

Memorandum of Understanding (MoU)

This Memorandum of Understanding (MoU) is executed on the 02 day of February 2017 and shall be valid upto 01 Day of March, 2018.



BETWEEN

Ministry of Corporate Affairs, Gol, Shastri Bhawan, Rajendra Prasad Road, New Delhi-110001, [hereinafter called MCA which expression shall where the context so admits includes its representatives, successors affiliates and permitted assignees) on the one part.

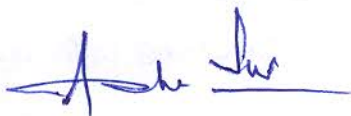
AND

National Productivity Council (NPC), which is an autonomous organization under DIPP , Ministry of Commerce & Industry, Gol having its registered office at Utpadakta Bhavan, 5-6, Institutional Area, Lodhi Road, New Delhi - 110003 (hereinafter called NPC which expression shall where the context so admits includes its representatives, successors affiliates and permitted assignees) on the other part.

WITNESSETH

WHEREAS, NPC is a national level organization to promote Productivity culture in India. Established by the Ministry of Industry, Government of India in 1958, it is an autonomous, multipartite, non-profit organization with equal representation from employers' & workers' organizations and Government, apart from technical & professional institutions and other interests.

WHEREAS the NPC teams up with its clients to work out solutions towards accelerating productivity, enhancing competitiveness, increasing profits, augmenting safety and reliability and ensuring better quality of product & services both in private & public sector.



A. WHEREAS The Ministry of Corporate Affairs (MCA), Government of India has offered to entrust the responsibility to NPC vide letter No.A-42011/12/2016/Ad.II dated 07.12.2016 and 29.12.2016 to carry out the Organization Study (a comprehensive review of work process and manpower utilization in the field offices of MCA and suggest ways and means of improving them. The aim is to have a proper HR plan which factors in the current and future needs and is in sync with the changing and digitized environment.) for Re-orienting/Re-Designing the services of MCA, to prepare a model Human Resource Plan and to suggest ideal organizational pyramid & hierarchy for effective governance by way of providing its expertise and other support as agreed to between the parties based on the Proposal submitted by NPC to MCA and on the mutually agreed terms & conditions which are reproduced in writing in this MOU.

B. Terms of Reference for Study

1. To examine the utility and relevance of various functions/activities of MCA and its officials and suggest alternatives in light of the present role of MCA and the expected role in the coming future i.e 2020 and beyond, after conducting a scientific study.
2. To undertake work study and assess existing manpower strength vis-a-vis the work & functions and suggest optimum manpower requirement as well as their effective utilisation for the present & future level of operations thereby suggesting and preparing a comprehensive HR Plan for the Ministry and its field offices.
3. To study and analyze the present organization structure and suggest measures to enhance efficiency and productivity.
4. To suggest appropriate automation/interventions/tools of e-governance for improving productivity and delivery of services e.g. computerization, simplification of procedures, outsourcing, multi-tasking, multi-skilling etc.



5. To suggest standard modules and a comprehensive training plan for capacity building of new recruits/probationers/mid-career etc., keeping in view the skill requirement for developing an effective knowledge management system as well as the changes in the working of Ministry and its offices due to coming up of new institutions and other factors.
6. To suggest roles & responsibilities with job description for different levels of officials along with skill requirement and competency mapping.
7. To suggest Norms for opening of new offices depending on operational and manpower requirements as well as to suggest the feasibility of categorization of field offices in terms of work norms.
8. To introduce the concept of benchmarking in various functions and operations of the working in Ministry and its field offices to standardize in terms of infra and manpower requirements.
9. To examine and prepare a Detailed Project Report (DPR) for creation of Directorate of Corporate Affairs to look after the operational aspects of company affairs.
10. To suggest if any review is required in Recruitment Rules (RRs) of ICLS and its feeder categories in light of future functional requirements.
11. To examine the references received from the Ministry during the course of work study regarding assessment/requirement of manpower at different levels in various offices (including attached/autonomous) of MCA.
12. To facilitate MCA in implementation of recommendations suggested by NPC and approved by MCA in respect of the above mentioned Terms of References.

C. Scope of Study

1. The study would cover A and B group employees of ICLS Cadre and its Feeder Cadre (JTA, STA, CP).
2. The study would cover the all the sections of Ministry of Corporate Affairs (MCA) at New Delhi and sample offices of Office of Regional Directors (RDs), Office of Registrar of Companies (RoCs), Office of Official Liquidators (OLs) and Central Registration Centre (CRC) as at Annexure-I.



3. The study would also examine the requirements of Group 'A' and 'B' employees of ICLS cadre and its feeder cadre (JTA, STA and CP) in the attached offices of the Ministry viz. SFIO, NCLT, CCI, IICA, IBBI, IEPFA etc. in the coming future, based on references received from MCA.
4. Vision Document of MCA and other references as suggested by steering committee for examination and expert comment.
5. The tentative total no. of manpower (belonging to ICLS and its feeder cadre) to be covered during the study will be
Sanctioned strength– 680
On Roll strength – 516

D. Role and Responsibility of NPC:

1. To accomplish the task entrusted to it under the MOU to best of its ability and in most satisfactory way within the time frame and within the payment terms agreed therein.
2. NPC will not sublet the study to any other third party without the consent of MCA. However, NPC may take help of other experts or agencies for expert view.
3. The implementation phase will involve formation of a steering committee and an implementation task force. The implementation phase would comprise converting the recommendations made by NPC into actionable plan and assigning responsibility of the implementing authority on a tentative time scale. The implementation shall be taken up with close co-ordination with NPC team for effective monitoring and timely input of information
4. NPC would facilitate MCA in implementation of recommendations suggested by NPC and approved by MCA in respect of outlined Terms of Reference of the Study.

E. Role and Responsibility of MCA:

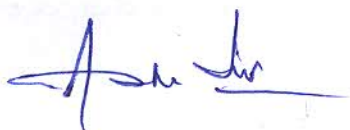
1. Provide the data/information as required by NPC for the study (e.g. Job Analysis Formats, Roles & responsibilities at different levels in MCA, RRs etc.)
2. Inform the concerned Field Offices (Samples Offices as Annexure-1)



3. MCA would form a Steering Committee for monitoring and feedback during the conduct as well as during the implementation of the study.
4. MCA would depute a central coordinator for the duration of study.
5. MCA would provide information to NPC consultants regarding operations, services and details. Wherever required, SOPs from existing manuals would be referred to.
6. MCA would provide data facilitation (periodic reports, future plans, constraints being faced, etc.) to NPC as and when required
7. MCA would provide feedback on job & process related information
8. MCA would have active presence in meetings and brainstorming sessions.
9. MCA would provide access to ACRs of officers (on sample basis) for developing understanding of gaps if any in nature of work, responsibilities etc.
10. MCA would inform all the concerned stakeholders about the study, so as to obtain their necessary co-operation during the study.
11. All endeavours shall be made to complete the study within the time stipulated in the agreement. For factors beyond the control of NPC suitable extension in time may be granted at the request of NPC.
12. During the currency of the assignment, MCA may modify the TOR and other terms and conditions of the assignment, if necessary, in order to strengthen/deepen its scope/coverage. As far as possible, such modifications will not be made more than once during currency of study and with the due concurrence of NPC. In case, there is substantial and major changes in the Terms of Reference and scope of work, NPC shall be allowed for cost escalation.

F. Methodology of the Study

1. Study shall be carried out through the field visit to selected Sample Regional Directorates/OLs/ROC/ROC cum OL, CRC- Manesar and Corporate Ministry Office as presented in Annexure-1. The list is not final or exhaustive and additional offices may be added to the sample list as per the need felt.
2. Interaction with different stakeholders (MCA, Corporate, Associations, Courts



etc.) and envisioning of stakeholder views regarding the expected role of organization.

3. Detailed Methodology for the completion of the Study for all Terms of References is presented in Annexure-2.
4. NPC would provide facilitation services to MCA spread over a period of 6-9 months (from the date of acceptance of final report).
5. The on-site involvement of NPC would be limited to a maximum of 180 consultant days during the implementation phase.

G. Duration of the Study:

1. The duration of the Consultancy project will be 4 months from the start date of the project. The project shall commence within two weeks from the signing of this MoU and release of advance amount. This time would be used in planning for study, schedules, visits, logistics and in finalizing the experts/resource persons / agencies.
2. The tentative time frame of scheduled activities under the project is presented at Annexure-3
3. The time so agreed upon for Study may be extended for a further period, if required, with mutual consultation between NPC and MCA.

H. Cost of the project and Payment Terms:

1. The total cost of the project is Rs. 1,50,47,000/- (One Crore Fifty Lacs Forty Seven Thousand) + Service Tax as applicable (attached at Annexure- 4) with following the payment terms
 - i) **Advance/Mobilization Amount** - Forty percentage (40%) of the total quoted charges is payable as advance along with the letter of confirmation of the study.
 - ii) **Phase I** - Twenty percentage (20%) of the total quoted charges shall be payable at the completion of field study and submission of interim report.
 - iii) **Phase II** - Twenty percentage (20%) of the total quoted charges shall be payable at the submission of the draft report.
 - iv) **Phase III** - Ten percentage (10%) of the total quoted charges shall be payable after



the discussions/presentation on the Final report.

- v) **Phase IV** - Balance ten percentage (10%) of the quoted charges shall be payable at submission of the completion report on Implementation after the implementation phase exercise is over.
2. All payments are due within a month of the submission of the bill.
3. All Cheques/Drafts will be drawn in favour of National Productivity Council payable at New Delhi.

I. Bank Guarantee

NPC shall submit Bank Guarantee as a pre-requisite for conveying approval of this MOU and for release of advance payment as per the proposal submitted to MCA.

J. Force Majeure:

The parties as mentioned above, shall ensure due compliance with the terms of this MoU. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the MoU to the extent that such a failure is due to force majeure events such as fire, rebellion, mutiny, civil commotion, riots, strike, lockout, forces of nature, accident, Act of God or any other reason beyond the control of the concerned party. The parties however shall take all reasonable measures to minimize the consequences of any event of force majeure.

K. Amendments:

No amendment or modification of this MoU shall be valid unless the same is made in writing by both the parties and their authorized representatives/Core Committee and especially stating the same to be an amendment of this MoU. The modifications/changes shall be effective from the date on which they are made/executed unless otherwise agreed to.

L. Termination:

This MoU may be terminated by either of the parties forthwith if the other party




commits breach of any of the terms hereof and has failed to rectify such breach within thirty days of the notice in this behalf having been served on it by the other party.

M. Resolution of Dispute:

In the event of any dispute or difference arising out of or in respect of this MoU or any terms thereof or of compensation payable thereof of any breach of conditions whatsoever in connection with it, the same shall be settled by the DG, NPC and the Secretary, MCA.



In witness whereof the parties have signed this MoU on the day of 02 Feb., 2017 at New Delhi.

For and on behalf of
MCA

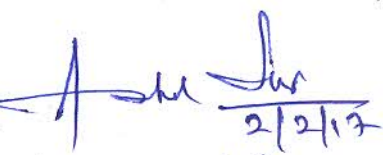
Signature : 
Name : RAKESH TYAGI
Designation : DIRECTOR

Seal: राकेश त्यागी/RAKESH TYAGI
निदेशक/Director
कारपोरेट कार्य मंत्रालय
Ministry of Corporate Affairs
भारत सरकार/Govt. of India
शास्त्री भवन, नई दिल्ली/Shastri Bhawan, New Delhi

Witness:



1. 
कल्लू राम
अनुभाग अधिकारी
2. 
(Ashwani Kedar, Asst)

For and on behalf of
NPC

Signature : 
Name : A-K DHAR
Designation : SECRETARY

Seal: ए० के० धर/A. K. DHAR
सचिव/Secretary
राष्ट्रीय उत्पादकता परिषद
NATIONAL PRODUCTIVITY COUNCIL
(वाणिज्य एवं उद्योग मंत्रालय के अन्तर्गत)
(Under M/o Commerce & Industry)
लोधी रोड, नई दिल्ली/Lodhi Road, New Delhi-110003

Witness:

1. 
02/2/17 R.D. Delhi
2. 
Head (HRM & IE)
2/2/17

Annexure-1:

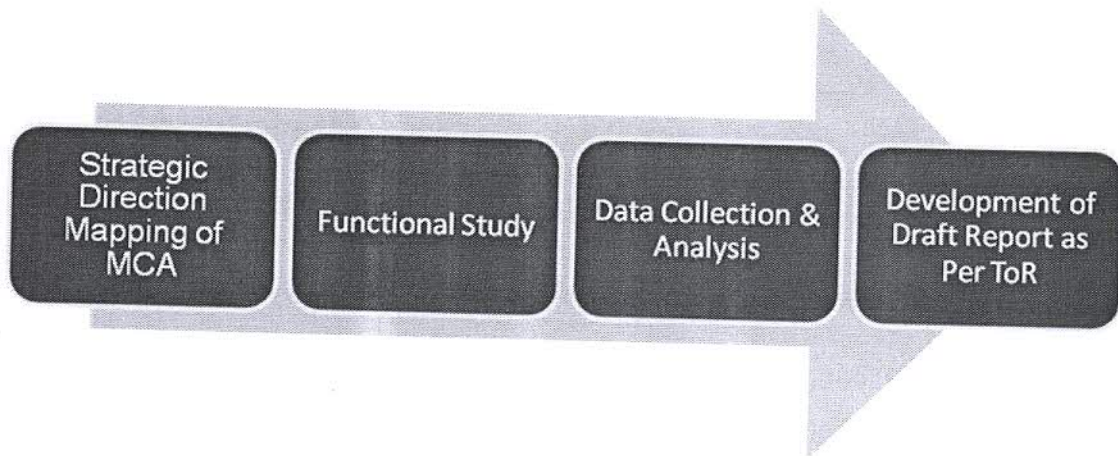
Sample Offices Proposed for Field Study

Corporate Ministry and CRC i.e.	Regional Directorate (out of total 7)	Registrar of Companies (out of total 15)	Official Liquidators (out of total 14)	RoC-cum-OL (out of total 9)
<ul style="list-style-type: none"> • Delhi i. Admin sections, ii. Company Law- I to VII, iii. Competition Section, iv. Cost Account Branch, v. CSR Cell, vi. E-Governance, vii. ICA section, viii. Insolvency Section, ix. IGMC, x. IEPF, xi. Professional Institutes Section, xii. Research Analysis, xiii. Statistics Division xiv. All other Sections of Ministry • CRC, Manesar • ICLS Academy 	Delhi	Delhi	Delhi	Bilaspur
	Kolkata	Kolkata	Kolkata	Patna
	Ahmedabad	Ahmedabad	Ahmedabad	Ranchi
	Shillong	Shillong	Guwahati (at Shillong)	Jammu
	Chennai	Chennai	Chennai	Jaipur
	Mumbai	Mumbai	Mumbai	Goa
	Hyderabad	Hyderabad	Hyderabad	Cuttack
		Kanpur	Allahabad	Chandigarh
		Bangalore	Bangalore	




Annexure -2: Methodology for Study

Overall Broad Methodology



TOR wise Methodology

TOR -1	To examine the utility & relevance of various functions/activities of MCA, its officials and to suggest effective alternatives in light of the present role of MCA and the expected role in the coming future i.e by 2020 and beyond, after conducting a scientific study.
Activities	<ul style="list-style-type: none">✓ Study of Allocation of Business Rules, 1961 and other provisions/Acts which have or shall have bearing upon functioning of MCA✓ Interaction with different stakeholders (MCA, Corporate, Associations, Courts etc.) and envisioning of stakeholder views regarding the expected role of organization.✓ Study the services offered by MCA through different offices viz. RoC/RD/OL and their expected role in future.✓ Process Mapping of different services to be offered and analysing the utility

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	<p>& relevance of processes in the light of expected role.</p> <ul style="list-style-type: none"> ✓ Finding effective alternatives in roles of MCA and functions/activities thereof considering the impact on various stakeholders.
TOR -2	To conduct work-study and assess the existing manpower strength vis-a-vis the work & functions and suggest optimum manpower requirement as well as their effective utilization for the present & future level of operations thereby suggesting and preparing a comprehensive HR plan for the ministry and its field offices.
Activities	<ul style="list-style-type: none"> ✓ Job analysis of all the levels of employees and determining the work content. ✓ Identify productivity parameters and their measurable indices and assess the base level productivity. ✓ Work-load vs. Position Criticality analysis to suggest optimum manpower requirement as well as their effective utilization. ✓ Identifying HR issues, prioritize and determine a comprehensive HR plan for the ministry and its field offices.
TOR -3	To study and analyze the present organizational structure and suggest to bring efficiency and more productivity.
Activities	<ul style="list-style-type: none"> ✓ Study how activities are coordinated and grouped together through analysis of P-P-T (i.e. People-Process-Technology). ✓ Analysing the hierarchy: the division and delegation of responsibilities & powers. ✓ Analysing the organisation structure in terms of overlapping, redundancy, unity of command, span of control, flexibility etc. ✓ Organizational survey to determine the effectiveness of the organizational structure and its impact on employees' productivity and satisfaction. ✓ Meeting with department heads to understand their views and ask for feedback on how to make improvements to the overall structure. ✓ Suggest appropriate Organization Structure to bring efficiency, flexibility and better coordination & control.
TOR -4	To suggest appropriate automation/interventions/tools of e-governance for

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	improving productivity and delivery of services e.g. computerization, simplification of procedures, outsourcing, multi-tasking, multi-skilling etc.
	<ul style="list-style-type: none"> ✓ Study processes w.r.t. to role of MCA namely, as a Regulator, Integrator, Facilitator and Educator. ✓ Identify activities for effective enforcement and responsive information system through big data analysis. ✓ Identify prospective areas for improvement. ✓ Analyze the "As-Is" Processes for every service. ✓ Identify the pain areas through brainstorming and discussions with respective RDs. ✓ Identify Opportunities for automation of such areas wherever feasible in order to make significant changes. ✓ Develop a "To-Be" Process Map.
TOR -5	To suggest standard modules & a comprehensive training plan for capacity building of new recruits/probationers/mid career etc, keeping in view the skill requirement for developing an effective knowledge management system as well as the changes in the working of ministry and its offices due to coming up of new institutions and other factors.
Activities	<ul style="list-style-type: none"> ✓ Identify skills required at different levels for expected Role of MCA in consultation with IICA. ✓ Identify Skill Gap at various levels. ✓ Propose structured training policy comprising frequency of training and content at different levels, standard modules and suggestions for adoption of training plan.
TOR -6	To suggest roles & responsibilities with job description for different levels of officials along with their skill requirement and competency mapping w.r.t. the new ecosystem.
Activities	<ul style="list-style-type: none"> ✓ Job Role Analysis for every unique position identified in the field offices and Ministry.




	<ul style="list-style-type: none"> ✓ Identify Key Skills for every position in the organization. ✓ Document Key Roles & Responsibilities during field interaction. ✓ Develop Job Description containing Key Roles & Responsibilities, Skills and Reporting structure. ✓ Identify competencies and proficiency levels needed at various levels for different functional requirement. ✓ Develop a Competency Matrix for all jobs.
TOR -7	To suggest norms for opening of new offices depending on operational and manpower requirements as well as to suggest the feasibility of categorization of field offices in terms of work norms
	<ul style="list-style-type: none"> ✓ Develop optimum staffing norms and work load norms for opening as well as closing of an office. ✓ Develop a decision support system for Manpower Deployment and categorization of offices.
TOR -8	To introduce the concept of benchmarking in various functions and operations of the working in Ministry and its field offices to standardization in terms of infra and manpower requirements.
	<p>Internal Benchmarking:</p> <ul style="list-style-type: none"> ✓ Comparison of practices and performance between teams, individuals or groups across field offices. ✓ Determine 'Performance metrics' and 'Performance Gaps' for various functions and operations through detailed and carefully analyzed survey or interviews. ✓ Prioritise actions to be taken to bridge the performance gaps. <p>External Benchmarking:</p> <ul style="list-style-type: none"> ✓ Identify performance/productivity parameters or measures available for which external benchmarks are available. ✓ Compare practices and suggest probable changes.

TOR -9	To suggest and prepare a Detailed Project Report (DPR) for creation of Directorate of Corporate Affairs to look after the operational aspects of Company affairs.
Activities	<ul style="list-style-type: none"> ✓ Document Problems faced by MCA in current administrative setup. ✓ Identify the strategic Role to be played by the Directorate and expected changes in CSFs (time, compliance, monitoring, flexibility, transparency etc.) ✓ Draft Objectives, Mission & Vision for Directorate of company affairs. ✓ Detailed Role and structure for the proposed agency. ✓ Financial implications for creation of Directorate of company affairs.
TOR -10	To suggest if any review is required in Recruitment Rules (RRs) of ICLS and its feeder categories in light of future functional requirements.
Activities	<ul style="list-style-type: none"> ✓ Analyze feeder cadre and strength for Group-A& B Officers with the proposed structure in perspective. ✓ Analyze issues of succession planning, structure ratios for optimum career growth of the incumbents in cadre. ✓ Revise RRs to suit the requirements of MCA in terms of knowledge, skill, and experience.
TOR -11	To examine the references received from the Ministry during the course of work-study regarding assessment/requirement of manpower at different levels in various offices (including attached/autonomous) of MCA.
Activities	<ul style="list-style-type: none"> ✓ Desk review of the manpower requirements. ✓ Visit to respective office, if required. ✓ Propose the appropriate requirement.




Annexure -3:

Timeline for Execution of Study

Sl. No.	Activity	Working Days							
		20	40	60	80	100	120		20 days
1	Mapping of Strategic Direction								
2	Preparation of Instruments /Questionnaires for interview/interaction and data collection								
3	Compilation of secondary documents/information/ data from Ministry /institutes and analysis.								
4	Field Studies								
5	Data Analysis, Draft Report Preparation								
6	Final Report Submission								

Asst. Dir

P. G. G. G.

Annexure-4

Costing of the Study*

Sl. No.	Activities	Cost (Rs)	Mandays Estimated	Approved Rate of Consultancy for NPC
1	Professional Fee	13,100,000	<u>Conduct of the study for all eleven ToRs</u> 1004 Mandays (team of 8-10 consultants) Time estimated – 120 days <u>Implementation Phase</u> 180 mandays (team of 2-3 consultants) Time estimated – 6-9 months	Assistant Director – Rs. 9000/- per day Deputy Director – Rs. 11,000/- per day Director and above – Rs. 14000/- per day
2	Logistics	12,47,000	(Outside & local Travel, B&L, DA , out of pocket expenses)	
3	Administrative	600,000	(Documentation, Stationary, Support Staff, Office expenses, communication expenses)	
4	Miscellaneous	100,000	(Contingency expenses due to overrun of the study not under control of NPC, other unforeseen expenses) – Subject to reduction on actual basis.	
	Total	1,50,47,000		

- The activity wise cost is tentative. Hence, interhead adjustments would be made depending on the requirement of the study.