

वर्ष 2011-2012 के लिए
नेशनल बिल्डिंग्स कंस्ट्रक्शन कार्पोरेशन लिमिटेड
एवं
शहरी विकास मंत्रालय, भारत सरकार
के बीच
समझौता ज्ञापन

MEMORANDUM OF UNDERSTANDING

FOR THE YEAR 2011-2012

BETWEEN

NATIONAL BUILDINGS CONSTRUCTION CORPORATION LTD.

AND

**MINISTRY OF URBAN DEVELOPMENT,
GOVERNMENT OF INDIA**



ग्राहक की खुशी के लिए प्रतिबद्ध

COMMITTED TO CUSTOMERS' DELIGHT

नेशनल बिल्डिंग्स कंस्ट्रक्शन कार्पोरेशन लिमिटेड

NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED

MEMORANDUM OF UNDERSTANDING

BETWEEN

NBCC AND MOUD FOR THE YEAR 2011-2012

PART- I

CORPORATE VISION AND OBJECTIVES

CORPORATE VISION:

Our vision is to be a widely admired and preferred construction services company.

MISSION:

- To supply customers with practical, secure, innovative and cost-efficient construction products and services that meets their needs as well as providing the necessary supporting infrastructure.
- To act in a socially responsible way to contribute to national wealth, whilst upholding our responsibility for the environment and promoting the well-being of our customers, employees, shareholders and other stakeholders.
- To achieve a premier position by developing and adopting best practices and state-of-the art technology in construction services and related activities for gaining a competitive advantage.
- To deliver value to projects through cost and planning optimization and effective risk management.
- To retain our status as the first ranked company of the Government of India in the field of Contract and Construction Services.

OBJECTIVES:

- 1. Implementing management practices that encourage value added innovative construction services delivery.**
- 2. Ensuring the long-term viability of the company through prudent financial management and the provision of efficient and effective services.**
- 3. Managing industry, organizational and contractual relationships in an ethical, fair and professional manner.**
- 4. Maintaining the flexibility of structure, policies and system necessary to accomplish the corporate mission in the face of changing circumstances and needs.**
- 5. Conducting operations in a way that helps protect and promote the natural environment.**
- 6. Building brand awareness.**
- 7. Maintaining Human resources management practices that advocate and advance the well-being of employees, as well as their personal and professional development.**
- 8. Adhering to all statutory requirements, public policy regulations and guidelines.**
- 9. Continuing participation in the Government initiatives for development of remote areas.**
- 10. To achieve a more diversified revenue base.**

PART-II

AUTONOMY AND DELEGATION OF FINANCIAL POWERS

- NIL -

PART-III
Performance Evaluation Criteria and Targets
NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED
MOU Assessment Format 2011-2012

Sl. No	Evaluation Criteria		Unit	Weight (in %)	B.E. 2011-12	Excellent	Very Good	Good	Fair	Poor
				(100)	(Target)	(1)	(2)	(3)	(4)	(5)
I	<u>Static/Financial Parameter</u>									
	a)	Financial Indicators Profit related ratios								
		i) Gross Margin / Gross sales	%	10	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
		ii) Operating turnover/ Employee	Rs. lacs	12	138.78	155.10	146.94	138.78	130.61	122.45
	b)	Financial Indicators-size related								
		i) Gross Margin	Rs. Cr.	8	204.00	228.00	216.00	204.00	192.00	180.00
		ii) Gross Sales	Rs. Cr.	4	3400.00	3800.00	3600.00	3400.00	3200.00	3000.00
	c)	Financial returns-productivity related								
		i) PBDIT/Total Employment	Rs. lacs	7	8.33	9.31	8.82	8.33	7.84	7.35
		ii) Added Value / Sales	%	9	4.87%	4.99%	4.94%	4.87%	4.80%	4.72%
	Sub Total I			50						
II	<u>Dynamic Parameters</u>									
	d)	Use of solar equipments in projects (such as street lighting and water boiler etc._	No. of Projects	3	2	4	3	2	1	0
	e)	Use of green construction material in projects (including use of recycled material such as fly ash bricks etc.)	No. of Projects	2	2	4	3	2	1	0
	f)	Customer Satisfaction (Customer Orientation)	%	4	75%	85%	80%	75%	65%	60%
	g)	HRD (Employee Training & Motivation)	Mandays	5	530	550	540	530	525	520
	h)	R&D								
		i) sponser research on reduction in water consumption in construction.	Date	3	28.02.12	31.12.11	31.01.12	28.02.12	15.03.12	31.03.12
		ii) Preparation of long term R&D plan	Date	2	31.12.11	31.10.11	30.11.11	31.12.11	31.01.12	28.02.12
	i)	Project Implementation (modernisation and expansion)		10		AS per ANNEXURE-A				

	j)	Corporate Social Responsibility(CSR)		5		AS per ANNEXURE-B				
	k)	Sustainable Development								
		i) Construction of Green Building	No. of projects	2	1	2	1	1	0	0
		ii) Incorporation of Water Harvesting System in projects	No. of projects	2	3	5	4	3	2	1
		iii) Installation of STP in projects for zero waste water discharged	No. of projects	1	3	5	4	3	2	1
	l)	Corporate Governance								
		i) To review internal audit system of the corporation.	Date	2	31.10.11	31.08.11	30.09.11	31.10.11	30.11.11	31.12.11
		ii) To obtain approval of Board of Directors on Risk Management Policy.	Date	1	30.09.11	31.07.11	31.08.11	30.09.11	31.10.11	30.11.11
		iii) To obtain approval of Board of Directors on code of conduct & ethics for Board members and Sr. management.	Date	2	31.08.11	30.06.11	31.07.11	31.08.11	30.09.11	31.10.11
		Sub total (d+e+f+g+h+i+j+k)		44						
III	m)	Sector specific Parameters								
		New order obtained during the year	Rs.Cr.	4	3400	3,800	3,600	3,400	3,200	3,000
IV	n)	Enterprise specific Parameters								
		i) Timely submission of MoU to DPE	Date	1		10.12.10				
		ii) timely submission of Public Enterprises survey data to DPE	Dte	1	15.10.11	15.09.11	1.10.11	15.10.11	31.10.11	31.11.11
		Total (I+II+III+IV)		100						
		-								
IV		Gross Profit	Rs.Crore		199.00	223.00	211.00	199.00	187.00	175.00
		Gross Block	Rs.Crore		37.00	37.00	37.00	37.00	37.00	37.00
		Net Profit	Rs.Crore		128.05	143.90	135.97	128.05	120.14	112.00
		Capital Employed	Rs.Crore		383.25	383.25	383.25	383.25	383.25	383.25
		Net Worth	Rs.Crore		729.55	741.69	735.62	729.55	723.49	717.12
		Total Employee			2450	2450	2450	2450	2450	2450
		Added Value (Gross Margin - 0.10 * Capital Employed)	Rs.Crore		165.68	189.68	177.68	165.68	153.68	141.68

ANNEXURE - A

PROJECT IMPLEMENTATION (MILE STONE MOU 2011-12)

S. No.	Name of Project	Unit	Weightage	Contract Value (Rs. Cr.)	Target date of completion	Excellent	Very Good	Good	Fair	Poor
1	Medical College, Mewat	Date	1	311.00	27.03.12	23.03.12	25.03.12	27.03.12	29.03.12	31.03.12
2	ESIC Model Hospital , Jaipur	Date	1	128.79	27.03.12	23.03.12	25.03.12	27.03.12	29.03.12	31.03.12
3	NIT, Raipur	Date	1	36.29	28.02.12	30.01.12	15.02.12	28.02.12	15.03.12	31.03.12
4	ESIC Hospital, Tirunevelli	Date	1	34.36	20.03.12	28.02.12	10.03.12	20.03.12	25.03.12	31.03.12
5	Durgapur Chimney	Date	1	31.25	31.12.11	30.11.11	15.12.11	31.12.11	15.01.12	31.01.12
6	Koderma Chimney	Date	1	30.00	28.02.12	31.01.12	15.02.12	28.02.12	15.03.12	31.03.12
7	CISF Men's Barracks, Greater NOIDA	Date	1	29.28	30.01.12	30.12.11	15.01.12	30.01.12	15.02.12	28.02.12
8	Technology Building, Saharanpur	Date	1	26.19	21.01.12	21.12.11	05.01.12	21.01.12	05.02.12	21.02.12
9	240 Capacity Boys Hostel (Himgiri) & Girls Hostel (Sabarmati), MDU Rohtak	Date	1	18.00	19.01.12	19.12.11	03.01.12	19.01.12	03.02.12	19.02.12
10	Staff Acomodation-II, IIT Roorkee	Date	1	17.70	28.02.12	30.01.12	15.02.12	28.02.12	15.03.12	31.03.12

ANNEXURE - B

TARGET FOR CSR ACTIVITIES (MOU 2011-12)

S. No.	Name of Project	Unit	Weightage	Targeted Expenditure	Excellent	Very Good	Good	Fair	Poor
1	Association/ Setting up/ Take over of Technical Training Institute Construction and Bulding Management Skills Training-cum-Production center	Rs. Crore	1	0.40	0.50	0.45	0.40	0.35	0.30
2	Association/ Setting up/ Take over of Technical Training Institute for Educated Unemployed Youth from the rural and semi urban Areas	Rs. Crore	1	0.70	0.80	0.75	0.70	0.65	0.60
3	Merit-cum-Means Solorship Scheme (100% expenditure support) for meritories girl students from rural Schools.	Rs. Crore	1	0.16	0.20	0.18	0.16	0.14	0.12
4	Repair of school at Wankaner, Rajkot and providing Toilet Blocks for	Rs. Crore	1	0.14	0.16	0.15	0.14	0.13	0.12
5	Implementation of Rashtria Swasthya Bima Yojna.	Rs. Crore	1	0.19	0.21	0.20	0.19	0.18	0.17
	Total Expenditure	Rs. Crore		1.59	1.87	1.73	1.59	1.45	1.31

PART-IV

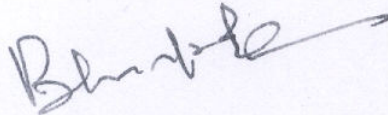
COMMITMENTS / ASSISTANCE FROM THE GOVERNMENT:

- 1. To induct independent Directors in Board of Directors of NBCC so that the case of granting Mini Ratna status to NBCC may be pursued further.**
- 2. To pursue with GNCTD to comply with the orders of High Court relating to land at Ghitorni.**
- 3. To assist NBCC to procure land from State Govts. / Development Authorities for construction of affordable housing.**
- 4. To assist NBCC in procuring business from other Government Departments / Agencies.**

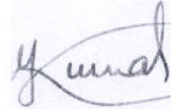
PART-V

ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU.

Performance will be reviewed by the Corporation on quarterly basis and on half-yearly basis by the Ministry of Urban Development against the targets given in this MOU.



V. P. DAS
Chairman-cum-Managing Director
National Buildings Construction
Corporation Ltd.
New Delhi



NAVIN KUMAR, IAS
Secretary (UD)
Ministry of Urban Development
Government of India
New Delhi.