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भारत संचार निगम लिमिटेड
(भारत सरकार का उद्यम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

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अनुपम श्रीवास्तव

अध्यक्ष एवं प्रबन्ध निदेशक

ANUPAM SHRIVASTAVA

Chairman & Managing Director

CPM-I/1-54/MoU (2015-16)/2015

April 17, 2015

Dear Shri

BSNL has recently signed MoU with DOT for current F.Y., 2015-16. Based on the performance in achieving MoU targets, our organization will be rated as '**Excellent**' / '**Very Good**' PSU.

Targets for each of the circles have been assigned and I am enclosing herewith targets to be achieved during F.Y. 2015-16 by your circle which are based on the targets your circle achieved during F.Y. 2014-15.

Besides these targets, concerned Director / Business Unit (BU) may also assign additional targets based on operational requirements. All targets, as annexed herewith and the ones conveyed / to be conveyed by concerned Director / BU need to be achieved during the year. To ensure achievement of all targets, you may assign the targets to all concerned; including SSA Heads, within a week's time for their time bound focused approach. The performance of your circle will be rated on a scale of 100 on the basis and extent of meeting the targets assigned. Here, I would like to emphasize that Outstanding Performance rating in APAR / SPR would only be awarded to those Circle Heads / SSA Heads / Officers of the Circle who would achieve targets assigned in 'excellent category'.

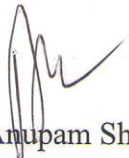
I have full faith in your capabilities and trust that you will put in your best efforts and will constantly keep monitoring, motivating and guiding your teams to not only achieve but surpass each of the Financial / Non-financial / Physical targets assigned to your circle.

While assuring you full support from BSNL C.O., I am looking forward to vigorous efforts from you and everyone. I wish you all the very best for achieving MoU for this financial year.

With best wishes,

Yours sincerely,

Encl : a/a


(Anupam Shrivastava)

Shri

Chief General Manager,

Telecom Circle / District / Non-territorial Circles (**Only on Intranet**)

Copy to :

ED (CN) / NB / FIN / CA / IT

GM (CP&M) – for monitoring overall BSNL performance as per MoU

SUB : Circle-wise Target Based on MoU 2015-16 (Performance Evaluation Parameters and Target in line with MOU 2015-16)

S. No.	Evaluation Criteria	Unit	Parameter weight	Target 15-16 (Excellent category)	Monitoring Unit in BSNL CO	Name of the Circle T.N.		
1 STATIC / FINANCIAL PARAMETERS								
i Growth /Size /Activity								
	a) Sales Turnover (See Note 1)	Rs. in Crores	50	33,500	CA / BFC&I			
The Sales Turnover target for the FY 2015-16 has been segregated among four Verticals of BSNL CO based on the achievement of FY 2014-15 (upto Dec'2014), and extrapolated for 2015-16		CM		15,800			2,582.0	
		CFA		13,600			1,297.0	
		EB		3,600			1,090.3	
		NB		500			113.6	
	b) Gross Operating Margin (See Note 2)	Rs. in Crores		1,200		81.2		
ii Profitability								
	a) EBITDA/ Net Block	% age		1.86	CA / BFC&I			
	b) Employee cost as %age of sales Turnover	% age		51				
iii Costs and Output Efficiency								
	a) Sales turnover / Net Block	% age		63.96				
iv Liquidity/ Leverage								
	a) Debtors / Turnover	% age		9				
v Efficiency of Asset use								
	a) Inventory / Turnover ratio	%age		11				
Total			50					
2 Dynamic / Non- Financial Parameters								
i Expenditure (Power Fuel and water) / Total Number of customers (Wireline + Wireless) [See Note 2 below]								
		Rs. per customer	4	221 *		Each Circles has to control the expenditure and achieve the target of Rs 221 per customer.		
ii Initiative for Growth								
a) Corporate/strategic plan-preparation/determination/identification of objectives/goals								
	(i) Net addition in Wi-Fi Hot spot (No. of Cities)	Numbers	2	250	NWP-BB	22		
	(ii) Net addition in Wi-Fi Hot spot (No. of Hot Spots)	Numbers	2	2,500	NWP-BB	243		
	(iii) Net addition in Customer Service Centres	Numbers	3	550	CSC / CS	30		
	(iv) Identification of Sparable space and its Renting	Rs. in Crores	3	500	BW	25		
	(v) Net addition in Leased Out Tower Sites to other Operators	Numbers	2	2,500	Infra Sales	125		
b) Globalisation of Operations								
	(i) Net addition in Direct International Roaming agreements with operators in other countries	Numbers		9	VAS	VAS Cell in BSNL CO. will coordinate (No Role of Circles)		
iii Project management & Implementation								
a) Capacity Addition								
	i) Net addition in O.F. Cable in BSNL Network	Route Kms	2	20,000	CNP	250		
	ii) Net addition in GSM capacity	Lakh Lines	2	63	NWP-GSM	CM Unit will allot targets for Net addition in GSM capacity		
	iii) Replacement of Legacy Wireline exchanges by NGN	Lakh Lines	2	5.3	NWP-CFA	CFA Unit will allot targets for Replacement of Legacy Wireline exchanges by NGN		
b) Completion of New/ Ongoing projects during the year								
	i) Laying of O.F. Cable for Defence Project i.e. Network for Spectrum (NFS)	Route Kms	2	55,000	CNP			
	ii) National Optical Fiber Network (NOFN) to connect Gram Panchayats (GPs)	Numbers	4	60,000	NOFN	0		
	iii) Commissioning of GSM BTSs to provide mobile coverage in Left Wing Extremist (LWE) areas	Numbers	2	1,850	NWO-CM	-		
iv. Productivity and Internal Process								
	a) ARPU for GSM Services of BSNL w.r.t ARPU on 30.09.2014*	Rs.	2	120	F-CM	98.9		
b) Telecom Network Utilization/ Downtime - Quality of service & Customer Satisfaction parameters								
	(i) Broadband Customer Survey for those seeking disconnections or already disconnected, with atleast One Town in a Circle	No. of Territorial Circles		At least one Town in Circle	NWO-BB&IN	Each Circle has to be conduct Broadband Customer Survey for those seeking disconnections or already disconnected, in atleast One Town		
	(ii) Bringing back the disconnected Broadband customers(DSL & FTTH) [See Note 3 below]	Numbers	2	1,30,000	NWO-BB&IN	11,286		
	(iii) Wireline Basic services (See Annexure B.I)	No. of LSAs meeting TRAI benchmarks	3	ALL TRAI Benchmarks	NWO -CFA/ F-CFA/ CS	Each Circle has to meet all TRAI Benchmarks for Quality of Service and Customer Satisfaction for the Basic, Broadband and Cellular services		
	(iv) Cellular Mobile Services (See Annexure B.II)		3	ALL TRAI Benchmarks	NWO -CM/ F-CM/ CSC			
	(v) Broadband Services (See Annexure B.III)		3	ALL TRAI Benchmarks	NWO-BB&IN / F-CFA/ CS			
v. Human Resource management								
	a) Implementation of HR restructuring	Timelines		30.11.2015	Restg.	HR Unit will allot targets for Circles		
	b) Implementation of Organizational Restructuring	Timelines		30.09.2015				
	c) Training for Fresh recruits	%age		100	Training	HR Unit will allot targets for Circles		
	d) In-House Training for Executives & Non- executives/ Employees	% age		10				
	e) Training under National Skill Development programme	% age		80				
3 Sector / Enterprise Specific parameter								
i Net addition in GSM Mobile VLR connections								
		Nos. in Lakhs	2	53	NWP-GSM	3.5		
ii Net addition in Broadband connections (See Note 4 below) --- (NWP-BB Cell will be Nodal)								
		Nos. in Lakhs	2	26.25	NWP-BB/ GSM/ CDMA- WiMAX	In BSNL CO. CFA vertical will allot targets for ADSL and FTTH, CM vertical will allot targets for 3G Users, EVDO and Wi-MAX		
iii The number of Territorial Circles where ERP is to be implemented (commulative)								
		Nos		18	CIT	-		
iv Synergy between BSNL and MTNL (Settlement of following Issues)								
	(a) Revenue Sharing in case of National Roaming	Settlement of Issues		5 Issues	F-CFA	To be Settled by Fin.-CFA Cell in BSNL CO with Co-operation / involvement of Circles		
	(b) Carrier Charges							
	(c) Procure International Internet Bandwidth on combined basis							
	(d) Enterprise Business							
	(e) IN sharing Charges							
v. Settlement of C&AG Report Paras								
		% age	1	53	IA	Each Circle has to settle atleast 53% of the C&AG Report Paras pertains to their Circle with coordination with IA Cell in BSNL CO.		
vi Reduction in Statutory Audit Paras								
		% age	2	53	CA	Each Circle has to settle atleast 53% of the Statutory Audit Paras pertains to their Circle with coordination with CA Cell in BSNL CO.		
Grand Total			100					

Note :- [A] The Circle Performance will be rated on the scale of 100 with Parameter weight of total 100 points as mentioned against each parameters .

[B] The Total weightage for parameter at Sr no. 2(iii), b. (i) & 2(iii), b.(ii), 2(iii), b.(iii) and 3.(ii) will be equally distributed among parameters at sr.no. 2(iv), b.(iii) & 2(iv), b.(iv) and 2(iv), b.(v) for those circles whom the targets have not been assigned.

1] Sales Turn Over, excluding interest, other Income and Service Tax etc (Operating Turnover)

2] Expenditure (Power Fuel and water) as on 31.03.14 is 2625/- (Total customers as on 31.03.14 113.14 Mn) Ratio= Rs 233.8 Annual

3] Total number of Broadband customer disconnection in FY 2013-14 as on 31.03.2014 is 11,80,320, and its 10% is 1,18,032

4] A consolidated target for broadband predominantly through ADSL, FTTH, EVDO, GSM Data cards and Wi-MAX technology has been proposed for the MoU 2015-16. This also includes 3G devices (Phones+Donglers) users.

Note: Working Composite Score and Rating reflecting performance (Based on Target Vs Achievement)

Raw Score reflects the actual performance in relation to 5 point scale of MoU targets. If the actual performance is equal to or more than the Excellent target Raw score would be 5 and so on if the actual performance is equal to or less than the poor target, raw score would be 1,0 as given below

Category	Excellent	Very Good	Good	Fair	Poor
Value (Point)	5	4	3	2	1

$$\text{Score} = \{(\text{Parameter weight}) * (\text{Raw-score})\} / 100$$

$$\text{Raw Score (R)} = X - \{(U-A) / (U-L)\}$$

Where

X = Value to as per the achievement below the target (category)

A = Actual achievement

U = Upper target limit of actual achievement

L = Lower target limit of actual achievement