



# **HAVELLS INDIA LIMITED**

## **IDEA Policy**

**May, 2017**

**(Amended in November 2020)**

## **1. Introduction**

In the present business scenario, innovation and growth are the main pillars on which the success of a business stands. Our Group has reached a significant size in terms of locations, business volumes, staff strength and infrastructure. Our growth plans will considerably increase its size in the near future. We are very sure that our employees have several good ideas which can benefit the Organization drastically, if implemented in the right manner.

Further, with the growth of the organization, it becomes the necessity of the day to have a system or mechanism in place for appropriate controls at different levels in the organization.

Since the launch of Idea Policy, we have received various good ideas and some grievances also from employees. For a corporate organization, this is also a step towards better corporate governance and social accountability

## **2. Purpose**

The purpose of “Scheme Idea” is to promote a culture of innovative thinking and creativity in the Group and to implement all good ideas after cost benefit analysis.

## **3. The Concept**

Under scheme “Idea”, all types of ideas will be invited from all staff members (on payroll or outsourced) for implementation. The ideas may be related to technical aspects of business, non-technical aspects, commercial aspects, administrative aspects, processes, cost saving or any such other aspects which may benefit the Company. The ideas can be generated on various subjects, e.g. productivity improvement, quality improvement, systems, delivery lead time reduction, safety improvement, work simplification, standardisation, digitisation, innovation, customer satisfaction, etc.

## **4. Scope of the Scheme**

The Scheme is applicable at all levels, departments, functions, employees (on company payroll or outsourced). The Scheme would apply to all companies in the group.

## 5. The Process

The process would work as follows –

- I) Shri Shrikant Pandit shall act as the Head – Scheme “Idea”. There would be one Idea Manager at each unit i.e. each factory and then each branch.
- II) All Idea managers of factories / branches would report to Head – Scheme “Idea” for this purpose.
- III) The task of Head – Scheme “Idea” will be to –
  - ✓ Receive monthly/quarterly update on ideas from respective locations
  - ✓ Consolidate all good ideas and present trend analysis and location wise performance to management,
  - ✓ Select ideas for implementation in consultation with concerned factory / branch Idea Manager, and management
  - ✓ Motivate other Idea Managers at factories / branches and help them in implementing good ideas
  - ✓ Promote horizontal deployment of ideas that can be commonly adopted
  - ✓ Send communications at corporate level related to the Scheme,
  - ✓ Update management on Scheme progress etc
- IV) The task of Idea Managers at factories / branches would be to
  - ✓ Receive all ideas and motivate the team in faster implementation.
  - ✓ Send regular communications to all staff and workers at factory to send ideas,
  - ✓ Help Head – Scheme “Idea” in assessing all ideas received. This includes cost – benefit analysis of all ideas, get the selected ideas implemented,
  - ✓ Send regular communications to Head – Scheme Idea on progress status

## 6. Reporting of Ideas

Ideas, thoughts, suggestions, conceptions, notions, beliefs etc., can be sent either through an e-mail/ envelope addressed to your Idea Manger at your respective Unit/ Branch Manager or can be e-mailed at [Idea@havells.com](mailto:Idea@havells.com) or you can simply use the drop-box available at your location – be it unit, branch or head office.

## 7. Cost – Benefit Analysis of Ideas

- All ideas received at factory / branch level must be first analyzed for feasibility by the Idea – Manager at the respective locations and important/critical ideas should be implemented in consultation with Head – Scheme “Idea” .
- All feasible ideas will be discussed by the Head – Scheme “Idea” with concerned process owners, factory head / branch head and Idea Manager at factory /branch for implementation.
- A cost benefit analysis should be done by concerned idea manager at factory / branch and the Head – Scheme “Idea” for all feasible ideas.
- Ideas will be selected by Head – Scheme “Idea” for implementation in consultation with concerned factory / branch.
- Once an idea is selected for implementation, concerned idea manager at factory / branch would be responsible for its implementation in a timely manner. A fortnightly report on the same will be sent by all Idea Managers to the Head – Scheme “Idea” .

## 8. Profile and selection of Idea Managers

An idea manager may be any employee (manager and above) whether from technical background or from commercial background. Factory head / branch head will suggest nomination for idea manager in their respective factory / branch. All Idea Manager's work will be part time; hence there would not be any new recruitment for this purpose. The Idea Manager should demonstrate good leadership skill and communication skill to deal on this subject with all employees at that location and develop an atmosphere of openness and motivation for generating Ideas.

## 9. Appreciation

- **Person sending the Idea** - Top five Ideas of the calendar year will receive certificate of appreciation from the Chairman and Managing Director. Management may suitably reward the person (who sent the idea) as a mark of appreciation, in case the idea benefits the Organization.
- **Best Idea Mangers** – the Head – Scheme “Idea” in consultation with management would select one best Idea Manager from factory idea managers and one best Idea Manager from branch idea managers per year. These two Idea Managers would receive certificate of appreciation from the Chairman and Managing Director.
- **Top 3 Ideas of the location** – The Idea Manager in consultation with the location head can decide and recognise top 3 ideas implemented in a year.

However, all rewards mentioned above would completely depend on the decision of the management.

We are sure that the above measures will promote innovation and creativity and bring greater transparency in our Group's working and lead to better governance and work culture based on a mutually accepted Code of conduct. We are also sure that all our dedicative employees will make this Scheme a success and look forward to your participation in this effort with a sense of ownership for our Company.