufacture Brakes Discs, Brakes Drums, Cylinder block, Pressure plate, Brake plate and Steering Knuckles for automotive original equipment manufactures in the Indian and overseas market. The New Company is investing Rs.250 Crore in the plant at Manesar, Haryana (India), 60km from Delhi and is equipped with state-of-art foundry having Disa-matic moulding line, compatible sand plant of 80T/Hr with sand multi controller, dual truck induction melting furnace and online shot blasting machine. This alliance is a strategic move to focus on high technology, high quality and high precision automotive manufacturing.

IMPORTANT FACTS

- A Joint Venture Company, promoted by Hero Group, Corporation and Sumitomo Corporation
- Technical Assistance Agreement with Kiriu Corporation Japan
- Manufacturer of Ferrous Casting Parts (both machined and non machined)
- Aims to be the Leading Brake Disk, Drum and Knuckles manufacturer of India

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Head-HR & Admin

Chief Finance Officer

President & CEO

Managing Director

2. **Joining Formalities**

- (i) Every employee will fill up a Joining Kit available with HRD department of Munjal Kiriu on appointment in the Company. Joining Kit includes Attendance-cum-Identity Card, Four Passport Size Photographs, HDFC Savings Bank Opening form, E-mail activation form (applicable to Executive & Above). Information provided in this form must be correct and authentic. Furnishing of false information and suppression of any factual information in the Joining Form would be a disqualification and is likely to render the candidate unfit for the employment.

4. **Record of Age and Date of Birth**

- (i) Every employee shall declare on this first appointment in the Company his date of birth and produce confirmatory documentary evidence thereof e.g., matriculation or school leaving certificate or birth certificate from the concerned local authority. Once recorded in the Company's file after being declared and obtained in this manner, the date of birth will not be altered except to rectify clerical errors, if any, or except when substantial evidence is produced showing any other date of birth and the competent authority is satisfied that there is overwhelming justification to show that the date of birth as originally recorded was patently wrong and need to be altered in the interest of justice to the employee concerned and that the employee has not himself unduly delayed his request for change of the recorded date of birth.

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RECRUITMENT PROCESS

Purpose: This function will be a strategic tool to ensure the availability of right set of competencies in line with the strategic business & manpower plan of the organization. The endeavor is to attract and retain the best resources available to man the various positions and to accomplish various tasks in the organization by placing the right person in the right job. The system would attempt to maintain an orderly, effective and timely method in the selection and recruitment of personnel.

Applicability: Recruitment action will be initiated in the following circumstances:

1. Separation / Resignation
2. Termination due to non-performance & due to other disciplinary issues
3. Expansions/ Reorganization/Restructuring

Process:

The concerned department head, where the vacancy exists as per the manpower budget, will ensure that the Manpower Requisition form (MKI/SOF/TRG/012) be duly filled up and sent across to the Human Resources department on time.

Before any Recruitment is initiated, HR shall examine and explore the possibilities of filling up the vacancy through re-deployment of internal resources.

In case of non-suitability of competencies of internal resources, external recruitment process would be initiated.

The Flow Chart of the process is attached to understand the broad guidelines of the policy:

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Employee Motivation policy

w.e.f. 1st September 2014

1. Purpose of this award

- a) To promote employees motivation, boost their morale and give personal recognition.
- b) To imbibe a spirit of co-operation and team work amongst employee at all level.
- c) To maintain the safety condition in the company and maintain an accident free premises.

2. Scope of this Award

- a) Remarkable Improvement of company's competitiveness
- b) Remarkable Improvement of the quality and Safety level
- c) Remarkable saving of the expenses, time, materials
- d) Remarkable improvement of overall works

3. Applicability

Suggestion: up to Asst. Manager including casuals.

Hiyari Hato: applicable to all.

5S: Applicable to all

Safety: Applicable to all.

SGA: Applicable to all.

4. Description: - It covers all the HR Policies under single umbrella. It is easier to assess an employee involvement in various activities. The policy describes the appreciation system to all the employees' takes parts in the various activities. The Policy is based on the point system. The appreciation system will be based on the no. of points each employee gets after doing any or all the activities.

Point details: - The employee who takes part in any of the activity will get points as mention below.

- a. **Suggestion** – For each valid suggestion the employee get 5 points. For Invalid suggestion 1 pts will be given. If any employee continuously gives valid suggestion for 3 months he/she will get 2 bonus points per valid suggestion.

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b. **Kiazen: Cost Saving Project:** For every cost saving of Rs 125, one point will be awarded.

Safety, system improvement, 5 S improvements, Time Saving, Creativity: For each such kaizen 5 points will be awarded.

c. **Hiyari Hatto** - For each Hiyari Hatto the employee gets 5 points.

d. **5S** – The department which got 1st, 2nd and 3rd prize as per 5S policy will get 50, 30, & 20 points for each employee. If any zone gets prize of 1st, 2nd and 3rd position continuously for 3 months then they will get 10 bonus points for each employee.

e. **Safety** – If all the employee of any department follows the PPE's in each process will get the 5 points for each employee every month.

f. **Accident** – If any department has zero accident for three month, then each employee will get 10 points.

g. **Employee of the quarter** – If any employee follows all the safety rules actively takes parts in all the activity like suggestion, 5S, Safety and does any type of extraordinary works in their area then 25 points will be given to that employee.

h. **Small Group Activity (SGA)** – SGA is any internal team (at least 4 members) which will implement the projects like customer oriented MPS, QC Team etc. Each SGA activity will be awarded 20 points each and further rewards will be given as per the above activities.

5. Award & Appreciation : Terms & Condition

a) On monthly basis 1st, 2nd & 3rd award will be distribute.

b) Each point is equivalent to Rs 10 with a minimum Accumulation of 50 rewards points will ensure the cash benefit.

c) The status of the points will be displayed on the notice board on monthly basis.

d) Each employee can redeem the points as per their choice and the points system but it should be minimum 50 points for redeeming.

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- e) If any employee gets 200 points in 3 months he/she will get 20 additional points. Further, if any employee gets 500 points in 6 months he will get 50 additional points. Similarly if he/she accumulates 1000 points in a year, he/she will get 200 additional points.
- f) The trophy for 1st, 2nd and 3rd prize will be rotated on monthly on the basis of score.

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