

**GOVERNMENT OF INDIA  
LABOUR AND EMPLOYMENT  
LOK SABHA**

UNSTARRED QUESTION NO:1102

ANSWERED ON:04.03.2013

SKILL DEVELOPMENT CORPORATION

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**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) The objectives and salient features of the National Skill Development Corporation (NSDC);
- (b) The extent to which its objectives have been achieved since its inception;
- (c) Whether there are proposals to set up more Industrial Training Institutes (ITIs), Polytechnics and for modernizing the existing institutions in the country including Odisha;and
- (d) if so, the details thereof, State/ UT-wise/ location-wise and the progress made so far in this regard?

**Answer**

MINISTER OF STATE FOR LABOUR & EMPLOYMENT (SHRI KODIKUNNIL SURESH)

(a) National Skill Development Corporation -NSDC was set up as part of a national skill development mission to fulfill the growing need in India for skilled manpower across sectors and narrow the existing gap between the demand and supply of skills.

The objective of NSDC is to contribute significantly (about 30 per cent) to the overall target of skilling /up-skilling 500 million people in India by 2022, mainly by fostering private sector initiatives in skill development programmes and providing viability gap funding.

The salient features (mission) of NSDC are:

- i. Upgrade skills to international standards through significant industry involvement and develop necessary frameworks for standards, curriculum and quality assurance.
- ii. Enhance, support and coordinate private sector initiatives for skill development through appropriate Public-Private Partnership (PPP) models; strive for significant operational and financial involvement from the private sector.
- iii. Focus on underprivileged sections of society and backward regions of the country thereby enabling a move out of poverty; similarly, focus significantly on the unorganized or informal sector workforce.
- iv. Play the role of a `market-maker` by bringing financing or viability gap funding, particularly in sectors where market mechanisms are ineffective or missing.
- v. Prioritize initiatives that can have a multiplier or catalytic effect as opposed to one-off impact.

(b) NSDC has the target of skilling / up-skilling 150 million people by 2022. Till January, 2013 NSDC had approved 89 proposals – out of which 71 are training organizations and 18 are Sector Skill Councils. The total financial commitment for these approved projects is Rs.1703.75 Crore and Rs. 274.76 Crore had been disbursed. Per annum capacity created at full scale is 13.43 million. Number of people to be trained over 10 years through training projects is 65.78 million.

(c & d) Ministry of Labour and Employment has formulated a scheme "Kaushal Vikas Yojana" to set up 1500 ITIs and 5000 Skill Development Centers in PPP mode. The proposed 1,500 ITIs to be set up would be located in the un-serviced blocks i.e. that are not serviced by any other Government and Private ITI.

Under the Sub-Mission on Polytechnics under coordinated action for Skill Development, Government of India provides financial assistance to the State / UT Governments, limited to Rs. 12.30 crore per polytechnic to meet the costs of establishing a Polytechnic in the unserved districts i.e. which do not have any Government Polytechnic and also underserved districts, subject to the respective State/ UT Government providing land free of cost, meeting 100% recurring expenditure and also non-recurring expenditure beyond Rs. 12.30 crore, if any. Out of 300 unserved / underserved districts identified under the Scheme for financial assistance of Rs. 12.30 crore, State Governments have been provided partial financial assistance to setup new Polytechnics in 287 Districts. The State/ UT/ Location-wise list of districts covered under the scheme is at Annex-I.

Under Multi-sectoral Development Programme (MsDP) 71 ITIs and 31 Polytechnics in 11th Five Year Plan and 39 ITIs and 12 Polytechnics in the 12th Five Year Plan have been sanctioned upto 31.12.2012 in the country including Odisha.

The schemes for modernization the existing institutions are as under:

i. "Vocational Training Improvement Project" (VTIP) is being implemented for Government ITIs with the World Bank assistance. There is no proposal to set up new ITI under the scheme. However, one of the major components of the scheme is upgradation of 400 existing Govt. ITIs in 33 States/UTs including 9 ITIs from the State of Odisha. The detail of State-wise and the progress made so far in 400 ITIs including 9 ITIs from the State of Odisha is at Annex-II and Annex-III.

ii. During the XI Plan Period (2007-2008 to 2011-2012) under the scheme "Upgradation of 1396 Govt. ITIs through PPP", 1227 Govt. ITIs, throughout the country were covered for the purpose of Upgradation / Modernization. Out of these 1227 ITIs, 14 ITIs were from Odisha. However, the scheme has come to end by March 2012.

iii. 34 Industrial Training Institutes (ITIs) @ 1 ITI per district and 68 Skill Development Centres (SDCs) @ 2 SDCs per district are being set up in 34 districts of 9 States including Odisha under the centrally sponsored scheme 'Skill Development in 34 Districts Affected by Left Wing Extremism' as per Annex-IV. An amount of Rs. 8681.14 lakh Central share has been released till date to nine states for establishment of 30 ITIs and 54 SDCs as per Annex-V.

iv. 48 ITIs are being upgraded in North Eastern States and Sikkim under the centrally sponsored scheme 'Enhancing Skill Development Infrastructure in NE States and Sikkim'. The detail of ITIs Covered in various States under this scheme is at Annex-VI.

v. Under the Sub-Mission on Polytechnics, financial assistance subject to a maximum of Rs. 2 crore per Polytechnic is being provided by Government of India to upgrade infrastructure facilities of 500 existing diploma level public funded polytechnics. The State/ UT/ Location-wise list of districts covered under the scheme is at Annex-VII.