

MEMORANDUM
OF
UNDERSTANDING
BETWEEN
MINISTRY OF RAILWAYS
AND
IRCON INTERNATIONAL LIMITED
FOR THE YEAR
2017 - 18



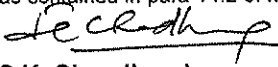
**MEMORANDUM OF UNDERSTANDING
BETWEEN MINISTRY OF RAILWAYS AND IRCON INTERNATIONAL LIMITED
(2017-18)**

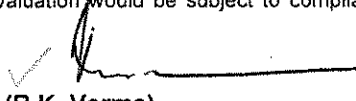
PERFORMANCE CRITERIA (PART - A & B)

Sl. No	Financial Performance Criteria	Unit	Marks	MoU Target for the year 2017-18				
				Excellent 100%	Very Good 80%	Good 60%	Fair 40%	Poor 20%
(A) Mandatory parameters (Part-A)								
1	Turnover -- Revenue from Operations	Rs. crore	10	3700	3500	3400	3300	3200
2	Operating Profit -- Operating Profit / Revenue from operations	%	20	5.00	4.75	4.50	4.25	4.00
3	Return on Investment -- PAT / Average Net Worth	%	20	7.60	7.25	7.00	6.75	6.50
(B) Other parameters (Part-B)								
4	New orders received during the year	Rs. crore	8	6100	5600	5100	4850	4600
5	Capacity Utilization -- Completion of customer projects within timeline (As per Annexue - A)	No.	10	10	9	8	7	6
6	Completion of milestone of clients orders/ agreements without time overrun (As per Annexure - B)	%	8	100	90	85	80	75
7	CAPEX	Rs. crore	3	42	40	38	36	34
8	Human Resource Management	-	10	(As per Annexure - C)				
9	Trade Receivables (Net) as number of days of Revenue from Operations (Gross)	No. of Days	5	60	70	75	80	85
10	Return on Investment in Joint Ventures -- Completion of Earth work and minor bridges in Chattisgarsh East Corridor Rail Project	Km	3	35	33	31	29	27
11	Reduction in Claims against the company not acknowledged as debt	%	3	5	4	3	2	1
Total			100					

Notes:

- The targets finalized by Inter-Ministerial Committee (IMC) are based on estimates submitted by the CPSE for the year 2016-17. In case of better performance of the CPSE as per final results as compared to estimates, the difference shall be added to the targets for the year 2017-18
- 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 para 14.2 of MoU guidelines 2017-18.


(S.K. Chaudhary)
Chairman & Managing Director
Ircon International Limited
New Delhi


(R.K. Verma)
Secretary, Railway Board
Ministry of Railways
New Delhi

Annexure - A**Production Efficiency : Railway Project Implementation**

Sl. No.	Name of the project	Value (Rs. in crore)	Milestone / Item	Target for Achievement of Milestone	Unit
1	Sivok-Rangpo New BG Rail project	3,490.00	The construction work of tunnels shall be started wherever land is made available by the North Frontier Railways by 31.05.2017	31.03.2018	Time
2	Construction of Rail link (Gauge conversion) between Jayanagar to Bijalpura	721.10	Track linking of 25 km where land is available.	31.03.2018	Time
3	Development of circulating areas at Santragachi and essential passenger amenities and road connectivity to Kona Expressway for South Eastern Railway	208.00	Station Building Structure at Santragachi (G+1) will be completed	31.03.2018	Time
4	Development of coach terminal at Shalimar and provision of essential passenger amenities for South Eastern Railway	208.00	Station Building Structure at Shalimar (G+2) will be completed	31.03.2018	Time
5	Hajipur Bachwara: (ECR)	568.71	a) Completion of formation (earthwork and blanketing) b) Construction of minor bridges	25 km 15 Nos.	Km. Nos.
6	Kiul Gaya : (ECR)	1,027.29	a) Completion of formation (earthwork and blanketing) b) Construction of minor bridges	30 km 60 Nos.	Km. Nos.
7	Katani –Singrauli: (WCR)	1,496.78	a) Completion of formation (earthwork and blanketing) b) Construction of minor bridges	30 km 70 Nos.	Km. Nos.
8	Rampur Dumra – Tal – Rajindrapul (RTR) - ECR	1,417.06	a) Award of tender on EPC for main bridge b) Approval of Yard Plans of 4 stations	31.10.2017 31.07.2017	Time
9	Udhampur - Srinagar - Baramula (USBRL) Rail Line project of J&K	16,743.00	a) Completion of Tunnel mining by 31.03.2018 b) Turnover for 2017-18 (including advances from Railways)	20 Km Rs. 1500 crore	Km. Rs. in crore
10	Setting up of Loco Shed in Bonda-Munda	132.30	PEB (Pre Engineered Building) shed completion	31.03.2018	Time

* All projects milestones carry equal weightage (i.e. 10/10 = 1 marks each). Also (a) and (b) of sl. nos. 5 to 9 each carry equal weight age of 0.5 marks each.

Secretary

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Annexure - B

Completion of client orders / agreements without time overrun:

Sl. No	Name of the project	Value (Rs. in crore)	Milestone / Item	Target for Achievement of Milestone	Unit
1	Procurement of plant design, supply and installation of overhead track equipment, traction sub-station, auxiliary power supplies sub-station, bulk power supplies switching stations and signaling systems for Majuba Rail Project (Client - ESKOM Holdings SOC Limited, South Africa)	336	Entire work of 77 Km of OHE to be completed.	31.03.2018	Time
2	Signaling project on turnkey basis at 11 stations between Ishurdi-Darsana, Bangladesh	60	Completion of work	31.10.2017	Time
3	2nd Bhairab Railway Bridge in Bangladesh	226 (Ircn's share)	Completion of Bridge	31.05.2017	Time
4	DFC (Western Corridor CTP-12)	2170	a) Construction of RUBs b) Construction of formation	20 Nos. 30 km	Nos. Km.
5	Design, supply, installation, testing & commissioning of receiving-cum-traction and auxiliary main sub-station under CE-6, Lot-1, Delhi MRTS project, Phase-III, DMRC	260	Charging of Vinod Nagar - 66/25/33 KV CIS Sub-station.	31.12.2017	Time
6	Ballast less track (BLT) at Mukundpur-Lajpat Nagar section in Delhi (excluding line 7 in elevated and underground section and ballast less track in Mukundpur Depot) for DMRC	197.67	The entire work will be completed provided the site is made available by DMRC by 31.05.2017.	31.01.2018	Time
7	NMDC siding at Nagarnar-Jagdarpur	450	Completion of track linking	20 Km	Km
8	NTPC siding for Darlipali project	332	Completion of track linking	12 Km	Km

* All eight projects milestones carry equal weightage. (i.e. 10/8 = 1.25 marks each). Also (a) and (b) of sl. no. 4 carry equal weightage of 0.625 marks each.

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Annexure - C

Human Resource Management Template

Sl. No.	Particulars	Unit	Marks	MoU Target				
				Excellent	Very Good	Good	Fair	Poor
1	On-line submission of ACR/APAR in respect of all executives (E0 and above) along with compliance of prescribed timelines w.r.t. writing of ACR/APAR	% age of number of executives	2	100	95	90	85	80
2	Online Quarterly vigilance clearance updation for Senior Executives (AGM & above)	% age of number of senior executives	2	100	95	90	85	80
3	Implementation of Succession Plan	Date	2	30.9.17	15.10.17	31.10.17	15.11.17	30.11.17
4	Holding of DPC without delay for executive (E0 and above level)	% age of number of executives	2	100	95	90	85	80
5	Talent management & career progression by imparting at least one week training in centre of Excellence e.g. IITs, IIMs, NITs, ICAI etc. (% of executives) within India	% of executives within India	2	10	9	8	7	6

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