

**MEMORANDUM OF UNDERSTANDING (MOU)**

**BETWEEN**

**THE GOVERNMENT OF INDIA**

**REPRESENTED BY**

**MINISTRY OF HEAVY INDUSTRIES**

**&**

**PUBLIC ENTERPRISES**

**DEPARTMENT OF HEAVY INDUSTRY**

**&**

**TYRE CORPORATION OF INDIA LIMITED**

**FOR THE YEAR 2011-2012**

*CMD*

MOU 2011-12  
Approved By DPE/TF  
Signed *(Signature)*  
21/03/11

# MOU 2011-2012 BETWEEN TCIL AND DHI (HI&PE), GOI

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MOU between TCIL and Ministry of H. I. & P. E. GOI for 2011-2012

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## PART - I

MISSION, VISION & OBJECTIVES OF THE PSE	
1.1 MISSION & VISION	To turnaround the company from a loss making to profit making company by implementing revival scheme sanctioned by BIFR for Disinvestment through Outright sale.
1.2 OBJECTIVES	<ul style="list-style-type: none"><li>- To make efforts to improve production through better capacity utilization, proper maintenance and upgradation of equipments.</li><li>- To enhance procurement of orders.</li><li>- To make efforts to reduce Cost.</li><li>- To improve labour productivity.</li></ul>

## PART - II

DELEGATION OF POWERS
❖ As per Guidelines issued by Department of Public Enterprises (DPE).

## PART - III

## MoU Assessment Format for 'Sick and Loss making CPSEs'

Evaluation Criteria			MoU Target				
			Excellent (1)	V.Good (2)	Good (3)	Fair (4)	Poor (5)
<b>1. Static / Financial Parameters (40%)</b>	<b>Unit</b>	<b>Weight (in %)</b>					
1.1 Gross Sales	₹ Cr.	10	45.88	43.80	41.71	39.62	37.54
1.2 Gross Margin	₹ Cr.	10	(1.31)	(1.39)	(1.46)	(1.53)	(1.61)
1.3 Gross Profit	₹ Cr.	5	(6.54)	(6.91)	(7.27)	(7.63)	(8.00)
1.4 Net Profit	₹ Cr.	5	(6.61)	(6.97)	(7.34)	(7.71)	(8.07)
1.5 Cash Generation from Operations	₹ Cr.	5	(10.04)	(10.60)	(11.16)	(11.72)	(12.28)
1.6 Working Capital / Turnover	Ratio	5	0.28	0.29	0.30	0.32	0.33
<b>Sub-total 1 (1.1+1.2+1.3+1.4+1.5+1.6)</b>		<b>40</b>					
<b>1. Dynamic Parameters* (25%)</b>							
2.1 Physical Targets	MT	5	18060	17239	16418	15597	14776
2.2 Order Booking	No. of Tyres	5	396000	378000	360000	342000	324000
2.3 Quality (Rejection of Finished Goods by Customers)	% of Production	5	0.90	0.95	1%	1.05	1.10
2.4 Customer Satisfaction (Loss of Raw Materials as % of Finished Goods)	%	5	1.75	1.85	1.95	2.00	2.10
<b>2.5 Project Implementation (major maintenance / repair required during holding on operations)</b>							
(a) Braker Mill Roll (Spare) for Callender Machine	Date	2	31.10.11	31.12.11	31.03.12	---	---
(b) 16" Building Drum (2 Nos.)	Date	2	31.12.11	31.01.12	29.02.12	---	---
(c) Complete replacement of Bag Filter of Boiler (Pollution control)	Date	1	31.12.11	31.01.12	31.03.12	---	---
<b>Sub-total 2 (2.1+2.2+2.3+2.4+2.5)</b>		<b>25</b>					

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