OFFICE MEMORANDUM

Subject: - Utilisation of Funds by SSDMS of States/ UTs under the CSSM component of PMKVIY 2016-20-reg.

Ministry of Skill Development and Entrepreneurship along with State Governments are undertaking skill development activities under Centrally Sponsored State Managed (CSSM) component of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 2016-20. States/ UTs have been allocated physical targets and corresponding funds for a period of 4 years. Budget allocated to each state has been calculated based on total targets and considering an average training cost per trainee. The average training cost per trainee is inclusive of the following costs:

1. Training Partner Pay-outs as per Base costs.
2. Boarding and Lodging Pay-outs as applicable under scheme guidelines.
3. Post Placement Support as applicable under scheme guidelines.
4. Conveyance Support as applicable under scheme guidelines.
5. Assessment and Certification as applicable under scheme guidelines.
6. Induction Kits and Trainee Handbooks as applicable under scheme guidelines.
7. Direct Benefit Transfer under scheme guidelines.

In addition, each State/ UT has been provided with funds equal to 4% of the total training cost as administrative expenses. Fund disbursement by MSDE is being done as per the section (18) (c) of guidelines for State Engagement under PMKVY (2016-20) and its subsequent amendments.

It is also mentioned that MSDE has already disbursed the 1st tranche of the funds for the period 2016-18/ 2017-18 to States/ UTs as per approved proposals of States / UTs. Further, subsequent sanction of funds will be done as per provisions mentioned in the sanction orders. Moreover, each State has to ensure that total training numbers are aligned to financial sanctions in-case of increase in average cost by reducing the physical target.

This issues with the approval of competent authority.

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To,

Principal Secretaries and Mission Directors of the States/ UTs

Copy for information to:

1. PS to Secretary, MSDE
2. PS to Joint Secretary (Skill Development), MSDE
3. EA to CEO/MD, NSDC, New Delhi