



केन्द्रीय भण्डारण निगम
(भारत सरकार का उपक्रम)
CENTRAL WAREHOUSING CORPORATION
(A Govt. of India Undertaking)
जन-जन के लिए भण्डारण/Warehousing for Everyone



No. CWC-FD/CA-Accounts Circular/21-22

20th November, 2021

ACCOUNTING CIRCULAR NO. # 48

Sub: Accounting of expense on account of Productivity Linked Incentive (PLI) for F.Y. 2020-21 at the revised approved rate of Rs 25,200 per employee and for F.Y. 2021-22 for the period of 6 months ended 30/09/2021 at Rs 12,600 per employee (Half year)

**Ref: 1. Personnel Division circular No. CWC CO-PDOIR/4/2020-PERS dated 29/10/21
2. Personnel Division circular No. CWC CO PDOIR/4/2020-PERSOBBEL dated 29/10/21**

1. Vide above referred circular 1 dt 29.10.2021, “Central Warehousing Corporation Employees Productivity Linked Incentive Scheme, 2021” for Group C & D Employees of the Corporation was introduced and circulated to all with the due approval of BoD. As per the circular, this Scheme shall come into force w.e.f. 01/04/2020 and would be operative for a period of 3 years i.e. F.Y. 2020-21, 2021-22 and 2022-23.
2. Vide above referred circular 2 dt 29.10.2021, the amount payable towards PLI to Gr. ‘C’ and ‘D’ employees was worked out as Rs. 25,200/- per employee for F.Y. 2020-21, based on the raw MoU score for FY 2020-21 and 80% has been paid and remaining 20 % shall be paid based on the Final MoU score to be declared by DPE. Provision of PLI expense is to be made on half yearly basis only because as per the Revised Scheme, no PLI shall be paid to an employee if the number of days worked is less than 6 months . **Accordingly, PLI expense for FY 2020-21 shall be required to be booked in full @ 100% and the liability of remaining 20% shall be kept in the books till it is paid.**
3. Based on above, it is advised to account for the PLI expense as under:

| F.Y. 2020-21 | | |
|---|---------------------------|--|
| Rate at which PLI expense is accounted in FY 2020-21 on closure of accounts | Revised rate approved | Incremental Expense to be booked in FY 2021-22 in current date |
| Rs. 12,600/- per employee | Rs. 25,200/- per employee | 12600(25200-12600) |

Note : In no case, the PLI differential expenditure of 2020-21 is to be booked in prior period expense a/c. The same is to be treated as current years (FY 2021-22) expense only ,as the same has been decided by the BoD after closure of accounts of FY 2020-21

Accounting Entries by Regional Offices

- a. The excess PLI liability in regions of those employees to whom no PLI was paid for F.Y. 2020-21 is to be reversed. As the **PLI Provision for FY 2020-21 had already been absorbed by CO on 31.03.2021 and there is NIL Balance of FY 2020-21 of same in RO Books**, the excess liability(if any), is to be reversed through **advice to CO** by passing the following accounting entry:

| Dr./Cr. | Ledger Code | Ledger Name | Amount (Rs.) | |
|---------|------------------|--|--------------|-----|
| Dr. | Respective Codes | Inter Unit – Corporate Office | *** | |
| Cr. | 31401 | EXCESS PROV. FOR EXPENSES WRITTEN BACK | | *** |

- b. The eligible employees to whom PLI of FY 2020-21 is paid, the additional incremental expense and provision for expense is to be created by passing the following accounting entry:

| Dr./Cr. | Ledger Code | Ledger Name | Amount (Rs.) | |
|---------|-------------|------------------------|--------------|-----|
| Dr. | 46903 | PLI PROV-SUPER(JS/TA) | *** | |
| Dr. | 46904 | PLI PROV-W(OTHER GR-C) | *** | |
| Dr. | 46905 | PLI PROV-W(GR-D) | *** | |
| Cr. | 10791 | PLI- PROVISION | | *** |

Note : Accounting Entry for the Actual PLI payment made of FY 2020-21 shall be done thru payroll EJV by CO in the Ledger Code 10792 (PLI Payments) by CO, Salary Section.

| F.Y. 2021-22 | | |
|---|---|--|
| Rate at which PLI expense is accounted in FY 2021-22 on closure of Half Yearly accounts of 30.09.2021 | Revised rate | Incremental Expense to be booked in FY 2021-22 for 6 months ended 30.09.2021 |
| Rs. 6,300/- per employee (Based on 12,600 for 1 year) | Rs.12,600/-per employee (Based on 25,200 for 1 year) | 6,300(12,600-6,300) |

Accounting Entries by Regional Offices

| Dr./Cr. | Ledger Code | Ledger Name | Amount (Rs.) | |
|---------|-------------|------------------------|--------------|-----|
| Dr. | 46903 | PLI PROV-SUPER(JS/TA) | *** | |
| Dr. | 46904 | PLI PROV-W(OTHER GR-C) | *** | |
| Dr. | 46905 | PLI PROV-W(GR-D) | *** | |
| Cr. | 10791 | PLI- PROVISION | | *** |

Above accounting be ensured within November,2021, so that impact of same is reflected in the Accounts of the period ended 30.11.2021

Amit Puri
General Manager (Tax & A/cs)

Distribution to:

1. All Regional Managers of CWC.
2. All DGMs/AGMs/Managers/ (Sr.) Asstt. Managers in-charge of the Finance, Accounts & Internal Audit Wings of all ROs.

Copy for information to:

1. All DGM/AGMs/Managers/(Sr.) Asstt. Managers/Accountants in Finance, Accounts & Internal Audit Cadre at CWC, Corporate Office, New Delhi.
2. GGM (F&A), CWC, Corp. Office, New Delhi.
3. Dir.(Fin.), CWC, CO, New Delhi.
4. MD, CWC, CO, New Delhi
5. GGM (Systems), CWC, CO, New Delhi to place this Circular on CWC's Website.
6. Manager (Rajbhasha), CWC, CO, New Delhi, with a request to arrange Hindi version of this circular



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CWC CO PD0IR/ 4/2020-PERSONNEL

Dated: 29.10.2021

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 salient 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 ELIGIBILITY:

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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No. CWC CO-PD0IR/4/2020-PERS

Date: 29.10.2021

CIRCULAR

Sub: - Payment of Productivity Linked Incentive (PLI) for the Financial Year 2020-21.

With the approval of the Board of Directors, it has been decided to introduce new PLI Scheme for Group 'C' & 'D' employees of the Corporation for three years commencing Financial Year 2020-21.

As per the new scheme the amount payable to each employee for full year towards PLI for the year 2020-21 works out to Rs.25,200/- (Rupees Twenty Five Thousand Two Hundred only) based on the raw MoU score of 99.64% for the year 2020-21 approved by the BoD.

As the new PLI Scheme is based on the MoU composite score which is declared by DPE and is still awaited for the year 2020-21, 80% of the PLI amount calculated on the basis of raw MoU score for the year 2020-21 (approved by the BoD) i.e. Rs. 20,160/- (Twenty Thousand One Hundred Sixty Only) will be paid. The remaining amount would be paid based on the final MoU score declared by DPE, as and when received. The PLI payable will be in accordance with terms & conditions of the scheme stipulated in Circular dated 29.10.2021 (copy enclosed).

Authority - Decision on agenda item No. 365.01 of 365th Meeting of the Board of Directors held on 27.10.2021.

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

Encl: As above

Distribution:

1. All Heads of Divisions, CWC, Corporate Office, New Delhi.
2. All Regional Managers.
3. Manager (Salary), CWC, CO, New Delhi.
4. PS to Chairman/PS to MD/PS to Director (Fin.)/PS to Director (Pers.), CWC, CO, New Delhi.
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