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


I am directed to convey the sanction of the President of India for the payment of grant-in-aid amounting to Rs. 52.26 Cr (Rupees Fifty Two crore and Twenty Six lakh only) to the State Government of Uttar Pradesh towards implementation of the State Engagement Component of Pradhan Mantri Kaushal Vikas Yojana (2016-20) by Uttar Pradesh Skill Development Mission (UPSDM) for the year 2016-2017. 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:

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Item</th>
<th>Amount in Rupees</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A)</td>
<td>Total Amount to be release for Year 2016-17 of the central amount – 1st tranche</td>
<td>52.26 Cr</td>
</tr>
<tr>
<td>(B)</td>
<td>100% of the (A) first tranche of the payment for year 2016-17</td>
<td>52.26 Cr</td>
</tr>
</tbody>
</table>

Out of (A) in table above, 100% amount of the 1st tranche for the Year 2016-17 i.e. Rs. 52.26 Cr (Rupees Fifty Two crore and Twenty Six lakh only) is being released under this order.

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

<table>
<thead>
<tr>
<th>Major Head – 3601</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3601.04.251.01.01.31-Grants-in-aid-General</td>
<td>39.5 Cr</td>
</tr>
<tr>
<td>3601.04.789.64.01.31-Grants-in-aid-General (Scheduled Caste)</td>
<td>8.47 Cr</td>
</tr>
<tr>
<td>3601.04.796.55.01.31-Grants-in-aid-General (Tribal Areas)</td>
<td>4.29 Cr</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>52.26 Cr</strong></td>
</tr>
</tbody>
</table>

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

(i) Fund disbursement by the implementation agency will follow the PMKVY scheme guidelines and disbursement conditions included in the project explained in the "Annexure".
(ii) Fund shall be utilized only for the purpose for which it is released.
(iii) Utilization Certificate in Form 19-A alongwith audited statements of accounts should be furnished to the Ministry of Skill Development & Entrepreneurship, Govt as per General Financial Rules (GFR) 2005.
(iv) Unspent amount, if any will be adjusted against future sanctions / reimbursements.
(v) The expenditure shall not exceed the budget allocated
(vi) 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. 68 dated 17.03.2017.

Yours faithfully,

(Sanjeev Kumar)
Deputy Director, MSDE
Phone no. 011-23450880
E-Mail: sanjeev.kumar78@nic.in

Copy forwarded for information and necessary action to the:

1. Secretary, Finance Department, Govt. of Uttar Pradesh. It is requested that funds released through this sanction letter may be transferred to the Uttar Pradesh Skill Development Mission (UPSDM) immediately.
2. Secretary, Department of Vocational Education and Skill Development, Government of Uttar Pradesh.
3. Joint Secretary (API Bureau), Ministry of Skill Development & Entrepreneurship.
5. Chief Accounts Officer, Uttar Pradesh Skill Development Mission, Lucknow – 226024.
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)
Deputy Director, MSDE
Phone no. 011-23450880
E-Mail: sanjeev.kumar78@nic.in
Annexure

Brief description of the project submitted by Uttar Pradesh Skill Development Mission (UPSDM), Government of Uttar Pradesh

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

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Parameter</th>
<th>Year 2016-17</th>
<th>Year 2017-18</th>
<th>Year 2018-19</th>
<th>Year 2019-20</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Total trainees to be trained</td>
<td>35638</td>
<td>35638</td>
<td>35638</td>
<td>35638</td>
<td>1,42,552</td>
</tr>
<tr>
<td>2.</td>
<td>Training funds requirement (@average cost 14,100 per trainee)</td>
<td>50.25 Cr</td>
<td>50.25 Cr</td>
<td>50.25 Cr</td>
<td>50.25 Cr</td>
<td>201 Cr</td>
</tr>
<tr>
<td>3.</td>
<td>Administration expenses @4% of total funds requirement</td>
<td>Rs. 2,00,99,832</td>
<td>Rs. 2,00,99,832</td>
<td>Rs. 2,00,99,832</td>
<td>Rs. 2,00,99,832</td>
<td>Rs. 8,03,99,328</td>
</tr>
<tr>
<td>4.</td>
<td>Total funds requirement in INR</td>
<td>52.26 Cr</td>
<td>52.26 Cr</td>
<td>52.26 Cr</td>
<td>52.26 Cr</td>
<td>208.04 Cr</td>
</tr>
</tbody>
</table>

b. Summary of the project has been included below:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category/Sub-Category</th>
<th>Details (as per the submitted proposal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Nodal agency for Skill Development initiatives in the state</td>
<td>Exists – Uttar Pradesh Skill Development Mission (UPSDM) headed by a Mission Director (Shri Rajesh Kumar)</td>
</tr>
</tbody>
</table>
| 2.    | Organization Background | UPSDM is established as a registered society under the department of vocational education and skill development. The organisation has the following functions:  
- Asses skill deficit sector in the state  
- Establish trainee placement and tracking system  
- Ensure accreditation and evaluation of training programs  
- Improve third party independent evaluation  
- Work on integration of soft skills with the training modules |
| 3.    | Organization Structure | UPSDM is headed by the mission director. There is one joint secretary and two deputy directors and five assistant directors. UPSDM has district project implementation office in all 75 districts under the control of the District Coordinator. The routine activities are conducted by the Mission Director, while policy depositions are addressed by the Governing council, Steering Committee and State and District level Executive Committees |
| 4.    | Experience in executing any centrally sponsored skill development initiative | UPSDM has initiated skill training program under the Skill Development Initiative of Ministry of Labour from 2013-17. Skilling initiatives has also initiated under the Special Central Assistance scheme, Ministry of Social Justice, the Deen Dayal Upadhyaya Grameen Kaushalya Yojana, Ministry of Rural Development and the Multi-Sectoral Development Program, Ministry of Minority Affairs |
| 5.    | Experience in executing skill training programs through external Private Training providers | UPSDM has undertaken the process with support of external training providers. Details:  
- The Skill Development Initiative Scheme for candidates above the age of 14  
- Building and other construction workers covering establishments employing 50 or more workers  
- Special Central Assistance to scheduled casts  
- Multi-Sectoral development program improving the socio-economic conditions of the minority  
- State Skill Development Fund, top-up funds for adjusting gaps of funds required  
- Deen Dayal Upadhyaya Grameen Kaushalya Yojana, Ministry of Rural Development |
| 6. | Categorization of targets – selection of job roles | UPSDM has identified job-roles under all the Categories in the State Engagement Guidelines i.e. Category-1, Category-2, Category-3, Category-4.  
- Category-1 includes all the NSO/F 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 |
| 7. | Selection of job-roles | UPSDM has identified 50 job roles  
- under Category 1, 02 job roles  
- under Category 2, 10 job roles  
- under Category-3, 06 job roles  
- under Category 4, 32 job roles |
| 8. | Selection of sectors | Total of 01 sector have been identified by UPSDM in Category-1.  
Total of 07 sectors have been identified by UPSDM in Category-2  
Total of 02 sectors have been identified by UPSDM in Category-3  
Total of 17 sectors have been identified by UPSDM in Category-4 |
| 9. | Selection methodology used by UPSDM – sector/job-role | The selection methodology would be first to identify the cluster activities and then have an interface with the industry to identify the skill gap. The views and needs of the probable trainees and artisans would also be considered. The upcoming industries would be persuaded to suggest modifications in the course curricula so that they easily provide placement to the trained youth, who have customised skill sets to meet their requirements |
| 10. | Placement and Employer engagement strategy | UPSDM has mentioned the following w.r.t the industry engagement  
- Flexi MoUs have been signed with leading industrial houses  
- MoUs signed with placement agencies such as Saral Rozgar, portals such as Monster.com and Mera Hunar  
- UPSDM shall facilitate organizing Job Fairs in the state where potential employers will provide jobs to the trained youth  
- UPSDM is in close collaboration with the NRI department endeavouring overseas placement |
| 11. | Institutional mechanism at the state level (Governing) | A 6 member committee has been suggested in the proposal by UPSDM headed by the Secretary, Convenor and a 4 member team |
| 12. | Institutional mechanism at state level (for implementation of CSSM component – PMKVY) | A 4 member team has been proposed by UPSDM for implementation of the CSSM component under PMKVY. The team would consist of one team leader, manager for training providers, Manager for MIS and the Manager for finance |

c. The PAC has approved the following conditions for disbursement of funds along with the corresponding physical targets:

i. The State Skill Development Missions (SSDMs) will start training expeditiously after receiving the financial sanction orders.

ii. 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 2016-17; and  
- Achievement of 50% of physical targets for the year 2016-17.

iii. 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.

iv. 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.

v. 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.

*****

Sanjeev Kumar

Sanskrit Bhasha SANJEEV KUMAR

Deputy Director

Ministry of Skill Development and Entrepreneurship

New Delhi-110001