

F. No. 2(70)/08-DPE (WC)- 56 IV/09  
Government of India  
Ministry of Heavy Industries & Public Enterprises  
Department of Public Enterprises

Public Enterprises Bhavan  
Block No. 14, CGO Complex  
Lodhi Road, New Delhi – 110 003

Dated: 9<sup>th</sup> February, 2009

OFFICE MEMORANDUM

Sub: Revision of pay scales of executives of Central Public Sector Enterprises (CPSEs) w.e.f. 01.01.2007 - Performance Management system (PMS) - linkage of Performance Related Pay (PRP) with MoU rating of CPSE and performance of individual executives - regarding.

The undersigned is directed to refer this Department's O.M. of even No. dated 26.11.2008 regarding pay revision of Board level, below Board level executives and Non Unionized Supervisors in CPSEs w.e.f. 01.01.2007. Para (i) of Annex. III to the said O.M. provides that Performance Related Pay (PRP) has been directly linked to the profits of the CPSEs/ Units and performance of the executives.

2. Illustration of methodology for implementation of PRP with reference to MoU rating of CPSE and performance rating of individual executives has been given by way of examples in para 6.2.3 (I) (ix) of the report of the 2<sup>nd</sup> Pay Revision Committee. Report of the Committee is available on the website of this Department [www.dpe.nic.in](http://www.dpe.nic.in).

3. The above methodology be followed by the CPSEs for payment of PRP for individual executives and non-unionized supervisors.

*K.D. Tripathi*

(K.D. Tripathi)  
Joint Secretary to the Government of India

To

Administrative Ministries/ Departments (addressed to Secretaries by name) of the Government of India.

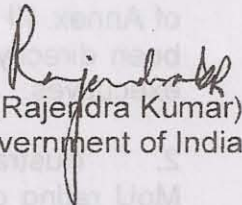
1. Copy to:  
Chief Executives of CPSEs (including subsidiaries).

2. Copy also to:

- i) Financial Advisors in the Administrative Ministries/ Departments.
- ii) C & AG of India, 10, Bahadur Shah Zafar Marg, New Delhi.
- iii) Department of Expenditure, E-2 Branch, North Block, New Delhi.
- iv) Department of Personnel & Training, North Block, New Delhi.
- v) Chairman, PESB/ Member(s), PESB/ Secretary, PESB, CGO Complex, New Delhi.

3. Copy also to:

- i) PS to Minister (HI&PE).
- ii) PS to MoS (HI&PE).
- iii) PS to Secretary (PE).
- iv) AS & FA (PE).
- v) All officers of DPE.
- vi) NIC Cell, DPE with the request to upload the O.M. on the DPE website.

  
(Rajendra Kumar)  
Deputy Secretary to the Government of India

Joint Secretary to the Government of India