

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

**UNSTARRED QUESTION NO.2099  
TO BE ANSWERED ON 15.03.2017**

**FINANCING OF VOCATIONAL EDUCATION AND TRAINING**

**2099. DR. BOORA NARSAIAH GOUD:**

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

- (a) the details of ways in which technical vocational education and training is being financed in the country;
- (b) whether Corporate Social Responsibility (CSR) is permitted in Skill Development and Training and if so, the details of funds so far flown into this by PSUs and private companies during the last three years, company-wise and State-wise;
- (c) the quantum of funds of CSR that have been spent on Skill Development during the last three years and the quantum of job opportunities provided thereunder;
- (d) whether with the raising skilled labour costs, large and medium companies are investing in machinery instead of labour; and
- (e) if so, the steps taken by the Government to arrest this trend?

**ANSWER**

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

- (a) There are two broad financing models for technical/vocational education and training:
  - i. Fee based model where the cost of training is met by the trainees and
  - ii. Grant based model where the cost of training is fully/partially met through grant in aid by the Government.
  
- (b) & (c) Skill development is listed as an activity under Section 135 of the Companies Act, 2013 for Corporate Social Responsibility (CSR) projects. The National Skill Development Fund (NSDF) is a public Trust set up by the Government of India for raising funds both from Government and Non Government sectors for skill development in the country. The Fund is contributed to by various Government sources, and other donors/contributors to enhance, stimulate and develop the skills of Indian youth by various sector specific programs. National Skill Development Fund (NSDF) has signed 17 Memorandum of Understandings (MoUs) with several PSUs and Corporates to promote skill development initiatives under Corporate Social Responsibility (CSR) with a total Financial Commitment of Rs. 84.81 crore. Details of the MoUs signed are at **Annexure-I**. So far 53,462 participants have been trained under the project of MoUs.
  
- (d) & (e) It is a fact that industries are moving towards automation and new technologies to reduce costs and increase production and competitiveness. This is a global phenomenon and the Government is closely analyzing this trend. The Government has taken steps to develop alternate employment opportunities for the labour that might get affected due to automation. The Pradhan Mantri Kaushal Vikas Yojana (PMKVY) aims to provide candidates soft skills, financial literacy and digital learning in addition to the domain knowledge. The scheme aims to provide broader learning to the candidate making him more employable in the job market. The Ministry of Skill Development and Entrepreneurship (MSDE) through its Pradhan Mantri Yuva Yojana (PMYY) aims to create an alternate path through creation of new enterprises by candidates.

**Annexure-I****Details of the MoUs signed is as follows:**

<b>S.No.</b>	<b>Agency with which MoU was signed</b>	<b>MoU Start Date</b>	<b>Duration (Months)</b>	<b>Total Funds Committed (in Rs.)</b>
1	Powergrid	14.01.2015	30	65,296,875
2	National Thermal Power Corporation Limited (NTPC I)	08.05.2015	23	65,008,125
3	National Thermal Power Corporation Limited (NTPC II)	26.06.2015	57	300,000,000
4	Rural Electrification Corporation Limited (RECL)	22.08.2015	27	100,000,000
5	<u>Mineral Exploration Corporation Limited (MECL)</u>	01.10.2015	24	2,670,000
6	Hindustan Computers Limited (HCL)	14.09.2015	18	4,818,000
7	National Mineral Development Corporation (NMDC)	29.02.2016	36	12,000,000
8	National Aluminium Company Limited (NALCO)	19.11.2015	34	13,120,045
9	Department of Public Enterprises (DPE)	29.09.2016	6	37,300,000
10	Coal India Limited (CIL)	03.05.2015	23	150,000,000
11	Computer Age Management Services (CAMS)	07.09.2015	7	2,400,000
12	Cholamandalam Investment and Finance Company Limited (CIFCL)	31.03.2015	12	5,000,000
13	Airports Authority of India	08.06.2016	36	52,500,000
14	GE Power	22.12.2016	8	50,31,000
15	Ingersoll Rand	13.02.2017	6	3,234,854
16	National Hydroelectric Power Corporation (NHPC)	09.01.2017	14	30,186,000
17	Indian Oil Corporation Limited (IOCL)	08.02.2017	12	4,628,064
			<b>TOTAL</b>	<b>848,161,963</b>

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