

F. No. SCH-11/17/2020-SNP
Government of India
Ministry of Skill Development & Entrepreneurship
(PMKVY Division – SD Wing)

2nd Floor, PTI Building, Sansad Marg,
New Delhi-110001,

Dated: 30th December, 2020

RESOLUTION

Subject: Approval of Pradhan Mantri Kaushal Vikas Yojana 3.0 (2020-21) (PMKVY 3.0) - reg.

Under the Skill India Mission, the Government of India is implementing Pradhan Mantri Kaushal Vikas Yojana (PMKVY) to promote skill development in the country by providing grant based placement linked short duration skill training since 2015-16. This programme was successfully implemented under two editions: PMKVY (1.0) (FY2015-16) and PMKVY (2.0) (FY2016-20).

With each newer version of PMKVY scheme, major changes were instituted to meet the aspiration of youth, increase the overall reach and improve the outcomes. PMKVY 2.0 (2016-20) provided a larger role to the State Governments by introducing Centrally Sponsored State Managed (CSSM) known as the State Component under the Scheme. Placement linked short term training program was also introduced along with Training of Trainers and Aadhaar based attendance system for Trainees and Trainers. Based on the learnings of PMKVY 2.0 and to reorient the scheme to be in sync with the present scenario of policy changes and changing priority in different sectors, demand-driven PMKVY 3.0 (2020-21) has been conceptualized with the larger engagement of district authority through District Skill Committees (DSCs).

2. The new upgraded scheme PMKVY (3.0) (FY 2020-21) has been approved and shall be implemented during FY 20-21 to train 8 lakh candidates with an outlay of Rs. 948.90 Cr. Under the scheme, approximately 8 lakh candidates would be trained as follows:

S. N.	Types of Training under PMKVY	No of Candidates (in lakh)
1	PMKVY Short Term Training (STT)	2.20
2	PMKVY Recognition of Prior Learning (RPL)	5.80
Total (1& 2)		8.00

However, the Steering Committee under the scheme would have powers to change the relative targets under the above two categories. Special Projects, which are projects that require some deviation from the terms and conditions of Short-Term Training under PMKVY depending of special need in terms of geography, demography and social groups, will also be permitted under the STT category.

3. **The Scheme would have two components:**

a. Centrally Sponsored Centrally Managed (CSCM) known as the Central Component to be implemented by the National Skill Development Corporation (NSDC).

b. Centrally Sponsored State Managed (CSSM) known as the State Component to be implemented by the State Skill Development Missions (SSDMs) /respective Departments of the States/UTs.

The total target of the scheme will be divided approximately in the ratio of 75:25 between Central and State Components. However, for States which have performed well and are willing to take higher targets shall be allocated a higher target under state component accordingly, based on

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assessment of their performance. The Steering Committee can reallocate the target, if the situation so warrants under CSCM/CSSM component at any time in any appropriate ratio.

4. The scheme envisages working more closely with the State and District machineries through State Skill Development Missions (SSDMs) and District Skill Committees (DSCs). DSCs would be playing a pivotal role under the guidance of SSDMs in PMKVY 3.0. In addition to mobilization, counselling and batch-formation, DSCs would also be involved in monitoring and supervision of the scheme at the district level, coordinating with nodal and other ITIs for implementation of STT, provide post-training support including handholding for placements/self-employment, verification of placements and grievance redressal. The duties of various responsibility centres will be detailed in the Guidelines to be issued under the scheme.

5. A Steering Committee shall be constituted by MSDE, at the apex level, for broad policy direction, framing operational Guidelines, and dynamic fixation of targets with corresponding reallocation of funds between CSCM and CSSM and between STT, RPL and Special Projects beyond the powers of the Executive Committee, periodic review, monitoring and mid-course correction, without affecting the financial provisions. An Executive Committee shall be constituted for overseeing the regular functioning of the scheme, recommending to Steering Committee any policy or operational corrections for improving the implementation of PMKVY 3.0, reviewing and approving of proposals in accordance with the Guidelines or any other functions as deemed fit by Steering Committee

6. **Some of the key features of the scheme are:**

- i. Demand driven scheme with bottom up approach for identification and mapping of job roles. District level plan shall be the fundamental level of implementation.
- ii. District Skill Committee (DSC) shall be the focal point of implementation of PMKVY 3.0. DSC shall play major role in preparation of District level plan, mobilization and counselling of candidates, formation of training batches, monitoring of quality assurance and post training support.
- iii. The scheme will be aligned with Common Cost Norms and National Skill Qualification Framework (NSQF).
- iv. Payment to Training Providers will be broken into tranches namely 30% on commencement of training batches, 40% on successful certification and 30% on placement verification subject to revisions by Common Cost Norms Committee.
- v. Other incentives like boarding & lodging, post-placement support, conveyance and other support will be as per Common Cost Norms. The Boarding and Lodging cost, Conveyance cost, One-time placement travel cost, Post placement stipend and Career progression support would be limited to people coming under deprived group (D1, D5, D6; D7 category – as mentioned in the socio economic and caste census 2011), Women, Persons with Disabilities (PwD) and Transgenders. Additional support towards assistive devices, aid and appliances would also be provided to PwD candidates.
- vi. A phase-wise introduction of vocational courses in schools shall be initiated in coordination with Ministry of Education (MoE). This component shall be implemented for class 9 to 12 aimed to expose students to skill development avenues.
- vii. Ministry of Skill Development and Entrepreneurship (MSDE) shall coordinate with Central Ministries and State Governments for recognition of NSQF certification as a pre-requisite for hiring of contractual employees and mandating the vendors/contractors to hire NSQF certified workforce as a part of their contract.
- viii. National Skill Development Corporation (NSDC) shall provide the IT and technical support for the implementation of both Central and State Component of the Scheme.
- ix. As far as possible, endeavour will be made to establish Common Assessment Centres (CACs) so as to ensure quality and transparency during the assessment process
- x. Focus will be given for on-line/blended mode of training for wider coverage.

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7. **The funding of the scheme shall be regulated as follows:**

- i. The Central Component (CSCM) will be implemented through NSDC by availing of an interest free grant from National Skill Development Fund (NSDF). The grant will be given to NSDC from the Fund.
- ii. The Centrally Sponsored State Managed (CSSM) will be met out of budgetary grant.
- iii. The fund flow mechanisms to the States / UTs under CSSM shall continue to remain same under the defined head of the Budget provision.
- iv. A Committee shall be formed in the Ministry, which shall be headed by Secretary (MSDE) for overseeing the release and usage of funds to NSDC from NSDF. AS&FA (MSDE) shall be part of the Committee and any fund to be released to NSDC from NSDF for implementation of the scheme should be done with the concurrence of this Committee with AS&FA (MSDE) appraising it, in the same manner as for Government expenditure.
- v. The grant given to NSDC from NSDF would be replenished in next 3 years from the budget of the MSDE. However, replenishment of this grant will not be taken as a reason for claiming budgetary augmentation by the Ministry.
- vi. Unspent balance of PMKVY 2.0, if any, may be utilized for PMKVY 3.0.
- vii. The remaining liabilities of PMKVY 2.0, if any, may be met from PMKVY 3.0 funds being made available in the form of grant from NSDF.
- viii. Taking into fact that there may not be any fund available in the current budget of the Ministry to meet the fund requirement of the CSSM component of PMKVY 3.0, NSDF grant may be used to meet part of the current liabilities of PMKVY 2.0 relating to CSCM, and the resultant savings may be utilized to meet the CSSM liability of PMKVY 3.0.
- ix. The PMU to be set up and manpower to be hired should strictly adhere to DoE's OM No. 7(2)/E.Coord/2020 dated 04.09.2020.
- x. The General Financial Rules (GFR), 2017 shall be complied.

8. PMKVY3.0 (2020-21) has been approved by Ministry of Finance. This Resolution has been concurred by Integrated Finance Division (IFD), MSDE. The detailed guidelines of PMKVY 3.0 (2020-21) for operationalization of the scheme shall be issued separately.

9. This issues with the approval of Competent Authority, MSDE.

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1. Secretary of all Central Ministries/Departments, Government of India.
2. Chief Secretaries of all States/UTs.
3. All Stakeholders of the Skill Ecosystem.

Copy to:

1. PS to Hon'ble Finance Minister, Government of India, North Block, New Delhi.
2. PS to Hon'ble Minister, SDE.
3. PS to Hon'ble MoS, SDE.
4. PPS to Secretary, MSDE.
5. PPS to Additional Secretary (IC/EAP), MSDE
6. PPS to Additional Secretary (Skill Development), MSDE.
7. PPS to AS&FA, MSDE.
8. PPS to Director General, DGT (MSDE)/Economic Advisor, MSDE.
9. PPS to Executive Member, NCVET (MSDE).
10. EA to MD and CEO, NSDC.
11. All officers of MSDE.