

**MEMORANDUM OF UNDERSTANDING
FOR THE YEAR**

2018-2019

BETWEEN

NBCC (INDIA) LIMITED

AND

**MINISTRY OF HOUSING & URBAN AFFAIRS
GOVERNMENT OF INDIA**



A Navratna CPSE

NBCC (INDIA) LIMITED

(A Government of India Enterprise)

(Formerly known as National Buildings Construction Corporation Ltd.)

MANDATORY PARAMETERS

MoU of NBCC (India) Limited & Ministry of Housing & Urban Affairs for FY 2018-19

PART-A

Sl. No	Particular	Unit	Marks	Current year (2017-18) (Estimate)	Best in 5 years	MoU Target for the year 2018-19				
						Excellent	Very Good	Good	Fair	Poor
						(7) 100	(8) 80	(9) 60	(10) 40	(11) 20
1	Turnover Revenue from Operations	Rs. Cr.	10	6,550.00	6,279.38	7,200.00	6,900.00	6,700.00	6,500.00	6,300.00
2	Operating Profit/Loss Operating profit/surplus (Profit/Surplus before Tax excluding other Income, extraordinary and exceptional items) as a percentage of Revenue from operations (Net)	%	20	4.89	6.36	5.10	5.00	4.80	4.60	4.50
3	Return on Investment PAT as percentage of Average Net Worth	%	20	15.40	23.79	16.00	15.50	14.50	13.50	12.50
	Total (A)		50							

OTHER PARAMETERS
MoU of NBCC (India) Limited & Ministry of Housing & Urban Affairs for FY 2018-19

PART-B

Sl. No	Particulars	Unit	Marks	Current year (2017-18) (Estimate)	Best in 5 years	MoU Target for the year 2017-18				
						Excellent	Very Good	Good	Fair	Poor
						100%	80%	60%	40%	20%
1	Capacity Utilisation: Completed Structures during the year	Million Sq.Ft.	5	8.00	7.25	10.00	9.50	9.00	8.50	8.00
2	New orders received during the year	Rs. Crs.	10	9000	7720	12000	10000	9100	8900	8700
3	Completion of milestone of all Clients' orders/agreements without time overrun for clients order of Rs. 200 Crores and above	%	5	100	100	100	95	90	85	80
4	Trade receivables (Net) as number of days of Revenue from Operations (Gross)	No. of Days	3	130	95	110	115	120	125	127
5	Reduction in claims against the Company not acknowledged as debt	%	3	-	-	5	4	3	2	1
6	Milestones with respect to subsidiary CPSEs not signing MoUs separately									
(a)	First Order from Other than associate companies, after ensuring all the compliances for NEEL	Date	3	-	-	01.09.18	01.10.18	01.11.18	01.12.18	15.12.18
(b)	Return on equity investment in NBCC Engineering and Consultancy Limited	%	3	-	-	7.00	6.00	5.00	4.00	3.00

Sl. No	Particulars	Unit	Marks	Current year (2017-18) (Estimate)	Best in 5 years	MoU Target for the year 2017-18				
						Excellent	Very Good	Good	Fair	Poor
						100%	80%	60%	40%	20%
7	HRM Parameters									
(a)	Assessment of level in line with People capability Maturity Model (PCMM) or equivalent in the CPSE and placing the matter before the board for taking a decision whether to go for upgradation in level and, if yes, getting the approval for the timelines from the Board. If not, justifiable reason to be recorded in the Board Resolution.	Date	6	-	-	15.12.18	15.01.19	31.01.19	15.02.19	28.02.19
(b)	Online Human Resource Management System (HRMS) Implementation (consisting of online employee data administration, employee self-service, exit procedure, talent management, etc) and its integration with finance.	Date	4	-	-	15.12.18	15.01.19	31.01.19	15.02.19	28.02.19
8	Other Sector Specific Result Oriented Measurable parameters									
(a)	Sale of Property from Redevelopment Projects (Project Sale Value)	Rs. Crs.	3	3,000.00	3,090.55	3,500.00	3,000.00	2,500.00	2,000.00	1,500.00
(b)	Assessment of level in line with Project Management Maturity Model (Pro MMM) or equivalent in the CPSE and placing the matter before the board for taking a decision whether to go for upgradation in level and, if yes, getting the approval for the timelines from the Board. If not, justifiable reason to be recorded in the Board Resolution. (Date)	Date	5	-	-	15.12.18	15.01.19	31.01.19	15.02.19	28.02.19
Total (B)			50							

1. Targets finalized by IMC are based on estimates submitted by the CPSE for the year 2017-18. In case of better performance of the CPSE as per actual results, the difference may be added to targets for the year 2018-19 by the IMC. In case figures for the year 2017-18 are re-casted, restated in audited accounts, comparison of actual results shall be made based on recasted/ restated figures.

2. In working out achievements for the year 2018-19, quantified qualifications of CAG/ Statutory/ Auditors would be adjusted in case of overstatement of Revenue/ Profit/ Surplus or understatement of Loss/ Deficit in addition to the negative marks prescribed in MoU guidelines.

3. Targets decided in MoU are unconditional and no offset will be allowed. Further evaluation would be subject to compliance of additional eligibility criteria as contained in MoU guidelines.

(Anoop Kr Mittal)
Chairman cum Managing Director
NBCC (India) Limited

(Durga Shankar Mishra)
Secretary to the Govt. of India
Ministry of Housing & Urban Affairs