

F. No. - B-12012/11/2017-SNP
Government of India
Ministry of Skill Development and Entrepreneurship
(SNP Division)

Shivaji Stadium, Shaheed Bhagat Singh Marg
Connaught Place, New Delhi -110001
Dated: 31-03-2017

To,

The Principal Accounts Officer,
Ministry of Skill Development & Entrepreneurship
Shivaji Stadium Annexe Building
New Delhi.

Sub: Release of Grants-In-Aid for the year 2016-2018 to Government of Karnataka for implementation of State Engagement Component under Pradhan Mantri Kaushal Vikas Yojana (2016-20) by Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka – reg.

I am directed to convey the sanction of the President of India for the payment of grant-in-aid amounting to **Rs. 21,43,95,135 (Rupees Twenty-One crores Forty-Three Lakh Ninety-Five Thousand One Hundred Thirty-Five only)** to the State Government of Karnataka towards implementation of the State Engagement Component of Pradhan Mantri Kaushal Vikas Yojana (2016-20) by Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka for the year 2016-2018. The Funds for year 2016-20 and the corresponding physical targets have been approved by MSDE as placed at "**Annexure**".

2. The release of funds from MSDE is given in the below mentioned table:

Sl. No	Item	Amount in Rupees
(A)	Total Amount to be release for Year 2016-18 of the central amount – 1 st tranche	43,99,20,000
(B)	The amount to be sanctioned for the year 2016-18	21,43,95,135

Out of (A) in table above, **Rs. 21,43,95,135 (Rupees Twenty-One crores Forty-Three Lakh Ninety-Five Thousand One Hundred Thirty-Five only)** is being released under this order.

The expenditure may be debitible to (Demand Number 81- MSDE)

Major Head – 3601	
3601.04.251.01.01.31-Grants-in-aid-General	16,20,82,722
3601.04.789.64.01.31-Grants-in-aid-General (Scheduled Caste)	3,47,32,012
3601.04.796.55.01.31-Grants-in-aid-General (Tribal Areas)	1,75,80,401
TOTAL	21,43,95,135

3. The release is subjected to the following terms and conditions:

- (i) The total target is equally divided between FY 2016-17 and FY 2017-18.
- (ii) Fund disbursement by the implementation agency will follow the PMKVY scheme guidelines and disbursement conditions included in the project explained in the "**Annexure**".
- (iii) Fund shall be utilized only for the purpose for which it is released.
- (iv) Utilization Certificate in Form 19-A alongwith audited statements of accounts should be furnished to the Ministry of Skill Development & Entrepreneurship, GoI as per General Financial Rules (GFR) 2005.
- (v) Unspent amount, if any will be adjusted against future sanctions / reimbursements.
- (vi) The expenditure shall not exceed the budget allocated
- (vii) Subsequent fund release is subject to the Table 4: 'Terms of Fund Disbursement to States' mentioned in revised Para 18 (C) of the State Engagement guidelines.

Sanjeev Kumar

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संयोजक निदेशक और उद्यमशील मंत्रालय
Ministry of Skill Development and Entrepreneurship
भारत सरकार / Government of India
नया दिल्ली - 110001

4. The amount of grant-in-aid is finally adjustable in the books of Principal Accounts Officer, Ministry of Skill Development & Entrepreneurship, Shivaji Stadium Annexe Building, Shaheed Bhagat Singh Marg, New Delhi – 110001. On receipt of sanction letter, the Principal Accounts Officer may issue an advice to the Reserve Bank of India (Central Accounts Section), Nagpur for affording credit to the balance of the State Government. The Principal Accounts Officer may forward a copy of the advice to the Accountant General and Finance Department of the State Government along with a copy to the undersigned in the Ministry of Skill Development & Entrepreneurship. State Government shall send intimation regarding receipt of Grant-in-aid to Principal Accounts Officer, Ministry of Skill Development & Entrepreneurship, Shivaji Stadium Annexe Building, Shaheed Bhagat Singh Marg, New Delhi – 110001.

5. The accounts of the grantee institutions will be open to audit by the Comptroller and Auditor General of India and the internal Audit of the Principal Accounts Office of the Ministry.

6. This issues with the concurrence of Integrated Finance Division (MSDE) vide F. No. - B-12012/11/2017-SNP dated 31/3/2017.

Yours faithfully,



संजीव कुमार / Sanjeev Kumar
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Ministry of Skill Development & Entrepreneurship, New Delhi - 110001

Copy forwarded for information and necessary action to the:

1. Secretary, Finance Department, Govt. of Karnataka. It is requested that funds released through this sanction letter may be transferred to the Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka immediately.
2. Secretary, Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka.
3. Joint Secretary (API Bureau), Ministry of Skill Development & Entrepreneurship.
4. Chief Controller of Accounts, Ministry of Skill Development & Entrepreneurship.
5. Chief Accounts Officer, Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka.
6. Accountant General (A&E), State Government of Karnataka.
7. Mission Director, Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka.
8. Integrated Finance Wing (IFW), Ministry of Skill Development & Entrepreneurship, New Delhi.
9. Budget Section (MSDE).
10. DGACR, Indraprastha Estate, New Delhi.
11. DDO (Cash Section), Ministry of Skill Development & Entrepreneurship, New Delhi.
12. Guard file 2017

Yours faithfully,



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Brief description of the project submitted by Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka

a. The below mentioned targets for year 2016-20 are approved by Ministry of Skill Development & Entrepreneurship, Gol.

Parameter	2016-18	2018-19	2019-20	Total
A. Total trainees to be trained	30,000	32,000	32,164	94,164
B. Training funds required @ avg. cost 14,100 per trainee	42,30,00,000	45,12,00,000	45,35,12,400	132,77,12,400
C. Administrative expense @ 4% of total funds	1,69,20,000	1,80,48,000	1,81,40,496	5,31,08,496
Total funds required (B+C)	43,99,20,000	46,92,48,000	47,16,52,896	138,08,20,896

b. Summary of the project has been included below:

S. No.	Category/Sub-Category	Details (as per the submitted proposal)
1.	Nodal agency for Skill Development initiatives in the state	Exists - Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka headed by <ul style="list-style-type: none"> • Additional Chief Secretary, Skill Development Entrepreneurship and Livelihood • Director, Employment and Training: Shri Ashraful Hasan
2.	Organization Background	SDLD, Karnataka has been created in September 2016 with an objective of bringing all skilling objectives under a single umbrella. The department is controlled by the Chief Minister of Karnataka <ul style="list-style-type: none"> • Regulating, Standardising, Promoting, Monitoring, Planning to converge resources and programs in Karnataka • Sustainable skilling and employment • Improve industry and market interface to ensure employable skilling is imparted to the youth • Develop a skill policy with a plan of action for 2030 • Strengthening of training institutions, apprenticeship training, establishing career guidance and placement support centres, etc. • Aims to train 2.50 lakh youth annually • SDLD, Karnataka is supported by 3 commissionerates
3.	Organization Structure	SDLD, Karnataka has a defined organization structure. It is headed by Additional Chief Secretary and the department is also supported by 3 commissionerates and the following organisations: <ul style="list-style-type: none"> • Institute for Training of Trainers (ITOT) • Staff Training and Research Centre • Devaraj Urs Institute of Skill Research, Curriculum and Training
4.	Experience in executing any centrally sponsored skill development initiative	SDLD, Karnataka has conducted skill training program under: <ul style="list-style-type: none"> • Swarna Jayanthi Sahari Rozagar Yojana, Ministry of Housing and Urban Poverty Alleviation, Govt. of India. • Deena Dayal Anthyodaya Yojana - National Urban Livelihoods Mission, Ministry of Housing and Urban Poverty Alleviation, Govt. of India. • State Urban Livelihoods Mission, Urban Development Department – GoK • Multi skill Development Centres, DGET

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नई दिल्ली / New Delhi

5.	Experience in executing skill training programs through external Private Training providers	SDLD, Karnataka has undertaken the process with support of external training providers. Details ; <ul style="list-style-type: none"> • Deen Dayal Upadhyaya Grameen Koushalya Yojana • Swarna Jayanthi Sahari Rozagar Yojana • Deen Dayal Anthyodaya Yojana – National Urban Livelihoods Mission • Special Development Programme (SDP) • Special Component Plan Scheme (SCP) • Women's Training Programme • KGTT (Multi Skill Programme)
6.	Year-wise allocation of CSSM targets	94,164 youth proposed to be trained– over a 4 year duration
7.	Categorization of targets – selection of job roles	SDLD, Karnataka has identified job-roles under all the Categories in the State Engagement Guidelines i.e. Category-1, Category 2, Category-3 and Category-4. Category-1 includes all the NSQF aligned job roles developed by SSCs (excluding the 221 PMKVY job roles). Category-2 State specific job roles not in SSC list. Category-3 Job Roles related to traditional Arts and Crafts Category-4 Job Roles with significant demand in the state
8.	Selection of job-roles	SDLD, Karnataka has identified <ul style="list-style-type: none"> • 234 job roles under category I • 58 job roles under category II • 08 job roles under category III • 62 job roles in category IV for Centrally Sponsored State Managed (CSSM) component.
9.	Selection of sectors	Total of 37 sectors have been identified by SDLD, Karnataka Sectors include <ul style="list-style-type: none"> • Agriculture • Automotive • Beauty & Wellness • Apparel • Capital Goods • Construction • Domestic Worker • Electronics • Furniture & Fittings • Green Jobs • Gem & Jewellery • Handicrafts • Healthcare • Leather • Life Sciences • Logistics • Media & Entertainment • Plumbing • Power • Retail • Telecom • Tourism & Hospitality
10.	Selection methodology used by Skill Development, Entrepreneurship and Livelihood Department (SDLD), Karnataka -sector/job-role	(SDLD), Karnataka has based the selection of sectors / job-roles as per the skill gap study conducted by NSDC The Karnataka Knowledge Commission has recently estimated manpower requirement under major employment sectors as per skill development by 2030. The same has been provided in the proposal
11.	Placement and Employer engagement strategy	(SDLD), Karnataka has mentioned the following w.r.t the Industry engagement <ul style="list-style-type: none"> • Awareness to be created among industries about PMKVY 2.0 • Requirements of employers to be registered on a portal viewable to the training partners to ensure training takes place on the mentioned skills in particular • The State Government will establish career guidance, counselling and placement centres in District Employment Exchanges by strengthening these institutions

		<ul style="list-style-type: none"> Government of Karnataka will empower Educational and vocational training Institutions to establish their own Career Guidance and Placement Cells in order to promote large scale placements of their students. <p>The proposal doesn't clearly mention the ecosystem that the state mission with create to ensure effective placements.</p>
12.	Institutional mechanism at the state level (Governing)	A 6 member committee has been suggested in the proposal by (SDLD), Karnataka headed by the Secretary. Two team member are yet to be proposed
13.	Institutional mechanism at state level (for implementation of CSSM component – PMKVY)	Will be submitted to MSDE before commencement of the trainings.

- c. The PAC has approved the following conditions for disbursement of funds along with the corresponding physical targets:
- The State Skill Development Missions (SSDMs) will start training expeditiously after receiving the financial sanction orders.
 - MSDE will issue further sanction orders to the SSDMs against the targets approved by Ministry subject to following:
 - State will have to submit utilization certificate subject to spending 80% of the total funds sanctioned for 2016-18; and
 - Achievement of 50% of physical targets for the year 2016-18.
 - SSDMs should ensure strict adherence to the annual financial targets sanctioned to them and in no case exceed 150% of targets allocated to them during the financial year and total cumulative under the project, whichever is lower.
 - The project has to strictly comply with guidelines for State Engagement under PMKVY (2016-20) read together with PMKVY guidelines (2016-20), guidelines with respect to branding and communication and any other PMKVY scheme guidelines.
 - Any deviation / non-compliance of instructions/guidelines shall affect the further distribution of funds. All provisions of the schemes including amendments (issued from time to time) by MSDE have to be complied with.

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