

F. No. - B-12012/9/2017-SNP
Government of India
Ministry of Skill Development and Entrepreneurship
(SNP Division)

Shivaji Stadium, Shaheed Bhagat Singh Marg
Connaught Place, New Delhi -110001
Dated: 28-04-2017

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 Tamil Nadu for implementation of State Engagement Component under Pradhan Mantri Kaushal Vikas Yojana (2016-20) by Tamil Nadu Skill Development Corporation (TNSDC) – reg.

I am directed to convey the sanction of the President of India for the payment of grant-in-aid amounting to **Rs. 34,43,10,720 (Rupees Thirty-Four crore Forty-Three Lakh Ten Thousand Seven Hundred Twenty only)** to the State Government of Tamil Nadu towards implementation of the State Engagement Component of Pradhan Mantri Kaushal Vikas Yojana (2016-20) by Tamil Nadu Skill Development Corporation (TNSDC) for the year 2016-2018. The Funds for year 2016-18 and the corresponding physical targets have been approved in-principle 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 released for Year 2016-18 of the central amount – 1 st tranche	68,86,21,440
(B)	50% of the (A) first tranche of the payment for year 2016-18	34,43,10,720

Out of (A) in table above, 50% amount of the 1st tranche for the Year 2016-18 i.e. **Rs. 34,43,10,720 (Rupees Thirty-Four crore Forty-Three Lakh Ten Thousand Seven Hundred Twenty only)** is being released under this order.

The expenditure may be debit to (Demand Number 88- MSDE)

Major Head – 3601	
3601.06.101.36.03.31-Grants-in-aid-General	25,24,83,051
3601.06.789.19.03.31-Grants-in-aid-General (Scheduled Caste)	5,73,96,597
3601.06.796.18.03.31-Grants-in-aid-General (Tribal Areas)	3,44,31,072
TOTAL	34,43,10,720

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.

Sanjeev Kumar

संजीव कुमार / SANJEEV KUMAR
उप निदेशक / Deputy Director
कौशल विकास और उद्यमशील मंत्रालय
Ministry of Skill Development and Entrepreneurship
भारत सरकार / Govt. of India
नई दिल्ली / New Delhi - 110001

- (iv) Utilization Certificate in Form 19-A alongwith audited statements of accounts should be furnished to the Ministry of Skill Development & Entrepreneurship, Gol 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.

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 their Dy. No. 231 dated 27/04/2017.

Yours faithfully,

Sanjeev Kumar

(Sanjeev Kumar)

Deputy Director, MSDE

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Copy forwarded for information and necessary action tothe:

1. Secretary, Finance Department, Govt. of Tamil Nadu. It is requested that funds released through this sanction letter may be transferred to the Tamil Nadu Skill Development Corporation (TNSDC) immediately.
2. Secretary, Department of Labour and Employment, Government of Tamil Nadu.
3. Joint Secretary (API Bureau), Ministry of Skill Development & Entrepreneurship.
4. Chief Controller of Accounts, Ministry of Skill Development & Entrepreneurship, New Delhi.
5. Chief Accounts Officer, Tamil Nadu Skill Development Corporation (TNSDC).
6. Accountant General (A&E), State government of Tamil Nadu.
7. Mission Director, Tamil Nadu Skill Development Corporation (TNSDC).
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,

Sanjeev Kumar

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Ministry of Skill Development and Entrepreneurship

भारत सरकार / Government of India

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Brief description of the project submitted by Tamil Nadu Skill Development Corporation (TNSDC), Government of Tamil Nadu

- 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	46,960	46,960	46,960	1,40,880
B. Training funds required @ avg. cost 14,100 per trainee	66,21,36,000	66,21,36,000	66,21,36,000	1,98,64,08,000
C. Administrative expense @ 4% of total funds	2,64,85,440	2,64,85,440	2,64,85,440	7,94,56,320
Total funds required (B+C)	68,86,21,440	68,86,21,440	68,86,21,440	2,06,58,64,320

- 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 – Tamil Nadu Skill Development Corporation(TNSDC) headed by <ul style="list-style-type: none"> Managing Director B. Musthafa (Project Director)
2.	Organization Background	TNSDC is a non-profit company registered by the 2013 Companies Act <ul style="list-style-type: none"> TNSDC has been declared as a Special Purpose Vehicle TNSDC aims to create skilled manpower in Tamil Nadu TNSDC provides funding to enterprises, companies and organisations to facilitate skill training Upgrade skills to the global standards through industry involvement to develop curriculum and standards Enhance and support private sector initiatives for skill development Provide training to two lakh youth at an estimate on 150.00 Crores Implementing agency to provide skill training and certification to 15 lakh labourers in the unorganised sector by recognition of prior learning
3.	Organization Structure	TNSDC has a defined organization structure and is being led and managed by the Managing Director, directorate of Employment and Training and the project director (on deputation from the government) along with other senior government officials. The organisation structure has been provided in page 3 of the proposal
4.	Experience in executing any centrally sponsored skill development initiative	TNSDC has conducted short-term skill training program for the unemployed youth
5.	Experience in executing skill training programs through external Private Training providers	TNSDC has engaged multiple training providers from 2012-2016. Details of the number of candidates trained: <ul style="list-style-type: none"> 2012-13: 47,530 2013-14: 1,26,606 2014-15: 55,039 2015-16: 16,457
6.	Year-wise allocation of CSSM targets	1,40,880 youth proposed to be trained during 4 year (2016-20) duration
7.	Categorization of targets – selection of job roles	TNSDC has identified job-roles under all the Categories in the State Engagement Guidelines i.e. Category-1, Category-2 and Category-4. <ul style="list-style-type: none"> 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-4 Job Roles with significant demand in the state
8.	Selection of job-roles	TNSDC has identified <ul style="list-style-type: none"> 91 job roles under category I 57 job roles under category II 22 job roles in category IV for Centrally Sponsored State Managed (CSSM) component.
9.	Selection of sectors	Total of 14 sectors have been identified by TNSDC Sectors include <ul style="list-style-type: none"> Automotive

		<ul style="list-style-type: none"> • Apparel, Made-ups and Home Furnishing • Construction • IT&ITes • Tourism and Hospitality • Retail • Healthcare • Telecom • Rubber(& Plastics) • BFSI • Leather • Green Jobs • Plumbing • Media and Entertainment
10.	Selection methodology used by TNSDC – sector/job-role	<p>TNSDC has based the selection of sectors / job-roles as per the district-wise skill gap study for the state of Tamil Nadu conducted by NSDC. TNSDC has also taken into consideration the training infrastructure; Industrial clusters have also been taken into consideration.</p> <p>Reasons for selection of Job roles in category IV:</p> <ul style="list-style-type: none"> • Training providers with a good placement record have been identified • Skilled workforce requirements in these industries are high • Self-employment opportunities for women have been taken into consideration
11.	Placement and Employer engagement strategy	<p>TNSDC has mentioned the following w.r.t the Industry engagement:</p> <ul style="list-style-type: none"> • Training partner selection is based on the tie-up with industry • Training partners are incentivised for candidate placement • TNSDC has a web portal for private employers to select candidates from its repository <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 4 member committee has been suggested in the proposal by TNSDC headed by the Secretary. Two team member are yet to be proposed
13.	Institutional mechanism at state level (for implementation of CSSM component – PMKVY)	A 4 member team has been suggested in the proposal by TNSDC headed by the project director.

- 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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