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August Kranti Marg, Hauz Khas  
New Delhi-110016.

No. CWC/IRO-PLI/ Pt.File 2016 | 567-D

Dated: 14.09.2016

**CIRCULAR**

**SUB: INTRODUCTION OF PRODUCTIVITY LINKED INCENTIVE (PLI) FOR EMPLOYEES OF THE CORPORATION.**

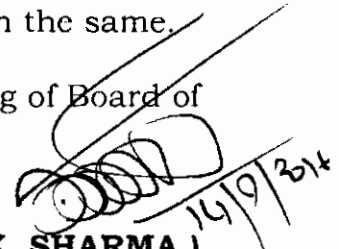
It is in reference to Circular No. CWC/IRO-PLI/98 dated 23.9.98 regarding payment of PLI.

Para 6-1 of the Circular has been amended and may be read as under:

**"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 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 would be as per the provision of Payment of Bonus Act, as amended from time to time."**

Other contents of Circular dated 23.09.1998 would remain the same.

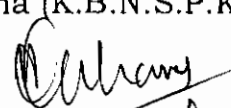
**Authority** - Decision on agenda item No.322.12 of 322<sup>nd</sup> meeting of Board of Directors held on 23.08.2016.

  
14/9/2016

( A.K. SHARMA )  
General Manager (Personnel)

**Distribution:**

1. All Head of Divisions, CWC, Corporate Office, New Delhi.
2. All Regional Managers/Head of Construction Cells.
3. AGM(SG), CWC, CO, New Delhi.
4. PPS to Chairman/PPS to MD/AM to D(F)/M to D(P), CWC, CO New Delhi,
5. GM(System) CWC, CO, New Delhi, with the request to upload the circular on CWC website.
6. The Secretary General, Federation of CWC Employees Unions (Delhi) WZ-677, Shiv Nagar Extn. Jail Road, New Delhi.
7. The General Secretary, CWC Karamchari Sangh (Akhil Bhartiya) C-4/43, Keshav Puram Delhi-110035.
8. The General Secretary, CWC Employees Union (SR), 4 & 5, North Avenue Sri Nagar Colony-Saidapet, Chennai-600015.
9. The General Secretary, Kendriya Bhandarn Nigam Sthanik Prkalpgrast Kamgar Sanghatana (K.B.N.S.P.K.S.) C/o CFS, JNPT, Navi Mumbai.

  
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CENTRAL WAREHOUSING CORPORATION  
(A GOVT. OF INDIA UNDERTAKING)

"Warehousing Bhawan"  
4/1 Siri Institutional Area  
August Kranti Marg  
New Delhi-110016.

CIRCULAR

NO. CWC/IRO-PLI/98

DATED 23.9.1998

SUBJECT: INTRODUCTION OF PRODUCTIVITY LINKED INCENTIVE  
(PLI) SCHEME FOR EMPLOYEES OF THE CORPORATION

1.0 PREAMBLE: Conscious of the fact that the effective involvement of its employees through a suitably designed Incentive Scheme would further strengthen the growth of the Organisation, the introduction of Productivity Linked Incentive (PLI) Scheme was under the active consideration of the Corporation for quite some time. The Corporation had, therefore, entrusted the formulation of a suitable PLI Scheme for its employees to the National Productivity Council (NPC) an Autonomous Body under the Ministry of Industry whose report was received and placed before the Board of Directors in their meeting held on 24th August, 1998 for consideration, approval and implementation. For this purpose, the NPC has through the participative approach, set up the Target Values and has designed a Scheme which has since been approved by the Board for implementation for a period of two years. The salient features of the Scheme are given hereunder.

2.0 SHORT TITLE OF THE SCHEME: The Scheme hereby notified would be known as the "Central Warehousing Corporation Employees' Productivity Linked Incentive Scheme, 1998".

3.0 COMMENCEMENT & VALIDITY:

3.1 This Scheme will come into force w.e.f. 1st April, 1996.

3.2 This Scheme would be operative for a period of two years i.e. for the Financial Year 1996-97 and 1997-98 whereafter it would be reviewed on the basis of experience gained for necessary modifications, as may be considered appropriate and relevant.

4.0 ELIGIBILITY:

4.1 The Scheme would be applicable to all the regular employees of the Corporation including those on deputation from other Organisations/Govt. Departments including the Chief Executive.

4.2 The benefits of the Scheme would, however, not be available to the Trainees or Apprentices appointed on fixed stipend contract basis, employees under suspension as well as to those who have gone to other Organisations/Departments on deputation/lien basis.

4.3 The incentive would be payable to any employee if he/she has worked in the Corporation for not less than 180 days (continuous service) during the financial year for which the incentive is to be paid.

5.0 METHODOLOGY: Since the Scheme designed by the NPC is meant to suitably reward the employees of the Corporation for better administration and financial management, it has to have a direct relation with the performance of the Corporation which would be measured in terms of (i) the Return on Investment (Capital Employed); (ii) Value Added to the Employees' Cost; (iii) Capacity Utilisation; and (iv) the Growth in TEUs Handled vis-a-vis the Targets Valus fixed therefor. While the best performance for any of the last four years viz. 1993-94 to 1996-97 has been taken as the Target Value for the first three parameters i.e. the Return on Investment(18.25%), Value Added to the Employees' Cost(2.25) and the Capacity Utilisation(85%), the average performance for the last four years has been taken as the Target Value for the fourth indicator i.e. the Growth in TEUs Handled(20%). These performance indicators have been assigned the weight of 30, 30, 20 and 20 respectively. The Productivity Index for each Performance Indicator has then been worked out by multiplying the actual performance on these parameters with the respective weightage and dividing the product by the Target Value fixed for each indicator, while the summation of the values so arrived would indicate the Total Corporate Productivity Index (CPI) which has been worked out to be 82.0 and 80.2 for 1996-97 and 1997-98 respectively. The Scheme envisages payment of PLI on a graduated scale @ 7% on scoring CPI of a minimum 60, 9% on scoring 70, 11% on scoring 80, 13% on scoring 90 and maximum 15% on scoring the CPI of 100. Accordingly, the PLI due for the year 1996-97 and 1997-98 has worked out to 11.40% and 11.04% respectively.

#### 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. 3500/- p.m. in case of such employees who were not in receipt of any bonus and to Rs. 2500/- p.m. in respect of such employees who were paid bonus in accordance with the provisions of Payment of Bonus Act, 1965.

6.2 Such of the employees who have put in a minimum of 180 days but less than one year of service as those who were on leave without pay, unauthorised absence or whose absence was treated as dies-non will be paid PLI on pro-rate basis.

6.3 Earnings on account of PLI would not count for payment of bonus, leave salary, over time, other allowance and perquisites, gratuity, PF and other Pensionary benefits.

51  
6.5 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.

6.6 The amount of PLI would be rounded off to the nearest Rupees.

7.0 MONITORING: A three member PLI Implementation Committee with the Personnel Manager as its Chairman and Joint Manager (Fin) and Deputy Manager (IR) as its members has been constituted by the Managing Director to implement the Scheme, to resolve any conflicts with regard to its proper implementation, to review the same and to suggest and implement suitable modifications with the approval of the Competent Authority. All doubts and enquiries with regard to the implementation of the Scheme should therefore be addressed to the Deputy Manager (IR). In case of any dispute in this regard to the implementation of this Scheme, the decision of the Managing Director of the Corporation will be final and binding on all concerned.

  
(O.P. BHARATI)  
PERSONNEL MANAGER

**DISTRIBUTION:**

1. All Heads of Divisions at CWC, Corporate Office, New Delhi.
2. All the Regional Managers/Superintending Engineers/Executive Engineers of Central Warehousing Corporation.
3. PS to Chairman/MD/FA/GM.
4. All the Trade Unions of CWC Employees.