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| **Automotive Component Manufacturers Association of India** |  |

**Contract between “ACMA” and “Participating Company in Cluster”**

**Cluster Name: HR - Business Alignment Cluster (9 Months)**

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6th Floor, Capital Court,

Olof Palme Marg,

Munirka*,* New Delhi 110-067

**“Participating Company”** is a company, which has registered for the above mentioned ACMA Cluster Program.

## Name of the Applicant Plant with complete postal address:

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## A. Cluster Objectives

The Cluster Program envisages to deliver the expected outcomes as mentioned in part B of the circular.

## B. Cluster Deployment

Counselor will work under the guidance of Principal / Senior Counselors & Industry Experts / Mentor. For some specific training modules, other experts would also be invited.

Every Participating Company will get 1 Day Visit / Meeting (including Virtual / Online Visit / Meeting) per month (Total 9 Visits - including by Virtual / Online mode -  in nine months other than MRMs) till complete duration of the program. Minimum visits would be 95% of the total number of visits - including Virtual / Online - planned for the complete duration of the program.

Duration of the cluster program would be Nine months, counted from the start of counselor visit month / start of Data - Documents collection towards initiating the Cluster Program.

Counselor will **impart training** to CEOs, Managers and key associates. Counsellor will periodically visit the shop-floor of Participating Companies / Meet Virtually and help in translating the training inputs / Steps of Cluster.

There would be a regular review meeting (Mentor Review Meeting) at the cluster level - in rotation among the member companies or/ and Virtually / Online as per the prevailing circumstances. These meetings will provide an opportunity for the participating companies to learn from each other’s experiences and practices. The minimum number of Review Meetings are expected to be 70% of the total duration of the cluster program in months, which will be approximately 6~7 meetings for 9 Months duration. ***(Note: If the Review Meeting is of 2 days it should be considered as 2 Review Meetings or 2 Reviews. Model Plant Visit will also be considered as one Review Meeting. As mentioned MRMs may also be held virtually like in case of company meetings).***

**C. Cluster Meetings:**

Mentor / Counselor will explain participating company about the concept and steps of the cluster during meetings.

**CEO’s** presence is must during meetings.

To ensure absorption of knowledge imparted by Counselor, companies will ensure **participation of related team / team member(s) for every** meeting / review meeting to ensure continuity and implement the learnings.

CEO will ensure that **all related team members** are involved in the Cluster Process.

### D. Expectations from the Participating Companies

**1. Contribution for nine months**

* To defray the cost for running the cluster program, Participating companies will be required to contribute following **fee for program duration of nine months:**

For MSME companies with turnover up to Rs. 250 Crores: **INR 5.50 Lakhs + 18% GST.**

For all other companies with turnover more than Rs. 250 Crores: **INR 7.50 Lakhs + 18% GST.**

**The payment is to be made through local cheque / NEFT in favour of “Automotive Component Manufacturers Association (ACMA)”.**

*The Payment is to be made within 20 days after first visit of the counselor.*

*Payment once made is non-refundable.*

**2. Other Expenses:**

* Expenses on travel, accommodation, etc. for its own staff for attending meetings will have to be borne by respective companies.

**3. Company specific Issues / Initiatives:**

* Counselors may suggest services of other Experts for specific HR Cluster Outcomes related Initiatives. If Participating company desires to avail services of these experts, then all costs (including Travel, Consultancy, Remuneration, etc.) will be borne by respective company.

**4. Company Personnel Participation:**

* Company will assign a full-time task force, of not less than 5 persons, to ensure completion of all tasks related to the cluster program on time.

At least one of these team members will be a senior management person who will also act as a coordinator between company and ACMA counselor.

* Cluster CEO for the Participating Company will be in addition to the above Team, and will normally be a person of the level of Plant Head / Manufacturing Head.

This is the minimum requirement, and company is advised to assign additional persons - representing all areas in the company - to ensure seamless deployment of concepts across company.

**5. CEO’s Responsibility:**

* + Assigning Coordinator / Dy. Coordinator for the entire duration of the program.
  + Attendance in all review meetings.
  + Review the progress of the cluster program regularly as per process.
  + Designate responsible persons for implementation of learnings imparted.
  + Provide all necessary resources for successful implementation of the cluster process.
  + Providing access to facilities, including shop-floor and technical information.
  + CEO will not engage outside consultant in similar programs.

1. **Coordinator’s Responsibility:**
   * Be fully engaged with the counselor during his visits/ follow-ups and follow through (including trainings).
   * Coordinate with all the responsible persons for completion of the home work.
   * Coordinate for counselling dates, Review Meeting Agenda and Program.
   * To give Review Meeting feedback to concerned company’s employees.
   * To ensure the actions as decided.
   * Responsible for implementation of tools.

### Non-Performance:

Every visit of Counsellor ends with homework to be done by Participating Company. These have to be recorded and shared during review meetings. The ACMA Cluster Program has measurement system to assess performance of Participating Companies. Details of assessment will be explained during Review Meetings and during Counsellor Visits. It is important that companies achieve homework targets. Non-achievement of Cluster targets would mean unsatisfactory performance of the participating company and may result in withdrawal from the cluster in extreme case.

**Copyright**

All training material / know-how provided by ACMA during cluster program is intellectual property of ACMA. This material should be used for internal use only. Copying and distribution of this material to outsider is not permitted.

***All IPR (Intellectual Property Rights)******rights with ACMA:***

*A process, method, manner, tools, techniques, training material, case study examples, model generated (Lean machine / fixture, etc.) in participating companies during cluster programs, while training, implementation & sustaining cluster related areas / topics, all IPR (Intellectual Property Rights - Trademark, Patents, Copyright etc.) will be with ACMA as a co-owner.*

***Exit Clause / Arbitration***

*In unavoidable circumstances (like plant closure), participating company may opt for exit from Cluster Program. In such situations, final decision from Head Skilling & Mentoring / Head Cluster Program / Concerned Counselor / Director General - ACMA will be binding on the company.*

**Confidentiality:**

All data and information provided by the company and used in the Cluster will be treated in strict confidence and will not be released without prior written approval of the concerned company.

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|  | **For Participating Company** | **For ACMA** |
| **Name** |  |  |
| **Designation** |  |  |
| **Signatures** |  |  |
| ***Company Seal*** |  |  |
| **Place** |  |  |
| **Date** |  |  |