

F. No. - B-12012/20/2017-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 2017-2018 to Government of Himachal Pradesh for implementation of State Engagement Component under Pradhan Mantri Kaushal Vikas Yojana (2016-20) by Himachal Pradesh Kaushal Vikas Nigam (HPKVN) – reg.

I am directed to convey the sanction of the President of India for the payment of grant-in-aid amounting to **Rs. 21,55,60,800 (Rupees Twenty One Crore Fifty-Five Lakh Sixty Thousand Eight Hundred only)** to the State Government of Himachal Pradesh towards implementation of the State Engagement Component of Pradhan Mantri Kaushal Vikas Yojana (2016-20) by Himachal Pradesh Kaushal Vikas Nigam (HPKVN) for the year 2017-2018. The Funds for year 2017-18 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 release for Year 2017-18 of the central amount – 1 st tranche	21,55,60,800
(B)	100% of the (A) first tranche of the payment for year 2017-18	21,55,60,800

Out of (A) in table above, 100% amount of the 1st tranche for the Year 2017-18 i.e. **Rs. 21,55,60,800 (Rupees Twenty One Crore Fifty-Five Lakh Sixty Thousand Eight Hundred only)** is being released under this order.

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

Major Head – 3601	
3601.06.101. 36.03.31-Grants-in-aid-General	15,80,70,735
3601.06.789.19.03.31-Grants-in-aid-General (Scheduled Cast)	3,59,33,985
3601.06.796.18.03.31-Grants-in-aid-General (Tribal Area)	2,15,56,080
TOTAL	21,55,60,800

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

- (i) Physical and financial targets for FY 2016-17 have been distributed among FY 2017-18, 2018-19 and 2019-20.
- (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
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- (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. 230 dated 26/04/2017.

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 Himachal Pradesh. It is requested that funds released through this sanction letter may be transferred to the Himachal Pradesh Kaushal Vikas Nigam (HPKVN) immediately.
2. Secretary, Planning Department, Government of Himachal Pradesh.
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, Himachal Pradesh Kaushal Vikas Nigam (HPKVN).
6. Accountant General (A&E), State government of Himachal Pradesh.
7. Mission Director, Himachal Pradesh Kaushal Vikas Nigam (HPKVN).
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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Brief description of the project submitted by Himachal Pradesh Kaushal Vikas Nigam (HPKVN), Government of Himachal Pradesh

a. The below mentioned targets for year 2017-20 are approved by Ministry of Skill Development & Entrepreneurship, Gol.

S. No	Parameter	2017-18	2018-19	2019-20	Total
1	Total trainees to be trained	14,000	16,500	18,999	49,499
2	Training funds required @ avg. cost 14,805 per trainee	20,72,70,000	24,42,82,500	28,12,80,195	73,28,32,695
3	Administrative expense @ 4% of total funds	82,90,800.00	97,71,300.00	1,12,51,207.80	2,93,13,307.80
4	Total funds required (2+3)	21,55,60,800	25,40,53,800	29,25,31,403	76,21,46,003

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 – Himachal Pradesh Kaushal Vikas Nigam (HPKVN) headed by <ul style="list-style-type: none"> Managing Director
2.	Organization Background	HPKVN was incorporated as a Non Profit company by the Himachal Pradesh Government on 14 th September 2015 under section 8 of the Companies Act 2013 <ul style="list-style-type: none"> HPKVN's objective is to increase the capacity and capability of the systems to impart skill training programs and enhance employability of the youth Aims to bridge the skill gap and providing skill training ascertained by market demand HPKVN has been set up to act as the single nodal agency for converging all the skill development initiatives in the State
3.	Organization Structure	HPKVN as an organisation is led by a Managing Director. Other core member of HPKVN are: General Managers, Dy. General Manager (Training, Administration, Industry Connect and Finance), Additional General Manager (Industry Connect and PMU), Senior Managers (Administration and PMU) and Consultants for various other verticals
4.	Experience in executing any centrally sponsored skill development initiative	HPKVN has conducted skill training program under: <ul style="list-style-type: none"> Planning Department, Govt. of Himachal Pradesh (Pilot Project of HPKVN) Training programs were in the following sectors : Retail, Furniture, Life Sciences, Automotive, IT –ITES, Hospitality, Healthcare and Textile)
5.	Experience in executing skill training programs through external Private Training providers	<ul style="list-style-type: none"> As per the proposal, HPKVN has worked with external training providers for the pilot project of HPKVN

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6.	Year-wise allocation of CSSM targets	HPKVN has provided the following training targets as <ul style="list-style-type: none"> • 0 (2016-17) • 14,000 (2017-18), • 16,500 (2018-19) • 18,999 (2019-20)
7.	Categorization of targets – selection of job roles	HPKVN 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	HPKVN has identified <ul style="list-style-type: none"> • 36 job roles under category I • 3 job roles under category II • 8 job roles in category III for Centrally Sponsored State Managed (CSSM) component.
9.	Selection of sectors	Total of 17 sectors have been identified by APSSDC Sectors include <ul style="list-style-type: none"> • Banking and Financial Services • Healthcare • Tourism and Hospitality • IT-ITES • Apparel and Made ups • Auto • Beauty and Wellness • Electronics and Hardware • Food Processing • Life Sciences • Plumbing • Retail • Construction • Agriculture • Handicraft • Green Jobs • Security
10.	Selection methodology used by PSDM – sector/job-role	HPKVN has selected the job roles for training based on (a) The aspiration survey conducted in the state through Department Economics and Statistics (b) demand analysis from the Industry
11.	Placement and Employer engagement strategy	HPKVN has signed (also in process of signing some) with various SSC's /Industry Bodies like FICCI, CII, PHD Chambers of Commerce and Industries to facilitate placements of trained youth. Additionally, HPKVN will strive to focus on the alignment with the common norms of achieving 70% placements
12.	Institutional mechanism at the state level (Governing)	A 5 member committee has been constituted at the State level. Chairman for the committee will be Additional Chief Secretary of Planning Department, Government of Himachal Pradesh
13.	Institutional mechanism at state level (for implementation of CSSM component – PMKVY)	The Administrative body at the state level for implementation of PMKVY2.0 is a 5 member body which will be headed by the General Manager (Training)

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- 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 2017-18; and
 - Achievement of 50% of physical targets for the year 2017-18.
 - 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.

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