

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA
UNSTARRED QUESTION NO. †301
ANSWERED ON 02.02.2026

MISAPPROPRIATION OF FUNDS IN SKILL DEVELOPMENT SCHEMES

†301. SHRI RAJESH RANJAN:

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

- (a) whether it is a fact that schemes are being operated in the name of skill development through the Pradhan Mantri Kaushal Vikas Yojana, DDU-GKY and NSDC, using private training partners;
- (b) whether it is also a fact that approximately 10,000 crore rupees have been misappropriated in the above schemes due to fake training, fake placements, nominal operation of training centres and a commission system; and
- (c) if so, whether the Government is considering CBI investigation in the said matter?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

(SHRI JAYANT CHAUDHARY)

(a) Under the Government of India's Skill India Mission, the Ministry of Skill Development and Entrepreneurship (MSDE) conducts skilling, re-skilling and up-skilling programs through an extensive network of skill development centres/ institutes etc. under various schemes, viz. Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Jan Shikshan Sansthan, National Apprenticeship Promotion Scheme and Craftsman Training Scheme through Industrial Training Institutes (ITIs), to all the sections of the society across the country.

The MSDE is implementing its flagship Scheme Pradhan Mantri Kaushal Vikas Yojana (PMKVY) since 2015. Under PMKVY, skill training is imparted through Short Term Training (STT) and Re-skilling and Up-skilling through Recognition of Prior Learning (RPL) to youth across the country. As per PMKVY 4.0 guidelines, the training providers may be Pradhan Mantri Kaushal Kendras (PMKKs), PMKVY Training Centres, Industrial Training Institutes (ITIs), Schools, colleges, Higher Education Institutes, training centres of other Ministries/Department, training centres of industry partners and private training providers, etc. The National Skill Development Corporation (NSDC) is the implementing arm of the MSDE.

The Ministry of Rural Development implements the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), a placement-linked skill development programme for rural poor youth aged 15–35 years. It empowers the rural poor youth with employable skills and facilitates their participation in regular labour markets, thus providing them with jobs having regular monthly wages at or above the minimum wages. DDUGKY is implemented in project mode through Project Implementing Agencies (PIAs), which may include eligible government or semi-government bodies, NGOs registered with NITI Aayog, registered trusts/societies/companies/LLPs/cooperatives/SHGs and their federations, and other entities with a minimum three-year operational experience, except start-ups.

(b) & (c) The Comptroller and Auditor General (CAG) conducted a Performance Audit of PMKVY covering its initial phases up to 2022 and flagged certain deficiencies in legacy systems relating to data validation, beneficiary details, assessor information, eligibility verification, and monitoring processes, largely attributable to limitations in IT controls and decentralized implementation prevalent at that time.

Taking cognizance of these observations, the Government has since undertaken comprehensive corrective measures under PMKVY 4.0, including Aadhaar-based e-KYC, face authentication and geo-tagged attendance, QR-coded digital certificates, real-time dashboards on the Skill India Digital Hub, strengthened assessor and training centre accreditation through NCVET, independent monitoring via Kaushal Samiksha Kendra, revised monitoring guidelines with clear KPIs, and a robust penalty and recovery framework.

Disciplinary actions, including suspension, blacklisting, recovery of funds, and drastic steps have been taken wherever non-compliance was established, thereby institutionalising stronger accountability, verification, and oversight mechanisms under the scheme.
