

Standing Committee Report Summary

Implementation of Pradhan Mantri Kaushal Vikas Yojana

- The Standing Committee on Labour, Textiles and Skill Development (Chair: Mr. Bhartruhari Mahtab) submitted its report on ‘Implementation of Pradhan Mantri Kaushal Vikas Yojana (PMKVY)’, on September 5, 2022. PMKVY seeks to promote skill development for the youth by providing free skill training programmes and monetary rewards for obtaining skill certification. It is implemented by the National Skill Development Corporation. Key observations and recommendations of the Committee include:
 - **Fund utilisation:** PMKVY has been revamped thrice and currently PMKVY 3.0 launched in January 2021 is ongoing. The Committee noted that despite revisions of the scheme, issues from earlier versions have persisted. One such issue is the underutilisation of funds. Under PMKVY 3.0, in 2021-22, out of the allocation of Rs 1,438 crore, only Rs 1,043 crore was utilised (72%). Further, against Rs 686 crore released, Rs 295 crore (43%) has been utilised as on June 30, 2022. The Committee observed that restrictions due to COVID-19 led to a decline in enrolments and certifications resulting in low disbursement and underutilisation of funds for new batches.
 - **Placements:** The Committee observed that placement statistics is the real barometer for evaluating the scheme. Under PMKVY 2.0, out of 91.4 lakh candidates, only 21.3 lakh candidates were placed (23%). Under PMKVY 3.0, out of about four lakh candidates, only 30,599 (8%) have been placed. For placements under PMKVY 3.0, the Ministry mentioned that assessments and certifications of the trained candidates are about to be completed. After their completion, placements are expected to increase. The Committee recommended enhancing placement of candidates and making the certification process more transparent to facilitate more self-employment.
 - **Dropouts:** During the implementation of PMKVY 1.0, 2.0, and 3.0, about 20% of the total enrolled candidates dropped out of the training programme. Reasons for dropouts include (i) medical grounds, (ii) distance from residence to training centres, (iii) accessibility to a job, and (iv) issues specific to females such as pregnancy and marriage. The Committee noted that the Ministry cannot control all these factors but it should identify areas where an intervention can be made to prevent dropouts. Factors like distance from residence to training centres and accessibility to a job can be addressed.
- **Challenges faced by the industry:** The Committee noted that various constraints have been reported by industry partners. Training courses, curriculum, and practical skills imparted under PMKVY are not aligned with industry requirements. Further, the process for reporting placement details of candidates is cumbersome, highlighting the need to simplify the process. The Committee observed that the Ministry of Skill Development and Entrepreneurship is taking several measures to address these issues including the introduction of on- job training and courses in partnership with the industry. It recommended the Ministry to continue its efforts to match the needs of the industry.
- **CSSM Component:** The Committee observed several issues with the scheme’s Centrally Sponsored State Managed (CSSM) component. These issues include: (i) delay in release of funds from the state treasury to respective departments, (ii) non-availability of eligible trainers, and (iii) limited placements partners due to less industrialisation in the state. The Committee observed that the Ministry is working closely with the states to resolve these issues. It recommended intensifying the efforts by the Ministry and monitoring the performance of states through regular interventions.
- The Committee noted that of 36 states/UTs, only 15 have a functional online management system for CSSM. For instance, Andhra Pradesh, Gujarat, Nagaland, and Tripura do not have an online management system. The Committee noted that the online management system will benefit states in implementing the scheme and enable better coordination with the central government. It recommended the Ministry to work with states/UTs to set up their respective online management system.
- **Rozgar Melas:** Rozgar Melas are organised by the Ministry to fast-track the meeting of job employers and job seekers. The Committee observed that 2.6 lakh candidates got shortlisted by the employers in the 1,577 Rozgar Melas organised so far. This translates into 163 candidates being shortlisted by employers for each mela. The Committee recommended increasing the number of candidates finding employment through Rozgar Melas by encouraging employers to participate.

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