

THE STATE TRADING CORPORATION OF INDIA LIMITED
(Corporate Personnel Division)

October 9, 2013

Circular No.: CR/12/2013

**Subject: Implementation of the Performance Management System for
the Executives (Grades of E-1 to E-6).**

DPE OM dated 26th November, 2008 requires CPSEs to develop a robust and transparent Performance Management System (PMS) and implement the Bell Curve in grading the Managers. Further, DPE guidelines on Human Resource Management dated 29th September, 2011, necessitate CPSEs to develop a robust & transparent Performance Management System in the organisation.

2. Accordingly, a New Performance Management System has been designed based on the study conducted and consultancy provided by the expert consultant. The committee of Management on 27th November, 2012, considered and approved the newly designed PMS for the Organisation to be implemented for all managers in E1 to E6 grades, from the Year 2013-14. For senior executives in E7 and above grades, PMS introduced by DPE dated April 05, 2010, already in practice, shall continue. Thus, two formats of PMS are hereby introduced for levels E-1 to E-3 (Annexure I) and for levels E-4 to E-6 (Annexure II) respectively to be implemented from the current year.

3. The process of Performance Management System is time bound and is sacrosanct in terms of abiding to various timelines. Deviation to any time line shall defeat the objective and purpose of the system. The time schedule to be followed from the year 2014-15 onwards for the Performance Management System is indicated in Annexure III.

4. Thus, PMS is compulsory for all executives. In case an executive does not participate in the process for setting up of KRAs, or in preparing/ completing annual assessment the Reporting Officer may inform the Reviewing Authority about such Non-Participation. Reviewing Authority will intervene and make effort so that the Appraiser participates in the process. In case the Appraiser still refuses to participate, he/she will be liable for action under the CDA Rules of the corporation and his score of the PMS for the relevant period shall be treated as zero for the purpose of PRP.

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5. The objectives, structure, process and reporting system etc. is indicated in Annexure IV.
6. The Reporting Officer/ the Reviewing Officer/ the Accepting Authority will be required to maintain differentiation between top performers, middle performers and bottom performers. According to the existing DPE guidelines not more than 15% will be graded as Outstanding, 10 % will be graded as Below Par and rest will be graded between the two.
7. The process of final evaluation by the Performance Management Committee for implementation of bell curve is indicated in Annexure V
8. This Performance Management System will be reviewed from time to time and difficulties faced in operationalization will be addressed appropriately.
9. Hindi translation will be issued shortly.

(SK Sharma) 09.10.13
(SK Sharma)
Chief General Manager (Personnel)

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- Executive Secretary to CMD
- Directors/ CVO
- All CGMs
- All Branch Managers/ General Managers/ Divisional Heads
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