

MEMORANDUM OF UNDERSTANDING

BETWEEN

GOVERNMENT OF INDIA

MINISTRY OF SOCIAL JUSTICE AND
EMPOWERMENT

DEPARTMENT OF EMPOWERMENT OF
PERSONS WITH DISABILITIES

AND

ARTIFICIAL LIMBS MANUFACTURING
CORPORATION OF INDIA

FOR THE YEAR

2017-2018

ARTIFICIAL LIMBS MANUFACTURING CORPORATION OF INDIA

MEMORANDUM OF UNDERSTANDING FOR THE FINANCIAL YEAR 2017-18

PART - I

MISSION AND OBJECTIVES OF ALIMCO

1.1 MISSION/ VISION:

Empowerment of persons with disabilities and restoration of their dignity by way of manufacturing and supplying durable, sophisticated, scientifically manufactured, modern and ISI-standard quality assistive aids and appliances that can promote physical, psychological, social, economic and vocational rehabilitation by reducing the effect of disabilities and enhancing potential for self-dependence.

OBJECTIVES

Main objectives of ALIMCO for the year under MOU are:-

- Improve coverage of its presence by organizing more assessment and distribution camps, thereby increasing the total number of beneficiaries.
- Giving thrust to coverage in North East Region.
- Diversification in to new markets.
- Enhance product profile by investing in R&D activities for developing new aids and appliances.
- Commence modernization activity to increase the deliverables to PwD.

PART - II

COMMITMENTS/ASSISTANCE FROM GOVERNMENT

- Efforts will be made for allocations of funds under ADIP Scheme, not less than the actual expenditure of 2016-17.

PART - III

EXERCISE OF ENHANCED AUTONOMY AND DELEGATION OF FINANCIAL POWERS

All powers delegated to MOU signing PSEs vide OM No. BPE 1(18)/88-Fin. (PPU) dated 19.10.88 and subsequent amendments and guidelines issued from time to time will be available to ALIMCO.

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PART-IV

ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU

The performance of ALIMCO will be reviewed against the targets given in the MOU on half yearly basis by the Ministry of Social Justice and Empowerment, Government of India and evaluated by DPE at the end of the Year.

Signed at New Delhi on 3rd May 2017.



D.R.SARIN
CHAIRMAN & MANAGING DIRECTOR
ALIMCO



N.S.KANG, IAS
SECRETARY
Department of Empowerment of
Persons with Disability
MINISTRY OF SOCIAL JUSTICE & EMPOWERMENT
GOVERNMENT OF INDIA

M/s Artificial Limbs Manufacturing Corporation of India

Annex-I

Brief about the CPSE

1	Name of the CPSE	Artificial Limbs Manufacturing Corporation of India			
2	Status (Please tick): As per DPE guidelines	Sick / Incipient Sick / weak / None			
3	Reasons of Sickness, if applicable	Not Applicable			
4	Whether registered with BIFR, If yes, details	Not Applicable			
5	Schedule of the CPSE (Please tick)	A/B/C/D/ none C Schedule			
6	Purpose for which CPSE has been setup and the main business now	To provide quality aids & assistive devices to Persons with disabilities for their rehabilitation			
7	Number and Name of subsidiary companies along with amount invested and share in its profit during last five years	NIL			
		Year*	Name of subsidiary	Amount invested (Rs.)	Share in its profit (Rs.)
		2011-12			
		2012-13			
		2013-14			
		2014-15			
8	Number and Name of Joint Venture companies along with amount invested and share in its profit during last five years	NIL			
		Year*	Name of Joint Venture	Amount invested (Rs.)	Share in its profit (Rs.)
		2011-12			
		2012-13			
		2013-14			
		2014-15			
2015-16					
9	Details of revival plan approved earlier	Not Applicable			

*Note: For each succeeding year of MoU, one more year may be added after the MoU 2017-18 and the first year deleted so that total data available is for the past five years.

M/s Artificial Limbs Manufacturing Corporation of India
Mandatory parameters

Annex -II

PART A

(Applicable to all CPSEs except CPSEs Distributing Government grant)

Sl. No.	Financial Performance Criteria	Unit	2016-17 (Estimate)	Best in 5 years	Marks	MoU Target for the year 2017-18					Improvement (%)
						Excellent 100%	V.G. 80%	Good 60%	Fair 40%	Poor 20%	
1	Turnover Revenue from Operations	Rs. crore	200	188.58	10	210	200	195	190	185	-
2	Operating Profit/Loss CPSEs with operating profit (Profit/ Surplus before Tax excluding other Income, Extraordinary and Exceptional Items):- Operating profit/ surplus as a percentage of Revenue from operations (net).	%	14.37%	14.65%	20	14.50%	14.37%	14.25%	14.00%	13.75%	-
3	Return on investment: Profit Earning CPSEs with no accumulated losses: PAT or Surplus / Average Net Worth	%	20.64%	263.51%	20	17.50%	17.00%	16.50%	16.00%	15.50%	-17.64%
	Total (A)				50						

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M/s Artificial Limbs Manufacturing Corporation of India

Other Parameters

Applicable to all Operating CPSEs except CPSEs in Finance Sector

PART B

Sl. No.	Performance Criteria	Unit	2016-17 (Estimate)	Best in 5 years	Marks	MoU Target for the year 2017-18					Improvement (%)
						Excellent 100%	V.G. 80%	Good 60%	Fair 40%	Poor 20%	
1	Capacity Utilisation/ Production/ Generation/ Transmission, etc.										
	Tricycles	%	108.00%	121.91%	4	115.00%	110.00%	105.00%	100.00%	95.00%	1.85%
	Wheel Chairs	%	140.00%	190.60%	3	142.00%	140.00%	138.00%	136.00%	134.00%	—
	Hearing Aid	%	110.00%	120.93%	3	120.00%	115.00%	110.00%	105.00%	100.00%	4.55%
2	Production Efficiency parameter- Reduction in Wastage over previous Year (2.05% absolute)	%	2.05%	2.16%	10	4.00%	3.00%	2.00%	1.00%	0.50%	-40%
3	CAPEX (Rs. Crore)	Rs Crore	18.50	14.36	5	25.00	24.00	23.00	22.00	21.00	29.73%
4	Percentages of value of CAPEX contracts/ projects running/ completed during the year without time/ cost overrun to total value of CAPEX contracts running/ completed during the year	%	100%	—	5	100%	90%	80%	70%	60%	-10%
5	Inventory of finished goods and work in progress to Revenue from operations (Net)	Days	50.81	42.50	5	46	47	48	49	50	7.50%
6	Any other sector specific result-oriented measurable parameter - No. of Appliances directly distributed to beneficiary	Number	215000	198160	5	216000	215000	210000	205000	200000	—
7	HR Related parameters										
a)	On-line submission of ACR/APAR in respect of all executives (E-0 and above) along with compliance of prescribed timelines w.r.t. writing of ACR/APAR (% of number of executives)	%			2	100%	95%	90%	85%	80%	
b)	Online Quarterly vigilance clearance updation for Senior Executives (DGM and above) (% of number of senior executives)	%			2	100%	95%	90%	85%	80%	
c)	Preparation of succession plan and its approval by Board of Directors	Date			2	30-Sep-17	15-Oct-17	31-Oct-17	15-Nov-17	30-Nov-17	
d)	Holding of DPC without delay for executive (E-0 and above level)	%			2	100%	95%	90%	85%	80%	
e)	Talent management and carrier progression by imparting at least one week training in Centre of Excellence e.g. IITs , IIMs, NITs, ICAI etc. (% of executives) in India and abroad for acquiring knowledge for cutting age technology. (301 employees as at 31.03.2016)	%			2	10.00%	9.00%	8.00%	7.00%	6.00%	
	Total (B)				50						

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