

**Results-Framework Document (RFD) for
Ministry of Heavy Industries & Public Enterprises,
Department of Public Enterprises
(2010-2011)**



RFD

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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 lay down policy on effective Corporate Governance in CPSEs.
2. Categorisation of CPSEs.
3. Performance goal setting and evaluation.
4. Counselling, Retraining and Redeployment Scheme (CRR) for rationalized employees of CPSEs.
5. Collection and maintenance of information on key areas of the functioning of CPSEs.
6. Settlement of commercial disputes between CPSEs through Permanent Machinery of Arbitration (PMA).

FUNCTIONS :

- (i) Co-ordination of matters of general policy of non-financial nature relating to public sector enterprises.
- (ii) Formulation of policies, pertaining to public sector enterprises, in areas like board structures, personnel management, performance improvement, financial management, wage settlement, etc.
- (iii) Conferring of Maharatna status to CPSEs.
- (iv) Conferring and review of Navratna/Mini Ratna status to CPSEs.
- (v) Matters relating to delegation of powers to Board of Directors.
- (vi) Policy relating to deputation of Government officers to public sector enterprises.
- (vii) Publication of the annual survey of CPSEs known as Public Enterprises Survey.
- (viii) Memorandum of Understanding (MoU) between the public sector enterprises and the administrative Ministries/ Departments.
- (ix) Matters relating to Counselling, Retraining and Redeployment Scheme (CRR) for rationalized employees of CPSEs.
- (x) Matters relating to Board for Reconstruction of Public Sector Enterprises (BRPSE).
- (xi) Matters relating to reservation of posts in the public sector enterprises for certain classes of citizens.
- (xii) 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.
- (xiii) 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

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6					
Objective	Weight	Actions	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
1. To lay down policy on effective Corporate Governance in CPSEs	12	(i) Grading of CPSEs on the basis of their compliance with guidelines on corporate governance	Formalisation of criteria for grading of CPSEs for the year 2009-10.	Date	9.60	28.2.2011	15.3.2011	31.3.2011	--	--
		(ii) Other aspects for further professionalization of management	Preparation of base paper	Date	2.40	31.12.2010	7.1.2011	15.1.2010	31.1.2011	28.2.2011
2. Categorisation of CPSEs	10	Review of criteria for categorization of CPSEs	Submission of revised criteria to the Minister	Date	10	28.2.2011	15.3.2011	31.3.2011	--	--
3. Performance goal setting and evaluation	30	(i) Fixing of Memorandum of Understanding (MoU) targets 2011-12	Finalisation of minutes of Task Force meetings of 100% of companies which submitted draft MoU by target date	Date	15	15.3.2011	20.3.2011	24.3.2011	28.3.2011	31.3.2011

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Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
						Target / Criteria Value				
Objective	Weight	Actions	Success Indicator	Unit	Weight	Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
		(ii) Evaluation of MoU 2009-10	Submission to Cabinet Secretary the Final MoU score and rating for 2009-10 for approval	Date	15	15.1.2011	31.1.2011	15.2.2011	28.2.2011	15.3.2011
4. Counselling, Retraining and Redeployment Scheme (CRR) for rationalized employees of CPSEs	10	Coverage of VRS Optees	Number of VRS optees covered	No.	10	8000	7200	6400	5600	4800
		Reduction of time gap between voluntary retirement and training	Preparation of base paper on reforms	Date	00	31.12.2010	31.1.2011	28.2.2011	15.3.2011	31.3.2011
5. Collection and maintenance of information on key areas of the functioning of CPSEs	20	(i) Publication of PE Survey 2009-10	Placing of the PE Survey 2009-10 in Parliament	Date	10	Feb. 2011	March 2011	-	-	-
		(ii) Generating information on the performance of CPSEs	Posting survey data in a user friendly format on website	date	10	31.7.2010	31.8.2010	30.9.2010	-	-

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight	Actions	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
6. Settlement of commercial disputes between CPSEs through Permanent Machinery of Arbitration.	5	Disposal of Arbitration cases	Coverage of all overdue cases as on 1.4.2010 (excluding subjudice cases)	%	5	60%	50%	40%	30%	20%
* Efficient Functioning of the RFD system	5	Timely submission of Draft for approval	On-time submission	Date	2	5.3.2010	8.3.2010	9.3.2010	10.3.2010	11.3.2010
		Timely submission of Results	On-time submission	Date	1	2.5.2010	3.5.2011	4.5.2011	5.5.2011	6.5.2011
		Finalise a strategic plan	Finalise the strategic plan for next 5 years	Date	2	10.12.2010	15.12.2010	20.12.2010	24.12.2010	31.12.2010
* Improving internal Efficiency/ responsiveness/ service delivery of Ministry/ Department.	6	Develop RFDs for all Responsibility Centers (Subordinate offices, Attached offices, Autonomous Bodies)	Percentage of RCs covered	%	2	100	95	90	85	80

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight	Actions	Success Indicator	Unit	Weight	Target / Criteria Value				
		Implementation of Sevottam	Create Sevottam Compliant to implement, monitor and review citizen's charter	a Date	1	01/10/2010	05/10/2010	11/10/2010	15/10/2010	20/10/2010
			Create Sevottam Compliant system to redress and monitor public Grievances	a Date	1	01/10/2010	05/10/2010	11/10/2010	15/10/2010	20/10/2010
			Independent Audit of Implementation of citizen's charter.	%	1	100	95	90	85	80
			Independent Audit of Implementation of public grievance redressal system	%	1	100	95	90	85	80
*Ensuring compliance to the Financial Accountability Framework	2.00	Timely submission of ATNS on Audit Pars of C7AG	Percentage of ATNS submitted within due date (4 months) from date of presentation of Report to Parliament by CAG during the year.	%	0.50	100	90	80	70	60

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight	Actions	Success Indicator	Unit	Weight	Target / Criteria Value				
		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 C7AG Reports presented to Parliament before 1.03.2010	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 31.03.2010	Percentage of outstanding ATRs disposed off during the year.	%	0.50	100	90	80	70	60
Total	100				100					

*Mandatory indicator

SECTION : 3

Trend Value of the Success Indicators

Objective	Actions	Success Indicator	Unit	Actual Value for FY 08/09	Target Value for FY 09/10	Target Value for FY 10/11	Projected Value for FY 11/12	Projected Value for FY 12/13
1. To lay down policy on effective Corporate Governance in CPSEs	(i) Grading of CPSEs on the basis of their compliance with guidelines on corporate governance	Formalization of grading of CPSEs for the year 2009-10	Date	NA	NA	15.3.2011	NA	NA
	(ii) Other aspects for further professionalization of management	Preparation of base paper		NA	NA	7.1.2011	NA	NA
2. Categorisation of CPSEs	Review of criteria of categorization of CPSEs	Submission of revised criteria to the Minister	Date	NA	NA	15.3.2011	NA	NA
3. Performance goal setting and evaluation	(i) Fixing of Memorandum of Understanding (MoU) targets 2011-12	Finalisation of minutes of Task Force meetings of 100% of companies which submitted draft MoU by target date.	Date	NA	24.3.2010	20.3.2011	20.3.2012	20.3.2013
	(ii) Evaluation of MoU 2009-10	Submission to Cabinet Secretary the Final MoU score and rating for 2009-10 for approval.	Date	31.12.2008	20.1.2010	31.1.2011	20.1.2012	20.1.2013

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Trend Value of the Success Indicators

Objective	Actions	Success Indicator	Unit	Actual Value for FY 08/09	Target Value for FY 09/10	Target Value for FY 10/11	Projected Value for FY 11/12	Projected Value for FY 12/13
4 Counselling, Retraining and Redeployment Scheme (CRR) for rationalized employees of CPSEs	Coverage of VRS Optees	Number of VRS optees covered	No.	9772	6700	7200	-	-
	Reduction of time gap between voluntary retirement and training	Preparation of base paper on reforms	Date	NA	NA	31.1.2011	-	-
5. Collection and maintenance of information on key areas of the functioning of CPSEs	(i) Publication of PE Survey 2009-10	Placing of the PE Survey 2009-10 in Parliament	Date	25.02.09	25.02.10	March, 11	March, 12	March,13
	(ii) Generating information on the performance of CPSEs	Posting survey data in a user friendly format on website	Date	-	-	31.8.2010	-	-
6. Settlement of commercial disputes between CPSEs through Permanent Machinery of Arbitration.	Disposal of Arbitration cases	Coverage of all overdue cases as on 1.4.2010 (excluding subjudice cases)	%	-	-	50%	50%	-

Objective	Actions	Success Indicator	Unit	Actual Value for FY 08/09	Target Value for FY 09/10	Target Value for FY 10/11	Projected Value for FY 11/12	Projected Value for FY 12/13
* Efficient Functioning of the RFD system	Timely submission of Draft for approval	On-time submission	Date	-	-	8.3.2010		
	Timely submission of Results	On-time submission	Date	-	-	3.5.2011		
	Finalise a strategic plan	Finalise the strategic plan for next 5 years	Date	-	-	15.12.2010		
* Improving internal Efficiency/responsiveness/service delivery of Ministry/Department.	Develop RFDs for all Responsibility Centers (Subordinate offices, Attached offices, Autonomous Bodies)	Percentage of RCs covered	%	-	-	95		
	Implementation of Sevottam	Create a Sevottam Compliant to implement, monitor and review citizen's charter.	Date	-	-	5.10.2010	-	-
		Create a Sevottam Compliant system to redress and monitor public Grievances	Date	-	-	5.10.2010	-	-
		Independent Audit of Implementation of citizen's charter.	%	-	-	95		
		Independent Audit of Implementation of public grievance redressal system	%	-	-	95		

Objective	Actions	Success Indicator	Unit	Actual Value	Target Value	Target Value	Projected Value	Projected Value
				for FY 08/09	for FY 09/10	for FY 10/11	for FY 11/12	for FY 12/13
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		
	Early disposal of pending ATNs on Audit Paras of C&AG Reports presented to Parliament before 31.03.2010	Percentage of outstanding ATNs disposed off during the year	%	-	-	90		
	Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.03.2010	Percentage of outstanding ATRs disposed off during the year	%	-	-	90		

*Mandatory indicator

SECTION 4:

Description and Definition of Success Indicators and Proposed Measurement Methodology

1. Annual PE Survey is published in three volumes 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.
2. The scheme for Counselling, Retraining and Redeployment (CRR) of rationalized employees of CPSEs is under implementation by DPE since 2001-02. The scheme aims at reorientation of rationalized employees through short duration training programmes for self-employment. The scheme has covered a total of 1,46,323 VRS Optees by the end of 2008-09. It aims at covering 7200 more VRS optees in the year 2010-11.
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. It is felt that there is a need to bring more objectivity into the system of classifying CPSEs into different schedules and, hence review of the guidelines has been proposed by a setting up a committee.
4. 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. The total number of cases pending with the Arbitrator as on 1.4.2010 is 48 cases, out of which 16 are sub-judice. The number of cases disposed off in the year 2007-08 and 2008-09 were 12 and 28 respectively. 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?
Administrative Ministries/ Deptts	Finalisation of Task Force meeting minutes regarding MoUs with parent CPSEs for 2010-11	Submission of draft MoUs 2010-11 by the CPSEs/ administrative Ministries/ Departments	For holding MoU negotiation meeting of Task Force to finalise MoU targets 2010-11	Sub-mission of draft MoU 2010 in entirety	The Task Force meetings cannot be held in absence of draft MoU hence, minutes of the meeting cannot be finalized by target date of 20.3.2010.
All concerned administrative Ministries/ Departments	Placing of the PE Survey 2009-10 in Parliament by stipulated date	Directions by administrative Ministries/ Departments to all CPSEs for furnishing information by stipulated date	Preparation of PE Survey 2009-10	All CPSEs data	Delay in placing of PE Survey 2008-09 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

Shri Vilasrao Deshmukh

Minister

Ministry of Heavy
Industries and Public
Enterprises

Shri Bhaskar Chatterjee

Secretary

Department of Public
Enterprises

Place: New Delhi

Date:
