





ENTRAL WAREHOUSING CORPORATION (A Govt. of India Undertaking)



Dated: 29.10.2021

जन-जन के लिए भण्डारण/Warehousing for Everyone

CWC CO PD0IR/ 4/2020-PERSONNEL

CIRCULAR

SUBJECT: INTRODUCTION OF NEW PRODUCTIVITY LINKED INCENTIVE (PLI) SCHEME FOR GROUP C & D EMPLOYEES OF THE CORPORATION.

- **1.0 PREAMBLE:** The review of Productivity Linked Incentive (PLI) Scheme was under the active consideration of the Corporation for quite some time. The Corporation had, therefore, entrusted the work of reviewing and redesigning of the PLI Scheme for its Group C & D employees to the National Productivity Council (NPC), an autonomous organization under Department for Promotion of Industry & Internal Trade, Ministry of Commerce and Industry, Government of India. The report of NPC was received and placed before the Board of Directors in its meeting held on 27.10.2021 for consideration, approval and implementation. The PLI Scheme designed by the NPC has been approved by the Board of Directors for implementation for a period of three years commencing Financial Year 2020-21. The sailent features of the Scheme are given hereunder.
- **2.0 SHORT TITLE OF THE SCHEME:** The Scheme hereby circulated would be known as the "Central Warehousing Corporation Employees Productivity Linked Incentive Scheme, 2021".

3.0 COMMENCEMENT & VALIDITY:

- **3.1** This Scheme will come into force w.e.f 1st April, 2020.
- **3.2** This Scheme would be operative for a period of three years i.e. for the Financial Year 2020-21, 2021-22 & 2022-23 and thereafter, it may be reviewed on the basis of experience gained in its relevance, applicability and usage depending on the business practices.

4.0 ELIGIBILTY:

- **4.1** The incentive shall be paid annually for the performance of the financial year.
- **4.2** The Scheme would be applicable to all regular Group C & D employees of the Corporation including those on deputation/lien to CWC, to the extent not otherwise specified in terms of deputation.
- **4.3** The scheme would exclude all types of Trainees and CWC personnel working on deputation/lien in other organizations.
- **4.4** An employee will be deemed to be eligible for the PLI, if he/she has worked during the period for which the incentive is paid. An employee who has not put in full one year of service shall be

paid on pro rata basis. However, no PLI shall be paid if the number of days worked is less than 6 months. An employee will be paid on pro-rata basis in case he takes 'leave without pay' or is on unauthorized absence.

5.0 METHODOLOGY: Since the Scheme designed by the NPC is meant to motivate the group C & D employees of the Corporation for higher productivity, it has to have a direct relation with the performance of the Corporation. The scheme is a 'single tier'- 'single parameter' scheme and is designed to motivate for higher performance through an approach of higher pay at higher performance and lower pay at lower performance. The Scheme comprises of only one indicator in the form of 'MoU Composite Score' which is calculated at the Corporate level and represents the overall organisational performance. The MoU Score is more diverse and comprehensive for reflecting the organisational performance. The payment shall be made uniformly to all the Group C & D employees irrespective of their cadre. The PLI is proposed to be calculated up to maximum 30% of the total annual basic pay restricted to Rs.7000/- per month i.e. Rs.84000/- per annum, on the basis of composite MOU score achieved for respective financial year as under:

MoU Composite Score (in %)	Eligibility of PLI (in %)
< 60	NIL
60	7%
65	9%
70	12%
75	15%
80	18%
85	21%
90	24%
95	27%
100	30%

6.0 IMPLEMENTATION OF THE SCHEME:

- **6.1** The emoluments for the purpose of computation of PLI due to the employees shall be restricted to Rs. 7000/- per month in case of such employees who are not in receipt of any bonus and the emoluments for the purpose of computation of PLI in respect of such employees who are eligible for bonus in accordance with the provision of Payment of Bonus Act, 1965 is as per the provision of Payment of Bonus Act, as amended from time to time.
- **6.2** Earnings on account of PLI shall not be counted for purposes of leave payment, provident fund, bonus, gratuity, overtime and any other allowances and benefits.
- **6.3** Period of Maternity Leave/Paternity Leave/Child Care Leave/Study Leave etc. shall not be counted for the calculation of PLI.
- **6.4** In respect of Employees promoted during the course of the year, the PLI would be proportionate to the service in each grade. The employees promoted from group 'C' to group 'B', shall be eligible for proportionate payment of PLI (on completion of minimum 6 months) as well as PRP (as per entitlement).

- **6.5** The payment of PLI to the Employees suspended pending enquiry will be withheld till conclusion of the enquiry. The period of suspension will not be counted for calculation of PLI unless the official is exonerated after conclusion of Disciplinary Proceeding. However, if the period of suspension is treated as 'spent on duty' then he/she shall be eligible for PLI payment.
- **6.6** Employees resigning from the service of the Corporation and those who cease to be in service of the Corporation due to dismissal/ termination/ compulsory retirement/ removal from rolls will not be entitled for payment of PLI for that year.
- **6.7** PLI will be paid on pro rata basis for the period of service actually rendered in the Corporation, even if the period is less than 6 months, in case of separation of an Employee from the service of the Corporation due to Superannuation, Voluntarily Retirement/Lien /Deputation/Technical Resignation/Death.
- **6.8** The payment of PLI would also be subject to the deduction of tax at source in accordance with the provisions of Income Tax Act, 1961.
- **6.9** The amount of PLI would be rounded off to the nearest Rupees.
- **6.10** In case of any difference in interpretation for eligibility or in PLI amount to be paid under this scheme, the interpretation or decision of Managing Director shall be final and acceptable by all as far as applicability of this scheme is concerned. The Corporation reserves the right to introduce new procedures/work practices.

(Anil Manik Rao) Group General Manager (System & Personnel)

Copy for information to:

- 1. All Heads of Divisions at CWC, Corporate Office, New Delhi.
- 2. All the Regional Managers.
- 3. PS to Chairman/PS to MD/PS to Director (Personnel)/PS to Director (M&CP)/ PS to Director (Finance), Corporate Office, CWC, New Delhi.
- 4. Federation of Central Warehousing Corporation Employees Unions, New Delhi.

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