

कोल इण्डिया लिमिटेड

(भारत सरकार का उपक्रम)

COAL INDIA LIMITED

(A Govt. of India Enterprise)

कोल भवन "COAL BHAWAN"

PREMISES NO: 04, MAR, PLOT NO: AF-III

ACTION AREA-1A, NEW TOWN, RAJHARHAT

KOLKATA-700156 (WB)



महारत्न कंपनी

A Maharatna Company

(An ISO 9001:2015 & ISO 50001:2011 Certified Company)

PERSONNEL DIVISION

POLICY CELL

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CIN:L23109WB1973GOI028844

Ref: CIL/C-5A(PC)/PRP/2766

Dated: 24.06.2017

OFFICE ORDER

Sub: Rectification of Methodology for determination of Performance Groups for payment of PRP for the FY 2009-10 & onwards

CIL Board, in its 341st meeting held on 29.05.2017 at Kolkata, approved the following minor modifications in the approved methodology, circulated vide OM No. CIL/C5A(PC)/1180 dated 08.03.2016, for payment of PRP from the FY 2009-10 & onwards:

- 1) Those Executives rated as "Excellent"/ "Outstanding" but falling in performance groups beyond PG3 would be accommodated in PG3. The percentage of Executives in PG3, in such instances, will be equivalent to the percentage reached on accommodating the executives rated as "Excellent"/ "Outstanding". In case of increase in the percentage of executives in PG3 beyond 40%, such increased percentage over 40% will stand reduced from PG4 limited to 10%.
- 2) In other cases, where the percentage of executives in "Excellent"/ "Outstanding" category do not exceed 75%, the percentage of executives in PG3 will remain as 40% only.
- 3) Those Executives rated as "Commendable"/ "Very Good" but falling in PG6 & PG7 would be accommodated in PG5. In such instances, the percentage of executives in PG5 will be equivalent to the percentage reached on accommodating the executives rated as "Commendable"/ "Very Good". In case of increase in percentage of executives in PG5 beyond 5%, such increased percentage over 5% will stand reduced from PG6 limited to 5%. In all other cases, the percentage of executives in PG5 will remain the same i.e., 5%.
- 4) Since the system of grouping of Executives based on their PMS ratings into different Performance Groups was implemented from 2009-10 onwards and PRP was paid, the above modification in PG categories be implemented from the year 2009-10 and onwards so as to redress the grievances and to maintain uniformity in the methodology. The affected executives be paid the difference of PRP arising out of the above modified methodology.
- 5) The rest of the norms of Performance Group formation as approved earlier would remain the same.

(Signature)

In the light of the above modification in the PRP methodology, the CIL Hqrs & Subsidiaries shall adopt the following procedure for PRP billing and payment for the FY 2009-10 & onwards:

- a) CIL Hqrs & subsidiaries will prepare segment wise, discipline wise & grade wise Performance Groups corresponding to the PMS scores for each year as provided in the methodology to determine the percentage of PRP benefit.
- b) Year wise PRP payable to Executives shall be computed by assuming "R" factor (Ratio of the required amount to the available amount) in the formula as 1 (one) and will communicate the total amount payable, for the FY 2009-10 & onwards, to CIL Finance department.
- c) Based on the data from CIL and subsidiaries, the CIL Finance division will determine the "ratio of the required amount to available amount", i.e., "R" factor and communicate to the subsidiaries.
- d) The Subsidiaries will, thereafter, revise the bill by taking the value of "R" factor as communicated by the CIL Finance division and take further action for PRP disbursement for the FY 2009-10 & onwards.

The PRP paid earlier for the FY 2009-10 to 2013-14 has to be adjusted from the payable amount of PRP as per the above modified methodology.

Illustration cases on the above rectification of methodology is attached as **Annexure I**.



The following timelines may be followed in disbursing the payment of PRP:

Period	Communication of PRP Payable amount by taking "R" factor as 1 by Subsidiaries	Communication of Actual "R" factor by CIL Finance division	Release of Final Payment
FY 2009-10 to 2013-14	By 30 th June, 2017	By 5 th July, 2017	By 15 th July, 2017
FY 2014-15 & 2015-16	By 5 th July, 2017	By 10 th July, 2017	By 20 th July, 2017

All the concerned are advised to take necessary action as above.

This is with the approval of the Competent Authority.

Encl. as above.


 (Rajiv R Mishra) 24/6/17
 Director (P&IR)


Distribution:

1. The Chairman, CIL
2. The CMDs, ECL/BCCL/CCL/NCL/WCL/SECL/MCL/MPDIL
3. The Director (T)/ Director (M)/ Director (F), CIL
4. The CVO, CIL
5. The Director (F)/(P)/(T), ECL/BCCL/CCL/NCL/WCL/SECL/MCL
6. The Director (T/RD&T)/(T/CRD)/(T/P&D)/(T/ES), MPDIL, Ranchi
7. The GM/ HOD(P/EE), CIL/ECL/BCCL/CCL/NCL/WCL/SECL/MCL/MPDIL/NEC
8. The GM(Finance), CIL
9. The ED (I/C), IICM, Ranchi
10. The GM(System), CIL – with a request to upload the same on CIL website.

*(Sub
2/11/13)*

PG6 (Next 5%)	Remaining 1% of "Very Good" and First 4% of "Good"	First 4% of "Good"
PG7 (Last 5%)	Remaining 5% of "Good"	Remaining 5% of "Good"
Below Par	NIL	NIL

Case 3:

In a sample, if 65% of people are rated as "Outstanding", 30% of people are rated as "Very Good" and 5% of people as "Good", then the distribution of Performance Group would be as follows:

Performance Group	As per earlier Methodology	As per the revised Methodology
PG1 (First 15%)	First 15% of "Outstanding"	First 15% of "Outstanding"
PG2 (Next 20%)	Next 20% of "Outstanding"	Next 20% of "Outstanding"
PG3 (Next 40%)	Remaining 30% of "Outstanding" and First 10% of "Very Good"	Remaining 30% of "Outstanding" and First 10% of "Very Good"
PG4 (Next 10%)	Next 10% of "Very Good"	Next 10% of "Very Good"
PG5 (Next 5%)	Next 5% of "Very Good"	Remaining 10% of "Very Good"
PG6 (Next 5%)	Remaining 5% of "Very Good"	NIL
PG7 (Last 5%)	All 5% of "Good"	All 5% of "Good"
Below Par	NIL	NIL

Case 4:

In a sample, if 85% of people are rated as "Outstanding", 9% of people are rated as "Very Good" and 6% of people as "Good", then the distribution of Performance Group would be as follows:

C. Smith
24/6/2017

Performance Group	As per earlier Methodology	As per the revised Methodology
PG1 (First 15%)	First 15% of "Outstanding"	First 15% of "Outstanding"
PG2 (Next 20%)	Next 20% of "Outstanding"	Next 20% of "Outstanding"
PG3 (Next 40%)	Next 40% of "Outstanding"	Remaining 50% of "Outstanding"
PG4 (Next 10%)	Remaining 10% of "Outstanding"	NIL
PG5 (Next 5%)	First 5% of "Very Good"	All 9% of "Very Good"
PG6 (Next 5%)	Remaining 4% of "Very Good" and 1 % of "Good"	1 % of "Good"
PG7 (Last 5%)	Remaining 5% of "Good"	Remaining 5% of "Good"
Below Par	NIL	NIL

Case 5:

In a sample, if 90% of people are rated as "Outstanding", 5% of people are rated as "Very Good" and 5% of people as "Below Par", then the distribution of Performance Group would be as follows:

Performance Group	As per earlier Methodology	As per the revised Methodology
PG1 (First 15%)	First 15% of "Outstanding"	First 15% of "Outstanding"
PG2 (Next 20%)	Next 20% of "Outstanding"	Next 20% of "Outstanding"
PG3 (Next 40%)	Next 40% of "Outstanding"	Remaining 55% of "Outstanding"
PG4 (Next 10%)	Next 10% of "Outstanding"	NIL
PG5 (Next 5%)	Remaining 5% of "Outstanding"	All 5% of "Very Good"
PG6 (Next 5%)	5% of "Very Good"	<i>NIL</i>
PG7 (Last 5%)	NIL	NIL
Below Par	5% of "Below Par"	5% of "Below Par"

(Jm) 2/16/21