

MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

COMMON NORMS NOTIFICATION WITH AMENDMENTS MADE ON 20.05.2016

No. H-22011/2/2014-SDE-I -- In order to bring about uniformity and standardization in the implementation of various Skill Development Schemes by different Central Ministries / Departments, the Government of India has approved constitution of a Common Norms Committee as the apex body to update and suitably revise the Common Norms with the following composition:-

- (i) Secretary, Ministry of Skill Development and Entrepreneurship – Chairman
 - (ii) Director General, National Skill Development Agency (NSDA) – Member
 - (iii) MD & CEO, National Skill Development Corporation (NSDC) – Member
 - (iv) Representative not below the rank of Joint Secretary of Department of Expenditure, Ministry of Finance – Member
 - (v) Representative not below the rank of Joint Secretary of three ministries engaged in skill development programmes – Member
 - (vi) Principal Secretary in charge of skill development programme/mission in three states (on rotational basis) – Member
 - (vii) Joint Secretary, Ministry of Skill Development and Entrepreneurship – Member Secretary.
2. The Committee may invite Training Providers, Institute of Cost Accountants of India (ICAI) and other such experts and stakeholders as it may consider necessary in discharge of its functions.
3. Terms of Reference of Common Norms Committee:-
- (i) To harmonize the functioning of various skill development schemes and bring about uniformity and standardization among them.
 - (ii) To review/revise training cost for skill development programmes
 - (iii) To review/revise funding norms for skill development programmes
 - (iv) To review/revise categorization of courses/trade for training cost
 - (v) To designate an agency and approve the process of empanelment of Training Providers/Assessors at the national level through that agency and validate the process to be adopted by the State Government through that agency.
4. The Committee will be empowered to amend/revise the Schedules of the Notification at Annexure-I.
5. The Committee shall meet once every year or upon request of any Ministry/ Department/other stakeholders. Provided that there shall be a minimum of six months between any two reviews of the Common Norms Committee. In its first meeting, the Common Norms Committee shall prepare a document specifying how the review, monitoring and adjustment will be done by the Committee, and what the review/evaluation will cover both qualitatively and quantitatively.

6. Coverage: The above Common Norms will be applicable to the Skill Development Schemes of the Government of India being implemented through various Ministries/Departments. The State Governments are also expected to align their skill development schemes with the Common Norms so as to bring in uniformity and standardization.
7. The provisions of this Notification will come into force from the date of its Notification. All the current projects underway would be completed as per existing scheme and new batches would transform into new norms in every scheme and full transition would be effected from 1st April 2016.
8. TA/DA, Sitting Fee and other expenditure on account of the conduct of the Meetings as admissible under the rules shall be met out of the budget provision of the Ministry of Skill Development and Entrepreneurship.

Annexure I

The Common Norms for Skill Development Schemes implemented by Government of India are hereby notified as under:

1. Skill Development

Skill Development, for the purpose of any Government scheme, is defined as any domain specific demand led skill training activity leading to employment or any outcome oriented activity that enables a participant to acquire a skill duly assessed and certified by an independent third party agency, and which enables him/her to get wage/self-employment leading to increased earnings, and/or improved working conditions, such as getting formal certification for hitherto informal skills, and/or moving from informal to formal sector jobs or pursue higher education/training and shall fall in the categories as per below:

- (i) For fresh entrants to the job market, the training duration to be minimum 200 hours (including practical and/or on the job training) except where prescribed by any Statute
- (ii) In case of re-skilling or skill up-gradation of persons already engaged in an occupation, training programmes having a minimum duration of 80 hours of trainings including practical and/or on-the-job training.
- (iii) In the case of persons who have acquired Skill through informal, non-formal or experiential training in any vocational trade or craft, formal recognition and certification of such skill, if necessary after imparting bridge courses, to be treated as Skill Development.

Extension work, such as that carried out in the fields of agricultural and related activities, public health etc, would be recorded as an activity distinct from skill development. These would need to be programmes of durations of 32 hours or more, which leads to any economic or social benefit that may not be immediately measurable, and the Common cost norms would not be applicable to such extension work.

2. Skill Development Courses

Soft skills (which would include computer literacy, language and workplace inter-personal skills relevant for the sector/trade) would be an integral part of the skills training process and must be suitably integrated into the course modules of all the above-mentioned categories in section 1.

2.1 Alignment with the National Skills Qualifications Framework (NSQF)

All Skill Development courses offered under the scheme framework must conform to the National Skill Qualification Framework (NSQF) notified on 27.12.2013 which provides for transition of all training/educational programmes/courses so as to be NSQF compliant by the third anniversary date of the notification of the NSQF (i.e., after 27.12.2016). Government funding would not be available for any training or educational programme/course if it is not NSQF compliant. All training providers empanelled/approved by the various Ministries/Departments of the Government of India/State Government/ NSDA/NSDC/Sector Skill Councils would need to comply with this requirement of the NSQF failure to do which would lead to their de-listing by the concerned empanelling/approving authority.

3. Input Standards

3.1 While all training programmes funded under any scheme of the Government of India need to ensure that the outcomes are achieved as per these Common Norms, the following inputs may also be considered so as to ensure that adequate training infrastructure and capacity exists:

- (i) The overall training infrastructure specially the training aids and equipment being as per industry benchmarks.
- (ii) Trainers with suitable qualifications/experience being hired and each trainer to having undergone Training of Trainers (ToT).
- (iii) Industry relevant content, appropriate to the learning groups, and conforming to the requirements of NSQF/SDIS, being used.
- (iv) The student and trainer enrollment linked to Aadhar.
- (v) Assessments being video recorded if required.

4. Outcome of Skill Development

In addition to independent third party certification of the skilled individual, the outcomes from skill development programmes shall be as under:

4.1 For training of fresh entrants to the workforce, outcome shall be defined to include all of the following:

- (i) Employment (both wage and self) on an annual basis of at least 70% of the successfully certified trainees within three months of completion of training, with at least 50% of the trainees passing out being placed in wage employment;

Provided that the Ministries/ Departments shall have freedom to alter the percentage of wage and self-employment based on specifics of the scheme that have been designed exclusively for self-employment/ entrepreneurship, nature of activity, local economy, social conditions, etc.

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- (ii) In case of wage employment and recognition of prior learning, candidates shall be placed in jobs that provide wages at least equal to minimum wages prescribed and such candidates should continue to be in jobs for a minimum period of three month, from the date of placement in the same or a higher level with the same or any other employer.
 - (iii) In case of self-employment, candidates should have been employed gainfully in livelihood enhancement occupations which are evidenced in terms of trade license or setting up of an enterprise or becoming a member of a producer group or proof of additional earnings (bank statement) or any other suitable and verifiable document as prescribed by the respective Ministry/Department.

4.2 In case of re-skilling or skill up-gradation of persons already engaged in an occupation, at least 70% of such persons shall have an increase of at least 3% in remuneration within 14 months of completion of the skill development training.

4.3 In case of persons who have acquired skills, through informal, non-formal or experiential training in any vocational trade or craft, the formal recognition and certification of such skills, (after imparting bridge courses if necessary) that provide appropriate increase in wages in the skill category of the candidate for immediate and subsequent production cycle in case of wage employment or meets the conditions in case of self-employment will be treated as the outcome of this effort.

5. Funding Norms

Funding under skill development schemes is available for either of the following:

- (i) Meeting the capital expenditure for creation/up gradation of infrastructure for skill development training; and
- (ii) Meeting the recurring cost of training individual trainees including post-placement costs.

5.1 Rationalization of funding norms across Ministries/Departments shall enable them to monitor inputs and outcomes effectively. This shall also streamline the quality of training programmes delivered across Training Providers. Therefore, the funding norms as given in SCHEDULE-I apply to all existing and new skill development schemes that fund the training costs of individual trainees.

Provided that Skill Development schemes/components of schemes catering to the creation/augmentation of infrastructure for training should continue functioning as per their existing norms as decided by the concerned Ministries/Departments.

5.2 Base costs Skill Development training costs under any scheme of the Government of India should be paid at the rates as given in SCHEDULE-I and as per SCHEDULE-IV in respect of each trainee who successfully completes the training and is certified.

5.3 The trades/job roles listed in category I, II, III of schedule-II shall be aligned to National Skill Qualification Framework(NSQF) as notified vide Cabinet Notification No.8/6/2013-Invt. dated 27.12.2013. These categories were classified based on the level of capital expenditure and

operational expenditure for imparting a course. The Ministries/Departments are free to identify the courses which can be classified under any of these categories and in case of those that are not covered in this list, it can be done in consultation with the industry, and thereafter seeking the approval of the Common Norms Committee.

5.4 The hourly rates shall be inclusive of cost components such as:

- (i) Mobilization of candidates
- (ii) Post-placement tracking/monitoring
- (iii) Curriculum
- (iv) Placement expenses
- (v) Trainers' training
- (vi) Equipment
- (vii) Amortization of Infrastructure costs/Utilities
- (viii) Teaching Aid
- (ix) Raw material
- (x) Salary of trainers

5.5 Any deviation from these norms would be permissible after the approval of the Common Norms Committee.

5.6 Support for Boarding & Lodging:

Certain additional cost heads would be permissible as per below:

(i) For:

- a) Residential training and/or
- b) in respect of all skill development training programmes where trainees from Special Areas (as defined in SCHEDULE-I) are trained outside these Special Areas, and/or
- c) training programmes anywhere in the country where women trainees have to travel more than 80 kms from their homes to reach the nearest training centre and who are availing of boarding and lodging arrangements made for them.

Ministries/ Departments shall reimburse Boarding & Loading costs at actuals, subject to a maximum per trainee per day as per SCHEDULE-I. The List of categories of cities for this purpose is given at SCHEDULE-III.

(ii) Transport costs: For candidates from Special Areas undergoing training outside these Special Areas, to and fro transport cost as given in SCHEDULE-I shall be payable.

5.7 Pooling of Resources: In case of geographies/sectors and trainee groups where the training cost is significantly higher than the norms specified in this Notification, the Training Providers are free to pool additional funding support from State Governments, Corporates, Employers, Philanthropic Institutions etc. However such dovetailing of funds shall have the approval of the respective Ministries/Departments.

5.8 Refundable security deposit chargeable to all Candidates: To ensure that candidates selected for the training programmes are undertaking the training with seriousness, and also to reduce the drop-out rates during the course of training, Training Providers shall charge a refundable security deposit of Rs. 1000/- per candidate (for NSQF Level 5 and above), Rs. 500/- (for NSQF Levels 3 & 4), and Rs. 250/- (for NSQF Levels 1&2) at the commencement of the training. The amount would be refunded to every candidate who completes the training programme and is successfully certified. Proof of refund should be taken from Training Provider along with claims of training costs.

5.9 Third Party Certification & Assessment Costs: To ensure independent and unbiased assessment and certification of trained candidates, costs for certification and assessment shall be payable to an independent third party including a university / institute authorized for conducting assessments and certifications. Third Party Certification & Assessment Costs to paid is given in SCHEDULE-I.

6. Fund Flow Mechanism

The Payments to the Training Providers shall be based on the outcomes achieved, and shall be released in a manner as given in SCHEDULE-IV to implement the programmes effectively.

7. Monitoring & Tracking

7.1 Different skill training schemes shall have access to an open, common and extensible data standards to ensure that their IT systems can share data and do transactions in a scalable way. Standardized Application Program Interface (APIs) will also be defined for use in the Management Information System (MIS) of various skills training programs. Also, the Ministry of Skill Development and Entrepreneurship shall facilitate the development of an integrated and interactive MIS based on the above standards and APIS which should thereafter be available for use by all Ministries/Departments. This integrated MIS should serve as an aggregator from the ERP/MIS solutions of States and Ministries/Departments of specific programmes.

To facilitate this, an Agency designated by the Ministry of Skill Development and Entrepreneurship shall put in place a system for pulling in information from different data structures and provide necessary technical support to the States/Ministries/Departments for the required integration and seamless exchange of information. Such an interactive MIS should facilitate deeper qualitative insights which could be used for policy formulation.

7.2 All the trainees trained under a project will be tracked for a period of one year in case of fresh entrants/ 14 months in case of reskilling and upskilling from the date of completion/certification of training with respect to their career progression, retention and other parameters. An Innovative system for tracking to be developed that shall use technology (web and mobile based) and has incentives for the trainees to respond to the tracking system.

The following shall apply to the Monitoring & Tracking Mechanism:

- (i) If particulars pertaining to 90% of the candidate in any batch are fed into the central MIS, then this would account for successful tracking of the candidates of that particular batch. Completion of this step would entitle the training provider to seek disbursement of one installment of the training cost from the concerned Ministry,

which would be 10% of the training cost, or an amount of Rs 5,000/- per candidate, whichever is less.

- (ii) Each candidate would be tracked once every month for a period of one year in case of fresh entrants/ 14 months in case of reskilling and upskilling after she/he completes her/his training. The parameters on to be tracked would be as under:
 - a) Placement should be within 3 months of completion of training
 - b) Once placed, remuneration/ incremental remuneration per month
 - c) Whether continues to work in the same or higher job role till end of the tracking period (whether with same or different employer)
 - d) If there are periods of unemployment between different jobs, duration of such gaps and reason for leaving earlier job without having a job in hand.
- (iii) All Government of India funded schemes for skill development will be evaluated every three years by the Ministry or Agency designated by the Ministry, and continuance of schemes not achieving the Outcomes shall be reviewed. Performance here would be defined in both quantitative (Outcomes met) as well as qualitative terms (feedback from candidates/ States/ training providers, degree of NSQF compliance, etc.)

8. Advocacy and Awareness Building

While the Ministry of Skill Development & Entrepreneurship would design and launch a coordinated countrywide awareness campaign, each of the Ministries/Departments would devise a strategy to reach out to the respective target groups/beneficiaries, with special focus on sector/geographies which are in need of skill development initiatives. The sensitization of other stakeholders, particularly employer industry, will be an integral part of such campaign.

9. Empanelment of Training Providers/Assessors

All Central Government programmes/schemes will be implemented through Training Providers/Assessors that are empanelled at the national level or through a validate process at the state level. At the national level, a single process for empanelment of Training Providers/Assessors would be put in place. This process would factor in sector specific issues/nuances in consultation with the related Ministries/Departments and Sector Skill Councils. States would get their process of empanelment of Training Providers/Assessors validated by a designated agency at the national level.

SCHEDULE OF COST

1. Base Cost

1.1 The Base Cost for different Sectors will be as under:

- (i) Rs. 38.50 per hour of training for trades/sectors listed in Category I of SCHEDULE-II.
- (ii) Rs. 33/- per hour of training trades/sectors listed in Category II of SCHEDULE-II.
- (iii) Rs. 27.50 per hour of training trades/sectors listed in Category III of SCHEDULE-II.

Costs would be subject to a periodic enhancement of 10% annually or as decided by the Common Norms Committee provided minimum duration between any 2 revisions would be at least six months.

1.2 With effect from 01.04.2016, the Base cost for different Sectors is increased at 5%, rounded off to the next 10 paise, of the amounts mentioned in Clause 1.1 of SCHEDULE-I..

2. Transport Costs

2.1 For candidates from Special Areas, as defined in Clause 5.1 of Schedule I', undergoing training outside district of such Special Areas, to and fro transport cost as per actuals, subject to a maximum of Rs. 5000/- per trainee, *may* be payable.

(i) For:

- a) Residential trainings, and/or
- b) In respect of all skill development training programmes where trainees from Special Areas (as defined herein) are trained outside these Special Areas, and/or
- c) Training programmes anywhere in the country where women trainees have to travel more than 80 kms from their homes to reach the nearest training centre and who are availing of boarding and lodging arrangements made for them.

3. Boarding & Lodging Costs

Ministries will reimburse Boarding & Lodging Costs up to a maximum per trainee per day as per table below:

i. X Category Cities/Town per day per Trainee	Rs.300/-
ii. Y Category Cities/Town per day per Trainee	Rs.250/-
iii. Z Category Cities/Town per day per Trainee	Rs.200/-
iv. Rural Areas and any Area not notified as a municipal/town area	Rs. 175/-

(The List of categories of cities is given at SCHEDULE-III)

4. Third Party Certification & Assessment Costs

4.1 To ensure independent and unbiased assessment and certification of trained candidates, costs for certification and assessment shall be payable to an independent third party authorized for conducting assessments and certifications. This amount shall be over and above

the Base Cost, and shall range from Rs. 600/- to Rs. 1500/- per candidate as decided by individual Ministries/Departments.

5. Additional Support for Special Areas/ Groups

5.1 Training in Special Areas: Over and above the Base Cost, an additional amount equal to 10% of the Base Cost should be permitted for Skill Development programmes conducted in the North Eastern States, Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Andaman & Nikobar Islands, Lakshadweep and districts affected by Left Wing Extremism (LWE) as identified by the M/O Home Affairs for the Integrated Action Plan (hereinafter referred to as "Special Areas").

5.2 Upon successful completion of non-residential skill training programmes, and after certification, all **Persons Below Poverty Line (BPL), persons with disability and women candidates (hereinafter referred to as "Special Groups")** will be reimbursed the cost incurred in travelling to and from the training centre at the following rates:

Reimbursement of Conveyance Costs per month	Amount (in Rs.)
1) Training Centre within District of domicile	1000/-
2) Training Centre outside District of domicile	1500/-

5.3 **Post Placement Support for Special Areas/Groups for wage employment:** In order to enable the newly skilled persons from **Special Areas/Groups** to settle into their jobs/vocations **under wage employment**, post placement support would be provided directly to the candidate at the rate of Rs. 1500/- per month for the following durations:

Post Placement Support @ Rs. 1500/- per month	Men	Women
1) Placement within District of domicile	1 month	2 months
2) Placement outside District of domicile	2 months	3 months

provided the placement is made within three months of certification and after post validation of placement of the candidate.

5.4 Training for Persons with Disability (PwD): Over and above the Base Cost, an additional amount equal to 10% of the Base Cost should be provided for skill development programmes imparted to Persons with Disability (PwD). Provided that in the case of training of PwD in the Special Areas, the total cost permissible will be 120% of the Base Cost. At least 3% of total training done by every Ministry in each year shall be reserved for persons with disabilities, in trades as decided by the Department of Empowerment of Persons with Disabilities, Ministry of Social Justice & Empowerment in conjunction with the NSDA.

SCHEDULE -II

List of Trades as per the Cost Category Prescribed

S.No.	Industry/ Sectors	Sub-Sector/Trades		
		Category-I	Category-II	Category-III
1.	Agriculture	Farm Machinery, Animal Husbandry, Farm Mechanisation, Precision farming, Fisheries and allied Sector	Agriculture, Plantation, Horticulture Floriculture, Poultry	Apiculture, Home Décor Art - Bonsai, Flower, water fall; Minor Forest Product processing and value addition, Natural Fibre product processing and value addition (Sericulture, Jute, cotton, hemp and Diversified Products)
2.	Apparel	Garment Manufacturing, Fashion Design	Garment making	
3.	Automotive	Manufacturing, Automotive repair	Automotive Sales	
4.	Beauty & Wellness		Spa and Wellness, Beauty Culture & Hair Dressing, Naturopathy	Home Décor Art Mehandi
5.	BFSI			Banking, Accounting, Insurance
6.	Capital Goods	Fabrication, Electro- Mechanical		
7.	Chemicals	Manufacture of Chemicals and bio- Chemicals Plastics Processing	Fragrance Flavour & Perfume	
8.	Construction	Construction Equipment, Fabrication	Paint, Wood Works, Bamboo Fabrication, Carpentry	
9.	Education & Skill Development		Education, Skill Development	Counselling Skills
10.	Electronics	Electronics System Design, and Manufacture Refrigeration and Air Conditioning	Consumer Electronics - Sales & Service	
11.	Fast Moving Consumer Goods			Fast Moving Consumer Goods

12.	Food Processing Industries	Food Processing Sectors		Food Processing Sectors such as Dairy Products, Fruit & Vegetable Products, Cereals and Cereal Products, Food Grain (including milling), Edible Oil and Fats, Meat and Meat Products, Fish and Fish Products, Sweets and Confectionery, Bread and Bakery, Spices and Condiments, Beverage, Aerated Water and Soft Drinks, Packaging of food products
13.	Furniture & Furnishing		Furniture Making	
14.	Gems & Jewellery	Gems & Jewellery Manufacturing		Home Décor Art Jewellery
15.	Green Skills	Renewable energy		Rain Water Harvesting, Green retail, Allied green skills
16.	Handloom Handicrafts &	Handlooms	Brassware, Khadi, Carpet, Handicrafts	Handmade Paper and Paper Products, Home décor art Ceramic Painting, Home Décor Art Wood
17.	Healthcare	Medical and Nursing Healthcare - Machine Technician	Community Healthcare, Healthcare - Assistants, Preventive Healthcare (including Nutrition & Health Education and Health Counselling)	Allied Healthcare,
18.	Instrumentation	Process, Instrumentation		
19.	Iron & Steel	Foundry (including Sponge Iron)		
20.	IT-ITES		Information and Communication technology	
21.	Leather	Leather Footwear & Leather Sports Goods Manufacture		
22.	Life Science	Manufacturing of Pharmaceuticals	Pharmaceutical Sales	
23.	Logistics			Courier & Logistics
24.	Management			Materials Management, Business & Commerce

25.	Manufacturing	Production & Manufacturing		
26.	Marine Engineering	Marine Engineering, Ship Construction		
27.	Media & Entertainment	Animation	Production Support, Media, Printing	Film Production
28.	Mining	Mining		
29.	Music	Musical instrument Manufacture	Instrumental Music service	
30.	Plumbing	Plumbing		
31.	Power & Energy	Electrical Industrial Electrician	Domestic Electrician	
32.	Retail		Store Operation, FMCG	Retail
33.	Rubber	Manufacturing	Rubber, Nursery/ Plantation	
34.	Security		Security, fire & Safety Engineering	
35.	Sports	Sports Goods Manufacture	Sports service	
36.	Telecom	Network & Infrastructure, Management	Telecom Service Provider, Handset Sales & Service	
37.	Textiles	Spinning, Weaving, Textiles, Knitting & Processing for Cotton, other Manmade & Synthetic Fibres		
38.	Tourism & Hospitality	Food Production, Cooking	Hospitality, Service & Housekeeping	F&B & Travel & Tourism
39.	Traditional / conventional sectors	Glassware	Painting Toy Making	Clock and watch Repair
40.	Other Sectors	Any trade not covered in any of the categories above	Any trade not covered in any of the categories above	Any trade not covered in any of the categories above

SCHEDULE-III

Categorization of Indian Cities for Residential Training Costs

S.N.	State	Cities classified as "X" As "X"	Cities classified as "Y"
1	Andhra Pradesh		Vijayawada [Urban Agglomeration (UA)], Visakhapatnam (UA), Guntur
2	Assam		Guwahati (UA)
3	Bihar		Patna (UA)
4	Chandigarh		Chandigarh
5	Chhattisgarh		Durg - Bhilai Nagar (UA); Raipur (UA)
6	Delhi	Delhi NCR (UA)	
7	Gujarat		Ahmedabad (UA), Rajkot (UA), Jamnagar (UA), Vadodara
8	Haryana		Faridabad
9	J&K		Srinagar (UA), Jammu (UA)
10	Jharkhand		Jamshedpur (UA), Dhanbad
11	Karnataka	Bengaluru (UA)	Belgaum (UA), Hubli-Dharwar, Mangalore (UA)
12	Kerala		Kozhikode (UA), Kochi (UA), Thiruvananthapuram (UA)
13	Madhya Pradesh		Gwalior (UA), Indore (UA), Bhopal (UA), Jabalpur
14	Maharashtra	Greater Mumbai (UA)	Amravati, Nagpur (UA), Aurangabad (UA), Nasik (UA), Bhiwandi (UA), Pune (UA), Solapur, Kolhapur (UA)
15	Orissa		Cuttack (UA), Bhubaneswar (UA)
16	Puducherry		Puducherry (UA)
17	Punjab		Amritsar (UA), Jalandhar
18	Rajasthan		Bikaner, Jaipur, Jodhpur (UA), Kota
19	Tamil Nadu	Chennai	Salem (UA), Tiruppur (UA), Coimbatore (UA), Tiruchirapalli (UA), Madurai (UA)
20	Telangana	Hyderabad (UA)	Warangal (UA)
21	Uttar Pradesh		Moradabad, Meerut (UA), Ghaziabad, Aligarh, Agra (UA), Bareilly (UA), Lucknow (UA), Kanpur (UA),

22	Uttarakhand		Dehradun(UA)
23	West Bengal	Kolkata(U/A)	Asansol (UA)

All other cities/towns in various States/UTs which are not covered by classification as "X" or "Y" are classified as "Z"

(The above categorization of cities/towns being adopted from the categorization of Indian cities/towns for payment of HRA as per 2008-6th Pay Commission)

SCHEDULE- IV

Fund Flow Mechanism

1. Schedule of release of payments:

1.1 The release of funds could be batch wise or as per project MoU as per the guidelines of scheme in question. The funds should be released to the Training Providers as per the following schedule:

Instalment	Percentage of Total Cost	Output Parameters
1 st	30%	On commencement of Training Batch against validated candidates
2 nd	50%	On successful certification of the trainees
3 rd	20%	Outcomes based on Placements as under

1.2 The above payment schedule is subject to the following:

- (i) It is applicable only for fresh training.
- (ii) The second tranche of 50 % will be calculated on the basis of total cumulative 80% payment for candidates actually certified.
- (iii) The dropouts will not be considered for 2nd and 3rd tranche. The 1st tranche payment of the dropouts is adjusted in next tranche.

2. The 20% of training cost which is linked to outcome (3rd instalment) would be released to the Training Provider subject to the following:

- (i) Training Provider shall be eligible for 100% payment on for outcome achievement under para 4.1 (i), (ii) and (iii), 4.2 and 4.3 of Annexure-1.
- (ii) Training Provider will be paid on pro rata basis on achievement of 50-69% placement of those who have been certified with at least 50% minimum wage employment of the certified trainees within three months of completion of training in case of fresh entrants.

(iii) Training provider will be asked to discontinue the training in that particular trade/centre and will be paid only on pro rata basis, if the outcome achievement over the period of one year in case of fresh entrants/ 14 months in case of reskilling and upskilling, is unsatisfactory as defined under:

- a. 49% and below placement of those who have been certified with at least 50% minimum wage employment of the certified trainees within three months of completion of training in case of fresh entrants.
- b. 49% and below number of certified candidates with increase of at least 3% in remuneration within 14 months in case of reskilling and upskilling.
- c. 49% and below number of formal recognition and certification of experiential training in vocational trade or craft leading to appropriate increase in wages in the respective skill category of the candidate for immediate and subsequent production cycle or meets the conditions provided under Para 4.1 (iii) of Annexure – I in case of self-employment. In the case of such disengagements, the Ministry concerned would take a prompt decision, after careful consideration of all related factors with respect to performance, whether to disengage such Training Provider from implementation of the Scheme/Project. The de-empanelment by concerned Ministry would be done for the trade under advice to the Ministry/agency designated by the Ministry for informing all other concerned Ministries. The training provider would get an opportunity to re-apply for empanelment for the training after a gap of at least one year from the date of notification of de-empanelment by the concerned Ministry.

3. In order to encourage the Training Provider who exceed the prescribed outcomes, the following additional incentives should be provided:

- (i) For every candidate, where outcome achievement is above 70% to 85%, the Training Provider should be paid an additional amount of Rs.3000/- of the base cost per candidate.
- (ii) For every candidate where outcome achievement is above 85%, the Training Provider should be paid an additional amount of Rs. 5000/- of the base cost per candidate.