

MEMORANDUM OF UNDERSTANDING (MOU)

BETWEEN

MOU 2011-12
Approved By DPE/TF
J. Manu
Signed 24.3.11

THE GOVERNMENT OF INDIA

REPRESENTED BY

DEPARTMENT OF HEAVY INDUSTRY

**MINISTRY OF HEAVY INDUSTRIES
& PUBLIC ENTERPRISES**

AND

SCOOTERS INDIA LIMITED


FOR THE YEAR 2011 - 2012

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PART- I

MISSION, VISION & OBJECTIVES OF THE PSE


1.1 VISION	To improve the performance of the company so as to be competitive and profitable through constantly improving existing products adding new products and expanding customer base.
1.2 MISSION	To fulfill customers' needs for economic and safe mode of road transport and quality engineering products through contemporary technologies.
1.3 OBJECTIVES	<ul style="list-style-type: none">• To achieve 10% increase in production.• To achieve 5% decrease in cost.• Rationalization of Manpower.• To reduce energy input per unit of production. <div data-bbox="682 1232 1047 1400" style="border: 1px solid black; padding: 5px; margin: 10px auto; width: fit-content;"><p>MOU 2011-12 Approved By DPE/TF  Signed</p></div>

PART -II

DELEGATION OF POWERS

- **Powers as applicable to MOU signing companies.**

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PART - III

**MOU ASSESSMENT FORMAT FOR 'SICK AND LOSS MAKING CPSEs'
YEAR 2011 - 12**

Evaluation Criteria	Unit	Weight (in %)	MOU TARGETS					Anticipated 2010-11
			Excellent (1)	V. Good (2)	Good (3)	Fair (4)	Poor (5)	
I. Static Financial Parameters (40%)								
1.1 Gross Sales	Rs.Cr.	10	252.98	232.86	223.29	213.72	204.63	191.75
1.2 Gross Margin (PBDIT)	Rs.Cr.	10	3.55	0.29	(1.95)	(2.79)	(4.27)	(5.85)
1.3 Gross Profit	Rs.Cr.	05	1.99	(1.27)	(3.51)	(4.35)	(5.83)	(7.17)
1.4 Net Profit (Profit after Tax before extra ordinary items)	Rs.Cr.	05	(12.44)	(15.70)	(17.94)	(18.78)	(20.26)	(15.15)
1.5 Cash Generation from Operations	Rs.Cr.	05	1.43	(1.83)	(4.07)	(4.91)	(6.39)	(7.24)
1.6 Working Capital / turnover	Ratio	05	0.178	0.193	0.201	0.210	0.219	0.220
Sub Total 1 (1.1+1.2+1.3+1.4+1.5+1.6)		40						

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**MOU ASSESSMENT FORMAT FOR 'SICK AND LOSS MAKING CPSEs'
YEAR 2011-12**

Evaluation Criteria	Unit	Weight (in %)	MOU TARGETS				
			Excellent (1)	V. Good (2)	Good (3)	Fair (4)	Poor (5)
2. Dynamic Parameters (25%)							
2.1 Production of 3 Wheelers	% age Nos	5	19058	17325	16500	15675	14892
2.2 Quality							
2.2.1 Up gradation of QMS of the company from ISO 9001:2000 to ISO 9001:2008 and recertification.	Time	1	30.06.11	15.07.11	31.07.11	15.08.11	30.08.11
2.2.2 Implementation of Quality System (capturing standards, specification and performance parameters).	Time	4	30.09.11	31.10.11	30.11.11	31.12.11	31.01.12
2.3 Customer satisfaction							
2.3.1 % age of complaints attended for defect removal within 24hrs.	%age	2.5	99	98.5	98	97.5	97
2.3.2 Warranty Expenses as %age of Sales	%age	2.5	0.2256	0.2375	0.2500	0.2625	0.2756

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