

**Memorandum of Understanding**

**(MoU)**

**2016-17**

**between**

**Ministry of Railways. Govt. of India**

**and**

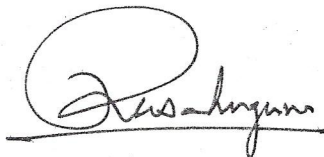
**RailTel Corporation of India Ltd.**

RAILTEL CORPORATION OF INDIA LIMITED

FORM-I (MOU 2016-17)

(Applicable for ALL CPSEs except CPSE under Closure/under construction)

Sl. No	Evaluation Criteria	Unit	Wt	MOU Targets				
				Ex.	V.Good	Good	Fair	Poor
				100	80	60	40	20
i.	<b>Capacity Utilisation:</b>							
	i) (a) Utilisation of bandwidth backbone--Core	%age of utilisation in GBKM	3	60	55	50	45	40
	i) (b) Utilisation of bandwidth backbone--Distributions	%age of utilisation in GBKM	2	60	55	50	45	40
	ii) Utilisation of racks of Data Network (MPLS PoPs)	%age of Ports utilised	3	60	55	50	45	40
	iii) Utilisation of racks of Data Centre	%age of equipped racks	2	50	45	40	35	30
ii	<b>Efficiency Parametres Physical operations):</b> <b>A. Production efficiency (Sector specific)</b>							
	i. Increase in availability of circuit for lease lines over previous year	%age	5	0.50	0.40	0.30	0.20	0.10
	ii. Increase in availability of data network over previous year.	%age	5	0.50	0.40	0.30	0.20	0.10
	<b>B. Technology up-gradation :</b>							
	Augmenting of network with MDWDM technology	No. of Pops	5	100	90	80	70	60
iii	<b>Leveraging Net-Worth:</b>							
	CAPEX	Rs Cr	15	158	150	143	135	128
iv	<b>Monitoring Parameter:</b>							
	Percentage of value of CAPEX contracts/projects running/completed during the year without time/cost overrun to total value of CAPEX	%	5	100	90	80	70	60
v	<b>Turnover for Operations:</b>							
	Revenue from Operations (Net of excise duty)	Rs Cr	5	610	580	550	520	500
vi	<b>Operating Profit/Surplus:</b>							
	Profit before Tax (Excluding Other Income, Extraordinary and Exceptional Item)	Rs Cr	10	110	100	95	90	85
vii	<b>Early signs of weakness:</b>							
	Reduction in Overall Claims against the Company not acknowledged as debt, over the previous year	%	5	2.50	2.25	2.00	1.75	1.50



MOU 2016-17  
Approved by IMC  
Signed 26/10/16



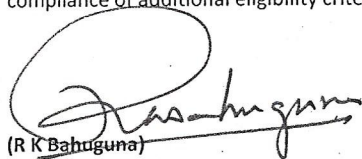
**RAILTEL CORPORATION OF INDIA LIMITED**

FORM-I (MOU 2016-17)

(Applicable for ALL CPSEs except CPSE under Closure/under construction)

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				Ex.	V.Good	Good	Fair	Poor
				100	80	60	40	20
viii A	<b>Marketing efficiency ratios:</b>							
	a. Completion of clients' order without time/ cost overrun (Excluding Railways)	Nos.	5	97	95	90	85	80
	b. Trade Receivables as percentage of Revenue from Operations (Gross)	%	5	34	35	36	37	38
ix	<b>Return on Investment: Profit Earning CPSEs:</b>							
	i. Dividend/PAT	%	5	50	40	30	29	28
	ii. PAT/Net Worth or Shareholders Fund	%	10	10.06	9.5	9.00	8.50	8.00
	iii. Dividend/Networth	%	5	5.0	3.80	2.700	2.465	2.24
x	<b>Sector/CPSE specific targets</b>							
	<b>New facilities for Railways</b>							
	i. NOFN works in Number of Gram Panchayat (Railtel Portion)	Number	1	3000	2500	2000	1500	1200
	ii. Wi-fi at Railway Stations/Public Places	Number	2	55	50	45	35	25
	iii. Laying of OFC for Railway	In KM	2	350	325	300	275	<275
	<b>Total</b>		<b>100</b>					

- The targets are based on Provisional figures submitted by the CPSE for 2015-16. In case of better performance, the difference between actual achievement for the year 2015-16 and estimates submitted by the CPSE, shall be added to the targets of 2016-17.
- At the time of MoU Evaluation, wherever the figures are not verifiable from the Annual Report, verification of the same would be done on the basis of certification by the way of resolution by Board of Directors.
- The targets decided in MoU are unconditional and no offset will be allowed in any condition. Further evaluation would be subject to compliance of additional eligibility criteria as contained in para 14.2 and 14.3 of MoU guidelines 2016-17.

  
(R K Bahuguna)

Chairman & Managing Director  
RailTel Corporation of India Ltd

Place: New Delhi

Dated: 27.10.2016



Secretary, Railway Board  
Ministry of Railways  
Government of India

MoU 2016-17  
Approved by IMC  
*A. S. Singh*  
Signed 26/10/16

# RAILTEL CORPORATION OF INDIA LIMITED

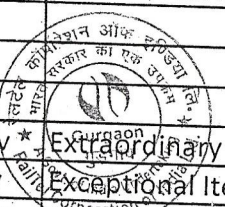
## Form I (Part B)

(Applicable for ALL CPSEs except CPSE under Closure/under construction)

### Trend Analysis

Rs in Crores

S. No.	Evaluation Criteria	Unit	Financial Year						
			2011-12	2012-13	2013-14	2014-15	2015-16 (Actual Dec-15)	2015-16 (Provisional)	2016-17 (projected)
i	Capacity Utilisation (Based on Part A)								
ii	Efficiency Parameters (Physical Operations)- Based on Part A								
iii	CAPEX	Rs Crore							
iv	Paid up Share Capital	Rs Crore	22	39	128	265	150	314	150
v	Accumulated Reserves	Rs Crore	321	321	321	321	321	321	321
vi	Net Worth	Rs Crore	382	476	592	683	763	763	820
vii		Rs Crore	702	797	913	1004	1084	1084	1141
	Borrowings (Shown in Non Current Liabilities)	Rs Crore							
viii	Borrowings/Net Worth	%	21	0	0	0	0	0	0
ix	Percentages of value of CAPEX contract/project running/completed during the year without time/ cost overrun to total value of CAPEX contracts running /completed during the year (wherever applicable)		0	NA	NA	NA	NA	NA	NA
x	Revenue from Operations (Gross)	Rs Crore	347	362	453	482	365	572	580
xi	Revenue from Operations (Net of Excise Duty)	Rs Crore	347	362	453	482	365	572	580
xii	Profit before Tax	Rs Crore	105	142	169	166	114	190	160
xiii	Other Income - Interest	Rs Crore	54	71	80	66	45	59	60
	Dividend	Rs Crore	0	0	0	0	0	0	0
	Others	Rs Crore	3	2	5	6	2	29	0
	Total	Rs Crore	57	74	84	72	47	88	60
xiv	Extraordinary Items	Rs Crore	0		0	0	0	0	0
xv	Exceptional Item	Rs Crore	-14	0	0	0	0	0	0
xvi	Profit before Tax (Excluding Other Income, Extraordinary and Exceptional Item)	Rs Crore	62	68	84	94	67	103	100



*(Signature)*

# RAILTEL CORPORATION OF INDIA LIMITED

## Form I (Part B)

(Applicable for ALL CPSEs except CPSE under Closure/under construction)

### Trend Analysis

Rs in Crores

S. No.	Evaluation Criteria	Unit	Financial Year						
			2011-12	2012-13	2013-14	2014-15	2015-16 (Actual Dec-15)	2015-16 (Provisional)	2016-17 (projected)
xvii	Profit After Tax	Rs Crore	86	112	138	121	80	98.66	108
xviii	Revenue from Operation (Net)/ Total Expenses [excluding extra ordinary/exceptional item, if shown seperately and Income tax Expense]	%	116%	123%	123%	124%	122%	122%	121%
xix	Closing Inventory of Finished Goods	Rs Crore	NA	NA	NA	NA	NA	NA	NA
xx	Closing Inventory of Work in Progress	Rs Crore	NA	NA	NA	NA	NA	NA	NA
xxi	Sale of Products (Net of Excise Duty)	Rs Crore	NA	NA	NA	NA	NA	NA	NA
xxii	Number of days of inventory of finished goods and work in progress to sale of products (wherever applicable)	Rs Crore	NA	NA	NA	NA	NA	NA	NA
xxiii	Trade Receivables of over 6 month	Rs Crore	44.68	37.11	49.94	91.32	100	89	85
xxiv	Trade Receivables (Total)	Rs Crore	106.88	92.64	153.87	167.9	191	258	203
xxv	Trade Receivables as percentage to Revenue from Operation (Gross)	Rs Crore	31%	26%	34%	35%	52%	45%	35%
xxvi	Cash & Bank Balances	Rs Crore	668.89	817.96	743.9	672.41	639.00	560.00	640.00
xxvii	PAT/Net Worth	%	12.22%	14.01%	15.11%	12.04%	7.34%	9.10%	9.5%
xxviii	Dividend/PAT	%	16.31%	13.44%	12.33%	14.06%	0.00%	40.00%	40.00%
xxix	Dividend/Net worth	%	1.99%	1.88%	1.86%	1.69%	0.00%	3.64%	3.80%
xxx	Claim against the company not acknowledged as debt	%	-	-	-	-	-	-	2.25%
xxxi	CPSE specific/sector specific (List All from Part A)								
xxxii	Resources Raised	Rs Crore	0	0	0	0	0	0	0
xxxiii	Surplus Redeployed	Rs Crore	NA	NA	NA	NA	NA	NA	NA
xxxiv	Major Expenses								