

SF 7.2A: Placement and Related definitions

As per guidelines placement is defined as

1. “continuous employment for minimum of 3 months (section 3.2.2.3, page 30)” and
2. “The minimum wages for placement in India (per month) - valued as per Cost to Company (CTC), is:
 - a. ₹ 6000, ₹ 8000, ₹ 12000 and ₹15000 for 3, 6 9 and 12 months course duration respectively

Or

- b. minimum wages of the state (paraphrased from Table -1, page 32)

Whichever is higher

Implementation details

1. Proof for placement

During the placement verification, PIAs OP team should specify any one of the following types of placement and the documents collected appropriately:

Sl. No	Type of Organization	Proof for placement
1	Organization with Human Resources department and providing salary slips	1) Salary slips 2) Salary payment proof (one of the following): successfully completed bank transfer, like NEFT or RTGS, from the employer or bank statement or passbook entries of the candidate's account indicating that wages have been paid.
2	All other organizations	1) Joint certificate issued by the employer and candidate (as per SF 7.1D)

Sl. No	Type of Organization	Proof for placement
		2) Salary payment proof (one of the following): successfully completed bank transfer, like NEFT or RTGS, from the employer or bank statement or passbook entries of the candidate's account indicating that wages have been paid

2. Wage

The wage is defined to include the following parameters:

- Cost to Company (CTC) – Basic pay, PF, ESI, HRA, DA, etc.- including Over time and incentives
- Perquisites are valued as per the value stated by the employer subject to the maximum ceiling given below:

Sl. No	Perquisites	Place covered	Amount per month (in ₹)
1	Accommodation	Class 'A' cities as defined by Govt. of India	1000
		Other places	750
2	Food	Class 'A' cities as defined by Govt. of India	300 for breakfast 600 for a meal (dinner or lunch).
		Other places	250 for breakfast 500 for a meal (dinner or lunch).

Sl. No	Perquisites	Place covered	Amount per month (in ₹)
3	Transport	All places	250

If any other perquisites or allowances, excluding those shown the above, are included in the wage component a PIA should inform the estimated value to the SRLM for APS and CTSA for YPS along with a justification. CTSA/SRLM will finally decide the amount and their decision is binding for immediate operational purposes.

However, an appeal can be filed to appropriate Principal Secretary/Secretary in case of an APS and to the Ministry of Rural Development in case of YPS, for a revision. However, till the issue is resolved the decision of CTSA/SRLM will be implemented.

Minimum wage

Minimum wages defined under the act varies from state to state and there are around 1650 entries for all states put together (please see <http://m.paycheck.in/main/salary/minimumwages>). Further, the minimum wages vary from state to state and are revised from time to time. In some cases the wages are fixed on hourly or piece rate basis further complicating the process for fixing minimum wage for a job. In addition, the candidates move from state to state and sector to sector which makes tracking of minimum wages very difficult.

Keeping the foregoing complications in mind and to simplify the project administration, minimum wage for DDU-GKY programme will be notified from time to time. For the time being, it is fixed as ₹ 6000, ₹ 8000, ₹ 12000 and ₹15000 for 3, 6, 9 and 12 months course duration respectively.

The above, however does not absolve a PIA or the employers engaging the candidates from paying minimum wages as per statutory conditions. A PIA should issue a certificate that all the candidates have been paid as per the applicable Minimum Wages Act and notifications. This certificate will be a necessary pre condition for release of an instalment.

As three months of continuous employment is needed total salary for the three month period for 3, 6, 9, and 12 month training programmes would be ₹18000, ₹ 24000, ₹ 36000 and ₹ 45000 respectively.

3. Continuous placement

To be considered placed a candidate should fulfil the following:

- a. The date of placement will only be reckoned after completing the training duration – e.g. in case of a 3 month training if the course starts on 1st August then she/he becomes eligible for placement from 1st November and not earlier than that. In all the cases where candidates join the job before the training completion date the following conditions apply:
- The period for which candidate has joined earlier will be treated as OJT. For example if a course is to be completed by 30th of April and a candidate joins on 15th April then the 15 day period will be treated as OJT.
 - In no case should the actual OJT period and the period for which the candidate joined a job before training is completed should be more than actual OJT period prescribed for the course. For example in a 3 month course if actual OJT is for 15 days then a candidate can be permitted to join a job 15 days before the completion of training.
 - All facilities to be provided to OJT candidates have to be provided even if it is a regular job.
 - The candidates will be monitored as is to be being done for OJT.
- b. Candidates should join at least three months before project completion date as calculated from the project commencement date based on project duration and extensions, if any.
- c. A candidate is permitted multiple entries into a job. For example if a candidate joins the first job, say on 1st April, but drops after working for some period but without completing the mandatory placement period and then the candidate takes up a job again after some time and completes the placement requirements then the candidate can be considered as placed. This can be repeated as long as the candidate is tracked and the placement requirements are met.
- d. Further, to be considered to be in continuous employment for a 3 month period, a candidate can be away from a job a maximum of 15 calendar days. The words 'away from a job' would include all days for which wages are not paid. These would include days in which the candidate is not on rolls of any organisation or is on rolls of the company but on leave without pay.
- These would address the need for some candidates being away from work in emergencies. It would also incentivise PIAs to bring larger number of people into employment as they can focus on dropped out candidates better.

- However, as attendance details are not available easily it is decided to monetise the 15 day period and give equivalent reduction in the gross salary. The monetary value of being away from duty for 15 days for 3,6,9 and 12 month programmes will be ₹ 3000, ₹ 4000, ₹ 6000 and ₹ 7500 respectively. For example, in a 6 month programme if a candidate is away from job for 15 days in a month, then a candidate should earn at least ₹ 4000 in that month.
- e. Accounting for the 15 day period that a candidate can be away from duty, the total salary for the three month placement period for 3, 6, 9 and 12 month training programmes would be ₹ 15000, ₹ 20000, ₹ 30000 and ₹ 37500 respectively.
- f. Further, as employment also involves migration to cities and towns – places which are not only unfamiliar physically but also culturally; the transition is difficult and more than often painful. Thus, the youth have a tendency to relapse back to more familiar home environment. Hence, to facilitate slow transition to new environments, instead of three months continuously, a four month window is considered and if the candidate fulfils all the conditions of placement in any of these three months he would be considered as placed.

Summary of placement conditions

- Wage: Minimum salary in a month and cumulative salary in the 3 month period for different training durations is summarised in the Table below.

Training duration in months	Salary in ₹	
	Minimum considering (1)	Cumulative for three months (2)
3	3000	15,000
6	4000	20,000
9	6000	30,000

Training duration in months	Salary in ₹	
	Minimum considering (1)	Cumulative for three months (2)
12	7500	37,500

- Number of months to be considered: Three months will be considered but if the two criteria of salary (given in Table above) are not fulfilled after considering the first three months, then 4th month will also be considered.
- Treatment of first month of employment: If the candidate is employed for a full month (joins on the 1st of the month) then first month will be treated as a normal month.
- However, if the candidate joins after 1st of a month then depending on the salary paid in the first month decision whether to consider first month as placed or not is decided.
 - If she/he gets more than the minimum salary (as indicated in Table above) then she/he will be considered as placed in the first month. Then the candidate has to fulfil the placement criteria within next three months. However, if best three months out of the four month window does not fulfil the cumulative salary criterion, then first month is removed and one more month can be considered for fulfilling the placement criteria.
 - Otherwise, first month will not be counted and she/he still has 4 month window for fulfilling the placement criteria.