

File No. M-03/0012/2014-DPE(MoU)
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises
(MoU Division)

Public Enterprises Bhavan,
Block No. 14, 3rd Floor,
CGO Complex, Lodhi Road,
New Delhi -110 003
Dated: 16th December, 2014

CORRIGENDUM

Subject: MoU Guidelines for the year 2015-16.

In partial modification of this Department's OM of even number dated 7th November 2014 regarding MoU guidelines for the year 2015-16, the following amendments are made.

1. Para no. 3.2 on page no. 6 of detailed MoU guidelines 2015-16 is amended and may be read as :

"With a view to distinguish 'Excellent performance' from 'Poor performance', 5 different performance targets should be fixed in the MoU on a 5 point -scale wherein Excellent will be equivalent to 5, Very Good will be equivalent to 4, Good will be equivalent to 3, Fair will be equivalent to 2 and Poor will be equivalent to 1."

2. Para no. 6.4 on page no. 11 of detailed MoU guidelines 2015-16 is amended and may be read as:

MoU Score & Rating:

Raw Score reflects the 'actual performance' in relation to the 5 point scale of MoU Targets. If the actual performance is equal to or more than the "Excellent" target, raw score would be 5.00. If actual performance falls in between "Excellent" and "Very Good", in that case raw score would be $4 + \frac{\text{Actual} - \text{Very Good}}{\text{Excellent} - \text{Very Good}}$. If actual performance falls in between "Good" and "Fair" target, in that case raw score would be $2 + \frac{\text{Actual} - \text{Fair}}{\text{Good} - \text{Fair}}$ and so on. If actual performance is equal to or less than the "Poor" target, raw score would be 1.00.

The Composite Score is an index of the performance of the CPSE, which shall be calculated as the aggregate of all the weighted score of "the actual achievements" vis a vis "the targets" set on a 5 -point scale.



The system of grading of CPSEs on the basis of MoU Composite Score is as follows:

MoU Composite Score	Rating
100>Score \geq 90	Excellent
90>Score \geq 70	Very Good
70>Score \geq 50	Good
50>Score \geq 30	Fair
30>Score \geq 20	Poor

- 2 This issues with the approval of competent authority.


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To:

01. Secretaries to the Government of India (as per list)
02. Chief Executives of CPSEs (as per list)

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04. Secretary Performance Management, Management Division, Cabinet Secretariat
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