

**GOVERNMENT OF INDIA
SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA**

UNSTARRED QUESTION NO:5773
ANSWERED ON:29.04.2015
SUBSIDIZED LOAN BY NSDC
Paraste Shri Dalpat Singh

Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

- (a) whether National Skill Development Corporation (NSDC) provides funds for skill development as sub-sidized loan and support financial incentives to select private sectors initiatives to improve financial viability through tax breaks etc.;
- (b) if so, the details of the main features thereof;
- (c) whether the subsidized loan sanctioned to the private sectors for skill development through NSDC, could not be disbursed till date;
- (d) if so, the details thereof and reasons therefor for each of the last three years and the current year and the time by which these loans would be disbursed; and
- (e) whether NSDC provides subsidized loans through NGOs only or otherwise and if so, the reasons therefor?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
(SHRI RAJIV PRATAP RUDY)

(a) & (b) NSDC provides soft loan with interest carrying simple rate of interest of 6% per annum to its approved training providers. In few cases, NSDC has also given grant and in some cases NSDC has also taken Equity in its approved and funded projects. NSDC provides funding upto 75% of the total project cost in case of for profit entities and upto 85% of the total project cost in case of not for profit entities.

(c) & (d) Till 31st March,2015 NSDC has approved 242 proposals including 33 Sector Skill Councils. The total funds committed by NSDC is Rs.2595 Crores. NSDC's funding is staggered over a period of time. The first year funding is subject to fulfillment of pre-disbursement conditions and subsequent funding is subject to fulfillment of pre-disbursement conditions and achievement of defined milestones. The first year's funds are not disbursed unless and until the agreed pre-disbursement conditions are not fulfilled and subsequent funds are not disbursed till the fulfillment of pre-disbursement conditions and achievement of defined milestones. Funds disbursed by NSDC in the last three Financial Years are as under.

Financial Funds Disbursed
Year (Rs./Lakhs)

FY 12 - 13	131.29
FY 13- 14	305.41
FY 14- 15	172.18

(e) NSDC provides funding directly to its approved entities and not through NGO's.