



R F D

Results Framework Document
for
Department of Public Enterprises

(2011-2012)

Section 1: Vision, Mission, Objectives and Functions

Vision

To evolve policies, reform programs, guidelines and mechanisms towards the establishment of a strong and effective public sector.

Mission

To continuously improve the management of public sector enterprises by professionalizing management, goal setting and reviewing performance, developing a comprehensive Management Information System (MIS), evolving guidelines for corporate governance and social responsibility and strengthening institutional mechanisms for revival of sick units.

Objectives

- 1 To enhance Corporate Governance in CPSEs
- 2 Professionalization of Management at all levels
- 3 Categorisation of CPSEs.
- 4 Performance goal setting and evaluation of CPSEs
- 5 Guidelines for MoU to be signed between CPSE & Administrative Ministry/ Department
- 6 R&D guidelines on MoU for CPSEs
- 7 guidelines on Sustainable Development for MoU of CPSEs
- 8 Counselling, Retraining and Redeployment Scheme (CRR) for separated employees of CPSEs.
- 9 Implementation of CSR Policy
- 10 Collection and maintenance of information on key areas of the functioning of CPSEs.
- 11 Settlement of commercial disputes between CPSEs through Permanent Machinery of Arbitration (PMA).
- 12 Extending support to states for introducing Performance Monitoring System
- 13 Involvement of SCOPE with DPE
- 14 Assessing growth in CPSEs as a whole

Functions

Section 1: Vision, Mission, Objectives and Functions

- 1 Co-ordination of matters of general policy of non-financial nature relating to public sector enterprises.
- 2 Formulation of policies, pertaining to public sector enterprises, in areas like board structures, personnel management, performance improvement, financial management, wage settlement, etc.
- 3 Conferring and review of Maharatna, Navratna and Mini ratna status to CPSEs
- 4 Policy relating to delegation of powers to Board of Directors.
- 5 Policy relating to deputation of Government officers to public sector enterprises.
- 6 Publication of the annual survey of CPSEs known as Public Enterprises Survey.
- 7 Memorandum of Understanding (MoU) between the public sector enterprises and the administrative Ministries/ Departments.
- 8 Policy relating to Counselling, Retraining and Redeployment Scheme (CRR) for rationalized employees of CPSEs.
- 9 Policy relating to Board for Reconstruction of Public Sector Enterprises (BRPSE).
- 10 Policy relating to reservation of posts in the public sector enterprises for certain classes of citizens.
- 11 Settlement of disputes through Permanent Machinery of Arbitration (PMA) among Public Sector Enterprises and between Public Sector Enterprises and government departments except disputes relating to tax matters.
- 12 Matters relating to International Centre for Promotion of Enterprises (ICPE) and Standing Conference of Public Enterprises (SCOPE).

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	VeryGood	Good	Fair	Poor
						100%	90%	80%	70%	60%
[1] To enhance Corporate Governance in CPSEs	8.00	[1.1] Grading of CPSEs on the basis of their compliance with guidelines on corporate governance	[1.1.1] Finalization of scheme for assessment	Date	4.00	28/02/2012	15/03/2012	31/03/2012	--	--
			[1.1.2] Identification of agency and assessment of the Corporate governance system	Date	4.00	28/02/2012	15/03/2012	31/03/2012	--	--
[2] Professionalization of Management at all levels	4.00	[2.1] Professionalization of management to below Board level in CPSEs	[2.1.1] Collection of base line data on professionalization of CPSEs (Subject to timely availability and release of fund)	Date	2.00	30/06/2011	31/07/2011	31/08/2011	--	--
			[2.1.2] Issue of Guidelines	Date	2.00	31/12/2011	31/01/2012	28/02/2012	--	--
[3] Categorisation of CPSEs.	5.00	[3.1] Review of criteria of categorization of CPSEs	[3.1.1] Finalization and issue of revised criterion for categorization of CPSEs	Date	5.00	30/11/2011	15/12/2011	31/12/2011	--	--
[4] Performance goal setting and evaluation of CPSEs	22.00	[4.1] Holding negotiation meetings with CPSEs and administrative Ministry and finalize MoU Target	[4.1.1] Finalisation of minutes of Task Force meetings of CPSEs which submit draft MoU by target date	Date	14.00	20/03/2012	24/03/2012	28/03/2012	31/03/2012	01/04/2012
		[4.2] Submission of MoU 2010-11 final scores and rating to High Power Committee (HPC)	[4.2.1] Submission to Cabinet Secretary the file containing final MoU score and rating of CPSEs as evaluated by respective Task Force Group.	Date	8.00	30/11/2011	15/12/2011	31/12/2011	31/01/2012	01/04/2012
[5] Guidelines for MoU to be signed between CPSE & Administrative	2.00	[5.1] Approval, Issue and circulation of MoU	[5.1.1] Approval, Issue and circulation of	Date	2.00	31/10/2011	30/11/2011	31/12/2011	31/01/2012	28/02/2012

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Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	VeryGood	Good	Fair	Poor
						100%	90%	80%	70%	60%
Ministry/ Department		Guidelines to CPSEs and Administrative Ministries	MoU guidelines							
[6] R&D guidelines on MoU for CPSEs	2.00	[6.1] Meetings of the Core Group and framing R&D guidelines for CPSEs	[6.1.1] Approval and circulation of the R&D guidelines for CPSEs	Date	2.00	31/10/2011	30/11/2011	31/12/2011	31/01/2012	28/02/2012
[7] guidelines on Sustainable Development for MoU of CPSEs	2.00	[7.1] Meetings of the Core Group and framing Sustainable Development guidelines for CPSEs	[7.1.1] Approval and circulation of guidelines on Sustainable Development for CPSEs	Date	2.00	31/10/2011	30/11/2011	31/12/2011	31/01/2012	28/02/2012
[8] Counselling, Retraining and Redeployment Scheme (CRR) for separated employees of CPSEs.	6.00	[8.1] Coverage of VRS Optees	[8.1.1] Number of VRS optees covered	No.	5.00	9000	8500	6800	5950	4800
		[8.2] Broad-base coverage by associating agencies and setting up Employees Assistance Centres (EACs) in places not yet covered under CRR	[8.2.1] Identification of agencies and setting up of EACs	Date	1.00	15/08/2011	30/08/2011	15/09/2011	30/09/2011	15/10/2011
[9] Implementation of CSR Policy	2.00	[9.1] Monitoring of functioning of CSR Hub	[9.1.1] Receipts of half yearly reports	Date	2.00	30/11/2011	31/12/2011	31/01/2012	28/02/2012	31/03/2012
[10] Collection and maintenance of information on key areas of the functioning of CPSEs.	16.00	[10.1] Publication of PE Survey 2010-11	[10.1.1] Placing of the PE Survey 2010-11 in Parliament	Date	12.00	28/02/2012	31/03/2012	--	--	--
		[10.2] Generating information on the performance of CPSEs	[10.2.1] Posting survey data in a user friendly format on website for 2009-10 PE survey	Date	4.00	30/04/2011	15/05/2011	30/05/2011	15/06/2011	30/06/2011
[11] Settlement of commercial disputes between CPSEs through Permanent Machinery of Arbitration (PMA).	5.00	[11.1] Disposal of Arbitration cases	[11.1.1] Coverage of all overdue cases as on 1.4.2011 (excluding subjudice cases)	%	5.00	60	50	40	30	20
[12] Extending support to states for introducing Performance Monitoring System	2.00	[12.1] Identifying states for sensitizing for adoption of MoU system in SLPE	[12.1.1] No. of states	No	2.00	6	5	4	3	2

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	VeryGood	Good	Fair	Poor
						100%	90%	80%	70%	60%
[13] Involvement of SCOPE with DPE	3.00	[13.1] Exploring possibility for larger involvement of SCOPE with DPE	[13.1.1] Finalization of the possible approach paper after discussion with SCOPE	Date	3.00	31/08/2011	30/09/2011	31/10/2011	--	--
[14] Assessing growth in CPSEs as a whole	6.00	[14.1] Gross Margin	[14.1.1] % increase	No	6.00	5	2	1	--	--
* Efficient Functioning of the RFD System	3.00	Timely submission of Draft for Approval	On-time submission	Date	2.00	07/03/2011	08/03/2011	09/03/2011	10/03/2011	11/03/2011
		Timely submission of Results	On-time submission	Date	1.00	01/05/2012	03/05/2012	04/05/2012	05/05/2012	06/05/2012
* Improving Internal Efficiency / responsiveness / service delivery of Ministry / Department	10.00	Identify and Implement 3 major recommendations of ARC II relevant to the department	Finalize 3 major recommendations of ARC II relevant to the department	Date	2.00	10/12/2011	15/12/2011	20/12/2011	24/12/2011	31/12/2011
		Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them	Finalize an action plan to mitigate potential areas of corruption.	Date	2.00	10/12/2011	15/12/2011	20/12/2011	24/12/2011	31/12/2011
		Develop an action plan for e-office Implementation in the department / ministry	Finalize an action plan for e-office	Date	2.00	10/12/2011	15/12/2011	20/12/2011	24/12/2011	31/12/2011
		Develop an action plan to implement ISO 9001 certification	Finalize an action plan to implement ISO 9001 certification	Date	2.00	10/12/2011	15/12/2011	20/12/2011	24/12/2011	31/12/2011
		Implementation of Sevottam	Independent Audit of Implementation of Citizen's Charter	%	1.00	100	95	90	85	80
	Independent Audit of Implementation of Grievance Redress Mechanism	%	1.00	100	95	90	85	80		
* Ensuring compliance to the Financial Accountability Framework	2.00	Timely submission of ATNS on Audit paras of C&AG	Percentage of ATNS submitted within due date (4 months) from	%	0.50	100	90	80	70	60

* Mandatory Objective(s)

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	VeryGood	Good	Fair	Poor
						100%	90%	80%	70%	60%
			date of presentation of Report to Parliament by CAG during the year.							
		Timely submission of ATRs to the PAC Sectt. on PAC Reports.	Percentage of ATRS submitted within due date (6 months) from date of presentation of Report to Parliament by PAC during the year.	%	0.50	100	90	80	70	60
		Early disposal of pending ATNs on Audit Paras of C&AG Reports presented to Parliament before 31.3.2011.	Percentage of outstanding ATNS disposed off during the year.	%	0.50	100	90	80	70	60
		Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.2011	Percentage of outstanding ATRS disposed off during the year.	%	0.50	100	90	80	70	60

* Mandatory Objective(s)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 09/10	Actual Value for FY 10/11	Target Value for FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
1 To enhance Corporate Governance in CPSEs	Grading of CPSEs on the basis of their compliance with guidelines on corporate governance	Finalization of scheme for assessment	Date	--	--	15/03/2012	--	--
		Identification of agency and assessment of the Corporate governance system	Date	--	--	15/03/2012	--	--
2 Professionalization of Management at all levels	Professionalization of management to below Board level in CPSEs	Collection of base line data on professionalization of CPSEs (Subject to timely availability and release of fund)	Date	--	--	31/07/2011	--	--
		Issue of Guidelines	Date	--	--	31/01/2012	--	--
3 Categorisation of CPSEs.	Review of criteria of categorization of CPSEs	Finalization and issue of revised criterion for categorization of CPSEs	Date	--	--	15/12/2011	--	--
4 Performance goal setting and evaluation of CPSEs	Holding negotiation meetings with CPSEs and administrative Ministry and finalize MoU Target	Finalisation of minutes of Task Force meetings of CPSEs which submit draft MoU by target date	Date	24/03/2010	20/03/2011	24/03/2012	20/03/2013	20/03/2014
	Submission of MoU 2010-11 final scores and rating to High Power Committee (HPC)	Submission to Cabinet Secretary the file containing final MoU score and rating of CPSEs as evaluated by respective Task Force Group.	Date	--	--	15/12/2011	--	--
5 Guidelines for MoU to be signed between CPSE & Administrative Ministry/ Department	Approval, Issue and circulation of MoU Guidelines to CPSEs and Administrative Ministries	Approval, Issue and circulation of MoU guidelines	Date	26/12/2009	10/12/2010	30/11/2011	31/12/2012	31/12/2013
6 R&D guidelines on MoU for CPSEs	Meetings of the Core Group and framing R&D guidelines for CPSEs	Approval and circulation of the R&D guidelines for CPSEs	Date	--	--	30/11/2011	--	--
7 guidelines on Sustainable Development for MoU of CPSEs	Meetings of the Core Group and framing Sustainable	Approval and circulation of guidelines on Sustainable	Date	--	--	30/11/2011	--	--

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 09/10	Actual Value for FY 10/11	Target Value for FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
	Development guidelines for CPSEs	Development for CPSEs						
8 Counselling, Retraining and Redeployment Scheme (CRR) for separated employees of CPSEs.	Coverage of VRS Optees	Number of VRS optees covered	No.	8506	8800	8500	8500	8500
	Broad-base coverage by associating agencies and setting up Employees Assistance Centres (EACs) in places not yet covered under CRR	Identification of agencies and setting up of EACs	Date	12/05/2009	07/05/2010	30/08/2011	--	--
9 Implementation of CSR Policy	Monitoring of functioning of CSR Hub	Receipts of half yearly reports	Date	--	3	31/12/2011	--	--
10 Collection and maintenance of information on key areas of the functioning of CPSEs.	Publication of PE Survey 2010-11	Placing of the PE Survey 2010-11 in Parliament	Date	25/02/2010	24/02/2011	31/03/2012	28/02/2013	--
	Generating information on the performance of CPSEs	Posting survey data in a user friendly format on website for 2009-10 PE survey	Date	--	31/07/2010	15/05/2011	--	--
11 Settlement of commercial disputes between CPSEs through Permanent Machinery of Arbitration (PMA).	Disposal of Arbitration cases	Coverage of all overdue cases as on 1.4.2011 (excluding subjudice cases)	%	--	50	50	--	--
12 Extending support to states for introducing Performance Monitoring System	Identifying states for sensitizing for adoption of MoU system in SLPE	No. of states	No	--	--	5	--	--
13 Involvement of SCOPE with DPE	Exploring possibility for larger involvement of SCOPE with DPE	Finalization of the possible approach paper after discussion with SCOPE	Date	--	--	30/09/2011	--	--
14 Assessing growth in CPSEs as a whole	Gross Margin	% increase	No	--	--	2	--	--
* Efficient Functioning of the RFD System	Timely submission of Draft for Approval	On-time submission	Date	--	16/10/2010	08/03/2011	--	--

* Mandatory Objective(s)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 09/10	Actual Value for FY 10/11	Target Value for FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
	Timely submission of Results	On-time submission	Date	29/04/2010	--	03/05/2012	--	--
* Improving Internal Efficiency / responsiveness / service delivery of Ministry / Department	Identify and Implement 3 major recommendations of ARC II relevant to the department	Finalize 3 major recommendations of ARC II relevant to the department	Date	--	--	15/12/2011	--	--
	Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them	Finalize an action plan to mitigate potential areas of corruption.	Date	--	--	15/12/2012	--	--
	Develop an action plan for e-office Implementation in the department / ministry	Finalize an action plan for e-office	Date	--	--	15/12/2011	--	--
	Develop an action plan to implement ISO 9001 certification	Finalize an action plan to implement ISO 9001 certification	Date	--	--	15/12/2011	--	--
	Implementation of Sevottam	Independent Audit of Implementation of Citizen's Charter	%	--	--	95	--	--
		Independent Audit of Implementation of Grievance Redress Mechanism	%	--	--	95	--	--
* Ensuring compliance to the Financial Accountability Framework	Timely submission of ATNS on Audit paras of C&AG	Percentage of ATNS submitted within due date (4 months) from date of presentation of Report to Parliament by CAG during the year.	%	--	--	90	--	--
	Timely submission of ATRs to the PAC Sectt. on PAC Reports.	Percentage of ATRS submitted within due date (6 months) from date of presentation of Report to Parliament by PAC during the year.	%	--	--	90	--	--

* Mandatory Objective(s)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 09/10	Actual Value for FY 10/11	Target Value for FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
	Early disposal of pending ATNs on Audit Paras of C&AG Reports presented to Parliament before 31.3.2011.	Percentage of outstanding ATNS disposed off during the year.	%	--	--	90	--	--
	Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.2011	Percentage of outstanding ATRS disposed off during the year.	%	--	--	90	--	--

* Mandatory Objective(s)

Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

1. With a view to bring in more transparency and accountability in the functioning of CPSEs, DPE issued guidelines on Corporate Governance in May, 2010 which were made applicable to all CPSEs on a mandatory basis. DPE has developed 30 points parameters on which the compliance on Corporate Governance will be monitored and graded. Based on the Annual Compliance report on Corporate Governance received from CPSEs for the year 2010-11, CPSEs will be graded.
2. Leading CPSEs are at the cross roads of high growth and huge expansion plans on one hand, on the other hand attracting, developing and retaining talent for the organization is increasingly becoming challenging. Considering this scenario, it is extremely critical for CPSEs to develop a full fledged strategy for professionalization of management, below board level by exploring the best practices and developing a Professionalization framework that can help design a roadmap to develop senior executives working at below board level to take up higher responsibilities and positively contribute in enhancing the organizational performance.
3. The public sector enterprises are categorized into four schedules namely, 'A', 'B', 'C' & 'D'. Categorisation is based on quantitative, qualitative and other factors. At present, the proposal for categorization are generally considered on the basis of the comparison of the performance of the concerned CPSE with the performance of companies in the peer group/cognate group. DPE is in the process of finalizing objective criteria after consultation with stakeholders.
4. Achieving a target of 9000 VRS optees trained by 31.3.2012: In the beginning of the financial year, individual target to each nodal agency is assigned. It is of paramount significance that agencies achieve individually assigned target. For the year 2011-12, overall physical target of 8500 VRS to be covered under CRR is to be achieved.
5. Broad-base coverage by associating more agencies and setting up Employees Assistance Centres (EACs): For implementation of the CRR Scheme, nodal training agencies have been selected across the country. With an objective to broad base the coverage of the scheme, more need based agencies/centres are added under CRR Scheme. In 2011-12, some more agencies and setting up of EACs are planned to broad-base the coverage of CRR Scheme.
6. Monitoring of functioning of CSR Hub: A National CSR Hub has been created at Tata Institute of Social Sciences (TISS), Mumbai to undertake / facilitate various activities. The activities assigned to the CSR Hub include nationwide compilation, documentation and creation of database, advocacy, research, preparation of panels of implementing organizations/monitoring etc. and these activities need to be accomplished by CSR Hub. DPE will monitor functioning of CSR Hub through half year reports.
7. Annual PE Survey is now published in two volumes (Vol I & II) containing financial and physical performance of Central Public Sector Enterprises (CPSEs). The survey is based on audited figures of CPSEs. The information is being collected and compiled for placing before the Parliament. It contains information for preceding 3 years only. Any information beyond the purview of PE survey required by any stakeholder is generated as per requirement on the basis of available data. The Public Enterprises Survey is placed in the Parliament every year.
8. Permanent Machinery of Arbitration (PMA) was set up in Department of Public Enterprises in the year 1989 with a view to expedite the settlement of commercial disputes between CPSEs etc. As per the guidelines, the award in each case is required to be published within six months after entering upon the reference or after having been called upon to act by notice in writing from any party to the arbitration agreement or within such extended time as parties may allow. Based on the past performances and the review of the status of the cases pending with the Arbitrator, the target for the success indicator 'disposal of Arbitration cases' in the RFD is kept at 50% of overdue cases.

Section 5:
Specific Performance Requirements from other Departments

Department	Relevant Success Indicator	What do you need?	Why do you need it?	How much you need?	What happens if you do not get it?
All Concerned administrative Ministries/ Deptts.	Finalization of scheme for assessment of Corporate Governance	Furnishing of Annual compliance reports on Corporate Governance by stipulated date with score sheet	CPSE's will be graded according to the marks obtained	Compliance report on 30 parameters	CPSE's will not be graded for compliance to the guidelines on Corporate Governance
Planning Commission and Ministry of Finance	Collection of base line data on professionalization of CPSEs	Availability of fund	This job is to be done by expert agencies	Rs. 50 Lakh Estimated (Actual cost on tendering)	Base line data would not be collected
Administrative Ministries/ Deptts.	Finalization of Task Force meetings minutes regarding MoUs with parent CPSEs for 2012-13	Submission of draft MoUs 2012-13 by the CPSE/ administrative Ministry/ Department	For holding MoU negotiation meeting of Task Force to finalise MoU targets 2012-13	Sub-mission of draft MoU 2012-13 in entirety	The Task Force meetings cannot be held in absence of draft MoU and hence minutes of meeting cannot be finalized by target date 31.3.2012.

All concerned administrative Ministries/ Departments	Placing of the PE Survey 2010-11 in Parliament by stipulated date	Directions by administrative Ministries/ Departments to all CPSEs for furnishing information by stipulated date	Preparation of PE Survey 2010-11	All CPSEs data	Delay in placing of PE Survey 2010-11 in Parliament
NIC HQ	Posting survey data in a user friendly format on website	Approval for hosting of data and security clearance	For authenticity and security of data	Based on requirements	Posting of data may not possible

Section 6: OutCome/Impact of Department/Ministry

OutCome/Impact of Department/Ministry	Jointly responsible for influencing this outcome / impact with the following department (s) / ministry(ies)	Success Indicator	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
1 Ensuring effective Corporate Governance in CPSE towards enhanced transparency and Accountability	Administrative Ministries and CPSEs	Average marks obtained by CPSEs in Corporate Governance parameter under MoU 2011-12	NA	NA	NA	NA	NA
2 Further professionalization in CPSE below Board level in a strategic manner that can help in designing a road map to develop Senior Executives working at below Board level	Administrative Ministries and CPSEs	Issue of advisory on professionalization	NA	NA	NA	NA	NA
3 Performance goal setting and evaluation for CPSEs towards overall growth and prosperity	Administrative Ministries and CPSEs	Growth in profitability and turnover in CPSEs	NA	NA	NA	NA	NA
4 Counselling, Retraining and Redeployment for rationalized employees of CPSEs which will help them self-employment	CPSE, agencies and Employee's Assistance Centre	Reduction in time gap between retirement and training	NA	NA	NA	NA	NA
5 Collection and maintenance of information on key areas of the functioning of CPSEs for various policy decisions	CPSEs	Timely laying of Public Enterprises Survey in Parliament and placing the information in Public domain	NA	NA	NA	NA	NA