

## Promotion Policy and Procedure for Management staff

It is the policy of the Company to ensure that employees are adequately rewarded for their efforts both by way of monetary compensation and career opportunities.

It is the policy of the Company to provide employees opportunities for growth within the Company in an equitable manner based on their performance, qualification and suitability for higher positions, and to ensure that employees are provided with opportunities for equipping themselves for higher responsibilities through training and development.

### PROCEDURE FOR PROMOTION OF EMPLOYEES IN MANAGEMENT GRADES

#### 1. Objective

- 1.1 To provide equitable career opportunities for employees of Management Grades, in conformity with the policy of the Company.
- 1.2 To ensure timely replacement and succession to positions that may fall vacant because of retirement, resignations and any other reasons.

#### 2. Coverage

This procedure will cover all permanent Management Grade employees of the Company, and promotions to all positions upto E9 grade.\*

#### 3. Classification of Grades

For the purpose of this procedure employees are classified into the following categories

- Category A - Employees in grade E4 to E9 i.e. Mgr. & above
- Category B - Employees in grade E1 to E3

- 3.1 It has been decided to introduce Grade E6 (Chief Managers). The revised Management cadre would be as under:-

|   |    |                          |
|---|----|--------------------------|
| 1 | E9 | ED                       |
| 2 | E8 | GM/Sr GM/ GGM            |
| 3 | E7 | DGM                      |
| 4 | E6 | Chief Manager            |
| 5 | E5 | Sr Manager               |
| 6 | E4 | Manager                  |
| 7 | E3 | Dy Manager               |
| 8 | E2 | Sr. Executive/ Sr. Engr. |
| 9 | E1 | Executive/ Engr.         |

#### Eligibility for Promotion

4. The eligibility for promotion from various grades will be based on the performance, length of service, qualification, additional qualification, (as applicable), and suitability for higher position as described in the Annexure.

5. Criteria for Promotion:

- 5.1 The predominant criterion for promotion of an employee will be his performance, Qualification, additional Qualification, suitability for the job. For promotion upto E7 Grade, length of service in the grade and qualification will be given due weightage. The weightage (points) for each of these factors for promotions upto E7 Grade and beyond E7 Grade will be as follows:

| Criteria   | Marks for promotion upto E7 Grade | Marks for promotion for E8 & above |
|--|-----------------------------------|------------------------------------|
| Performance - Average of the qualifying period as per Annexure I | 60                                | 60                                 |
| Service in the grade (Only additional service)                   | 10                                | -                                  |
| Professional Qualification                                       | 10                                | 10 *                               |
| Additional qualification**                                       | 5                                 | -                                  |
| Suitability / Potential for growth                               | 15                                | 30                                 |
| <b>Total</b>   | <b>100</b>                        | <b>100</b>                         |

\* In respect of promotions from Grade E7 & above, professional qualification would be the sole criteria for earning full weightage. There will not be any extra marks for additional qualifications.

\*\* Extra weightage for additional qualification defined in para 5.4.

5.1.1 Points will be awarded as per the points mentioned below at para 5.2, 5.3, 5.4 and 5.5. Executives in grade E1 to E7 securing less than 70 points in the aggregate will not qualify for promotion.

5.2 Performance: Performance will be evaluated annually as per the procedure laid down in this behalf separately.

Average performance rating of less than 35 points will not qualify an employee for promotion. For the five point scale points will be assigned as follows:

| Ranking      | Points |
|--------------|--------|
| Excellent    | 60     |
| Very Good    | 45     |
| Good         | 30     |
| Satisfactory | 20     |
| Poor         | 0      |

Those Executives who receive less than 'Good' ratings should be communicated so in writing.

In respect of different functions, for effecting promotions from E3 to E6, 15% of all vacancies are to be allotted to meritorious executives with outstanding performance in order to retain talent and ensure succession planning. Such executives would be promoted to the next higher grade provided they fulfill the minimum eligibility condition. Remaining 85% of vacancies will be filled by following the above mentioned normal promotion system with weightage for seniority. In respect of those functions where there are limited vacancies, DPC may use its discretion.

5.3 Service:

Weightage for length of service is to be allotted by assigning 1.25 points for every quarter of service in the grade beyond the qualifying period of service as provided in Enclosure I, subject to a maximum of 10 points. This will be applicable for promotions upto grade E7.

For promotion to grade E8 & above, there will not be any weightage for seniority as the promotions would be based on performance, professional qualification, innovation & involvement, team orientation, concern for collective functioning, suitability for the post and potential for growth.

The Executives promoted as DGM in April & October 2007 and thereafter, would have to complete 21 years (~~30 years in case of CA's~~).

~~Hy/MTT~~ graduate) service from E1 to be eligible for promotions to E8(GM grade). For Executives joining other than E1 grade, benefit of national service will be given.

All Sr. GMs after completion of one year in the existing grade will be redesignated as Group General Managers. GMs have to complete minimum 3 years in the existing grade to be eligible for upgradation as GGM.

5.4 Similarly, GGMs have to complete one year in the existing grade to become eligible for being considered for promotion to the post of EDs. However, in case of external recruitment of ED, GMs with relevant service in the existing grade will be allowed to apply along with other external candidates for the position of ED and compete in accordance with the requirement given in the advertisement. The filling up of vacancies of ED's through open advertisement will be at the discretion of the Management.

**Qualification:**

Points subject to a maximum of 10 are to be given for professional qualification as per Enclosure II. Such a qualification must be relevant to the area of work.

Further, a weightage of 10 marks is assigned for professional qualification in each function, and also marks have been specified for lower qualifications. Anyone acquiring / possessing a professional qualification which is also the induction level qualification, will get weightage for induction level qualification necessary for the post. To elucidate further, a promotee executive with B.Sc. degree acquiring BE/B.Tech will get only 10 marks for this qualification under the category 'Marks for professional qualification'. Similarly, a weightage upto 5 additional marks would be given for acquiring relevant higher qualification e.g. an Executive with B.E. qualification (i.e. induction level qualification) acquiring M.E./ M.Tech will get 5 extra marks for the higher qualification besides 10 marks for B.E. qualification. It is necessary to acquire/possess a higher qualification than the one prescribed for the post and such a qualification should be relevant for the function in which the employee is working. Further, 5 marks to be granted consequent to acquiring additional qualification, will be for promotion on first occasion after acquiring such qualification and for subsequent promotions, there will be weightage of 1 mark for this qualification.

Employees with Matriculate qualification will only be allowed to be promoted up to E1 grade.

Employees with three year Diploma/B.Sc./B.Com/B.A qualification will be allowed to go upto E7 grade based on merits.

For promotion to ER grade (GM), a professional degree will be essential. There will be no weightage for extra qualification.

In respect of promotions from E1 upto E7 level, extra weightage of 1 mark will be assigned for every additional higher qualification pertaining to the area of work / function obtained by the executive.

~~In respect of CA's / MBA's from IIM's / IIT Graduates, promotions from E1 to E2 grade would be accorded in two years time.~~

Executives undergoing vigilance / CBI investigations or against whom domestic enquiry proceedings have been initiated can be considered for such promotions based on their merit but their promotions may be effected subject to their honorable exoneration.

An executive, who has been considered for promotion (which is not declared pending outcome of the enquiry) and is found guilty, will not be declared promoted and the promotion would be accorded to the next best executive in the panel to fill an existing vacancy during the same year.

#### 5.5 Suitability:

Marks for suitability will be assigned by the Departmental Promotion Committee (DPC) by taking into account the potential of the executive, his capability to assume the responsibility of the higher position, his ability to work in teams and other functions.

5.6 Further, there will be a reduction of '5' marks for bringing external influence on management for gaining personal favours like transfer, promotion, foreign training etc.

#### 6. Basis of Promotion:

6.1 In respect of promotions within category A, all promotions will be against specific vacancies only except E4 to E5 and E5 to E6 which are cluster based. However, the criteria of minimum 70 marks will hold good even in respect of cluster based promotions.

6.2 In respect of promotions within category B, since employees in this category are discharging similar responsibilities, promotions will be time bound subject to the criteria mentioned in para 5 above. In case of merit based promotion, executives will be selected on the basis of the minimum requisite points secured as per para 5.1.1. above.

6.3 In respect of promotion from category B to category A, the same will be against specific vacancies available in the category to which promotion is proposed to be given. Executives will be selected in the order of merit as per para 7.

6.4 The Management reserves the right to fill any vacancy irrespective of the

category, by direct induction from outside, depending on exigencies of job requirement and need for experienced and suitable personnel at

7. Order of Merit for vacancy based Promotion

An order of merit will be prepared by the DPC for vacancy based promotions on the basis of total points scored by each individual. Further, in case the number of candidates found suitable for promotion are more than the available number of vacancies, promotion will be given in the order of merit. In the event two or more executives secure equal number of points, the executive having the maximum length of service in the previous grade would be selected for promotion...

8. Trainee - Graduate Engineer /CA/CS/ICWA

The above qualified people will be placed as Graduate Trainees for a period of 6 months upon recruitment and will be placed in E1 grade on completion of satisfactory training.

9. Streams of Promotion

The following departments or groups of departments will be treated as separate streams of promotion upto E7 Grade and vacancies will not be inter-changeable between these streams of promotions. Within streams of promotions vacancies are interchangeable.

| Stream of Promotion | Departments   |
|---------------------|---|
| Operations          | All Operations departments, Projects and Technical Services (other than Laboratory and Inspection - those with Chemical Engg. qualification)  |
| Maintenance         | Power Plant (with Chemical Engg. qualification)<br>Mechanical, Civil, Electrical and Instrumentation Maintenance, Projects and Technical Services (those with Mech./Elect/Inst. qualification)<br>Power Plant (with Mech. /Elect. qualification.) |
| Commercial          | (1) Finance<br>(2) Secretarial<br>(3) Purchase & Materials<br>(4) Personnel and Administration & Liaison<br>4(a) Internal Audit   |
| Others              | (5) Laboratory<br>(6) Fire and Safety<br>(7) Security<br>(8) Documentation  |

- (9) Marketing
- (10) Corporate Communications
- (11) Information System

Note: Vacancies will not be interchangeable amongst Groups (1), (2), (3) & 4(a) above in the Commercial Department/Group and amongst (5), (6), (7), (8), (9), (10) & (11) in others as above. Any deviation to the above procedure should be approved by the concerned Director.

Executives keen to seek rotations based on their aptitude and preferably those who acquire higher qualification in a function to which rotation is sought, may be considered for such rotation in junior grades i.e., E3 to E5. However, the same would be subject to acceptability by the Functional Head of the area, provided such executives are not being posted to carry out technical jobs.

10. Assumption of Charge

On promotion, employees would be required to join their new positions within 30 days of the promotion order failing which it would be treated as withdrawn. Any delay in joining the new position beyond 30 days would be only with the approval of concerned Director / Managing Director.

11. Promotion from E8 (GM & GGM) to E9(Executive Director):

Pursuant to the Board approval for realigning designations with downstream PSEs, Associate Vice Presidents have been redesignated as Senior GMs, Vice Presidents as Group General Managers (both in Pay Scale of General Manager). As and when the existing Senior GMs are promoted to the higher post/ on superannuation/ resignation, the post of Senior GM would be treated as abolished.

For the purpose of guiding the Departmental Promotion Committees for promoting executives to the post of Group General Manager/ Executive Director, the criteria is based on performance, competency, values, potential and leadership traits of the eligible executives, for which possession of a professional qualification will be absolutely essential. Consistent high performance will be an essential requirement besides passion for seeking constant improvement in processes & functions.

The variety of assignments handled by the executive including in lower grades, high personal achievements, team orientation towards other departments & functions, effective boundary management etc. will be important factors in deciding the suitable executive.

The executive's enthusiasm for leading the team effectively, ability to envision and strategize and shoulder higher responsibility will be of great importance in deciding the suitable executive. The executive will be selected on the basis of an impeccable track record of leadership, honesty in handling of official assignments, blemish-free service record, constantly inspiring his team to perform better and develop subordinates, personally ensuring discipline at workplace, high target orientation and value addition to bottom-line/organisation/it's image.

12. General:

- 12.1 DPC meetings would be held only once in February/ March every year and promotions will effective from 1<sup>st</sup> April. The year of assessment would be January to December and Performance Appraisals will be completed & submitted by February every year to HR Dept. The year of promotion would receive the benefit of full year's service for promotion to the next higher grade provided the executive had joined the previous assignment on or before 30<sup>th</sup> June during the previous promotion. The above change would be effective from April 2008.
- 12.2 The HR department will determine the vacancies, wherever applicable, for each position and prepare the list of eligible candidates with all relevant information for consideration of the relevant DPC. The list with the data and the details of the vacancies will be furnished to the DPC members at the time of the meeting of the DPC.
- 12.3 Employees who have been debarred from promotion by award of punishment shall not be considered for promotion till the bar period is over.
- 12.4 In the event any vacancy is advertised and an existing employee of the Company is selected on competitive basis to fill up such vacancy, then the criteria for promotion laid down under this policy shall not be applicable in such cases.
- 12.5 Employees who have less than 6 months service prior to retirement will not be eligible for promotion.
- 12.6 Management at its discretion may amend, modify or abrogate these procedures from time to time without any notice or assigning any reason there of.



**CRITERIA FOR PROMOTION**

|                  | E1 | E2 | E3 | E4 | E5 | E6 | E7 | E8<br>GM | E8<br>GGM |
|------------------|----|----|----|----|----|----|----|----------|-----------|
| Service in years | 4  | 3  | 3  | 3  | 3  | 2  | 3  | 3        | 1         |

**NOTES:**

1. The figure in the columns above indicate the minimum years of service in the grade as eligibility.
2. Chartered Accountants (CAs), MBAs from IIMs only, IT Graduates and experienced Systems Officers in E1 Grade, would upon completion of 2 years in E1 Grade would be promoted to E2 Grade without a DPC process provided that such employees secure a minimum of 45 points on an average in the performance ranking as mentioned in para 5.2 of the Policy.
3. Executives not qualified professionally will not grow beyond E7 grade.
4. Promotions in Grade E1 to E3 will be cluster based & vacancies will be interchangeable.
5. Promotions in Grade E4 to E6 will be cluster based & vacancies will be interchangeable.

2/2/2018 \*

**Weightage for educational qualifications for promotion.**

|            |  |  |      |
|------------|--|--|------|
| <b>I.</b>  | <b>Technical department</b>  |  |      |
|            | ➤ Degree in Engineering  |  | 10   |
|            | ➤ M.Sc. from a recognised University                                       |  | 8    |
|            | ➤ BSc/Diploma in Engineering or its equivalent                             |  | 6*   |
|            | ➤ Intermediate in Science or its equivalent                                |  | 4    |
|            | ➤ Matriculation with ITI Certificate                                       |  | 4    |
| <br>       |  |  |      |
| <b>II</b>  | <b>Refinery Laboratory</b>   |  |      |
|            | ➤ Degree in Engineering/MSc. Chemistry                                     |  | 10   |
|            | ➤ M.Sc./ AIC (By examination)  |  | 8    |
|            | ➤ B.Sc.  |  | 6    |
|            | ➤ I.Sc   |  | 4    |
| <br>       |  |  |      |
| <b>III</b> | <b>Finance Department</b>  |  |      |
|            | ➤ ACA / FCA / AICWA/ FICWA/MBA with Specialization in Financial Management |  | 10   |
|            | ➤ M.Com  |  | 8    |
|            | ➤ Bachelor's Degree in Commerce  |  | 6    |
|            | ➤ Graduation in any other faculty  |  | 4    |
| <br>       |  |  |      |
| <b>IV</b>  | <b>Secretarial/Legal Department</b>  |  |      |
|            | ➤ ACS / FCS  |  | 10   |
|            | ➤ BA.LLB (Integrated course from one of the premier institutes)            |  | 10** |
|            | ➤ PG Degree from any recognised university                                 |  | 8    |
|            | ➤ LLB (3 years course)   |  | 8    |
|            | ➤ Graduate   |  | 4    |

V. HRK Department

- MBA with specialization in Personnel Management & Industrial Relations / Master's Degree in Social Welfare or its equivalent (regular course) / BA.LLB (Integrated course from one of the premier institutes). 10\*\*
- Master's Degree in any subject other than Personnel Management & Industrial Relations / Graduate in any faculty with Diploma in Personnel Management and /or Industrial Relations its equivalent. Graduate with LLB (3 yrs.) 8
- BBM/Graduate/Diploma (Three years course) 6
- Intermediate 4

VI. Material Department

- MBA with Specialization in Materials Management or a Degree in Engineering 10
- Post Graduate Degree from a recognised University 8
- Graduate with Diploma in Materials Management/Three years Diploma in Materials Management/Diploma in Engineering with Diploma in Materials Management. 8
- Graduate in any faculty from recognised University / Diploma in Engineering 6
- Intermediate 4

VII. Fire & safety

- Degree in Engineering / Advanced Diploma of National Fire Service College, Nagpur or its equivalent 10
- Diploma in Engineering with Diploma of NFSC, Nagpur or its equivalent / Degree with Diploma of NFSC or its equivalent 8\*\*\*
- M.Sc. from a recognised University 8\*\*\*
- Diploma in Engineering / Graduate in any faculty 6\*\*\*

VIII. Systems / Computer Department

- MBA /MCA/MMS /BE or Graduate in Engg /ACA/FCA/ACWA/FICNA 10
- M.Sc or MA with Maths/Operational Research / Statistics / Physics 8
- BA/B.Sc. with Maths/Operational Research / Statistics / Physics/ Applied Science + Diploma in Computer Science (minimum one year) from recognised University /Institute 8
- BA/B.Sc. with Maths/Operational Research / Statistics / Physics / Applied Science or Post Graduate in Commerce 6
- BA/MA Other than mentioned above 4

XI. Corporate Communication

|   |  |    |
|---|--|----|
| ➤ | Master's Degree in Communication /Journalism /MBA /MMS/ PG Degree in Social Welfare/MA with degree or Diploma in PR/ Journalism /Advertising | 10 |
| ➤ | Post Graduate / Graduate with Diploma in Journalism / PR/Advertising   | 8  |
| ➤ | Graduation in Communication/ Journalism.   | 6  |
| ➤ | Graduation in any faculty  | 4  |

XII. Marketing Department

|   |  |    |
|---|--|----|
| ➤ | Any Professional Degree like BE/B.Tech/MBA/CA/ ICWA /CS/MSW etc. | 10 |
| ➤ | Any Post Graduate Degree   | 8  |
| ➤ | Graduation   | 4  |

\* 2 Additional marks for BOE.

\*\* Premier Law Institutes: –  
National Law School of India University, Bangalore or  
National Academy of legal science & Academic Researches, Hyderabad  
National University of Judicial Studies, Calcutta  
National Law Institute of India University, Bhopal  
National Law University of India, Jodhpur.

\*\*\* 2 Additional marks for duly recognised Diploma in Industrial Safety.

In respect of rotation to other department, the executive will retain the qualification marks pertaining to his/her core area.

**Note:**

In respect of employees possessing higher qualification, for first promotion, 5 additional marks would be given for higher qualification and for subsequent promotions, one additional mark would be given.

In respect of qualification below matriculation, the marks would be '0'.

In respect of rotation to other department, the employee will retain the qualification marks pertaining to his core area.

The qualification having 10 marks will be the induction level qualification on implementation of this Promotion Policy.