

MINUTES OF MEETING OF THE STANDING FINANCE COMMITTEE HELD ON AUGUST 5, 2016 IN SHIVAJI STADIUM ANNEXE, MSDE; UNDER THE CHAIRMANSHIP OF SECRETARY (MSDE) FOR CONTINUATION OF THE CENTRALLY SPONSORED SCHEME TITLED “SKILL DEVELOPMENT IN 34 DISTRICTS AFFECTED BY LEFT WING EXTREMISM”

A meeting of Standing Finance Committee (EFC) was held for continuation and revision of the Centrally Sponsored Scheme titled “Skill Development in 34 Districts Affected by Left Wing Extremism” on August 5th, 2016 at 10.30 AM. under the Chairmanship of Secretary (MSDE) in Committee Room, MSDE, Shivaji Stadium Annexe, Connaught Place, New Delhi.

List of participants present in the meeting is at Annexure - I.

At the outset, the **Secretary, Ministry of Skills Development and Entrepreneurship (MSDE)**, welcomed all the members and highlighted the importance of the scheme. JS/DG informed the participants that the scheme was started in 2011 and was revised in 2012 at a cost of Rs 241.65 crore. He further proposed continuation of the scheme upto 31st March 2019, with a revised cost of Rs. 377.5 crore.

A presentation was made interalia, highlighting salient features, coverage, fund released so far, utilisation certificates received, physical progress of the ITIs and SDCs, State-wise and proposal for continuation of this scheme.

It was informed that MHA has forwarded the list of 35 worst affected districts of which 22 districts are common with 34 districts covered in the present scheme and 13 are new districts. The proposal is to cover the 47 (34 +13) districts in the continuation phase.

Further, the following points were discussed:

- i. Keeping in view that 13 new worst effected districts have been identified and recommended by MHA, it was agreed to include one ITI in each of the such 13 districts in the revised scheme. The enhanced cost proposed for the such ITIs was discussed and it was informed that same has been arrived in view of CPWD revised rates. The proposal for the revised cost of Rs 7.25 cr per ITI was recommended. It was also agreed that wherever construction of ITIs has not started yet in the 34 districts, funding to be done based on revised costs. There will be no change in the pattern of funding
- ii. Construction status reported as “under construction” and since this does not give any insight as to the stage of construction, this should be reported in greater detail. Chairman desired that construction of the ITI or SDC takes longer duration and to actually monitor the status of such construction work, the status in terms of physical stage of construction and percentage of work completed should be indicated.

- iii. It was proposed to remove the skill gap survey component from the revised scheme as the States are not conducting the survey and trades are being identified by the States based upon the existing practice of experience and the application received for admission in the existing ITIs. After discussions the committee recommended that the component of skill gap survey should not be removed, and actual skill requirement with respect to local skill set should be researched in all 47 districts through a central agency. This central agency would be finalized by the department.
- iv. Regarding the establishment of new ITIs it was discussed that there are many un-served blocks in the said districts and ITIs should be established in the most appropriate un-served blocks in selected districts.
- v. The ITIs in such districts are facing lack of connection with the industry. In order to have better connect/interaction with the industry, it is proposed to form Institute Management Committees (IMCs) in each ITI with Chairman from industry. IMC will be given one time grant of Rs. 1.00 crore. Funds will be utilized by the IMC for the payment of contract faculty for vacant posts and also for organizing short term course for the local youth. Funds to be released directly to respective bank account of IMCs with 100% central share. The role of IMC will be similar to the IMCs in ITIs under the scheme for upgradation of 1396 ITIs and Model ITIs. The IMC will also be encouraged to generate revenue through production related activities. It was further agreed that the IMC fund should only be released after completion of construction of ITI and formation of IMC society.
- vi. The concept of Skill Development Centres (SDCs) was discussed in details. The SDCs are non-functional in most of the States. State like Orissa has converted SDCs in mini ITIs for organizing NCVT courses. Some of the states have transferred the SDCs to Mission DTE in their States. It was recommended to drop the SDC component in the revised scheme and wherever construction activity has not started yet, these may not be continued further.
- vii. It was brought to the notice of committee that States were finding it difficult to select and send trainees for skill training, only 2979 trainees have completed training so far. The matter was discussed in details and it was agreed to not to continue the same in the revised scheme.
- viii. As there is no regular posts proposed, continuation of service of 2 Data Entry Operators (DEOs) and 1 Multi-Tasking Staff (MTS) upto the project period, i.e. 31st March, 2019 was proposed and recommended.

- ix. A special request for additional fund amounting to Rs. 2.0 crore of the State of Bengal for establishment of water supply system to the ITI where ground water is not available was not accepted and it was agreed that this may be included in the total cost limit of the ITI if the state so desire.

Additional Secretary & Financial Adviser (AS&FA), MoSDE as well as Sr. Advisor Niti Ayog also supported the proposal. AS&FA further desired that funds will have to be transferred to the State Govt. Societies/ agencies directly. Director, Ministry of Home Affairs (MHA) commended the effort of MSDE for including 13 districts in the scheme as well as linking it with employers in the form of IMCs.

The recommendations of SFC are summarized as follows:

1. Continue the scheme till 31 March 2019 by including 13 new districts i.e. from 34 to 47 as given in Annexure – II.
2. Enhance the cost of the scheme to Rs. 407.85 crore as per breakup given in Annexure – III.
3. Enhance the cost of one new ITI to Rs. 7.35 crore for additional 13 additional districts and 14 ITIs earlier approved for which, construction is yet to be started. The cost of other ITIs will remain same. There will be no change in the pattern of funding i.e. 75% Central and 25% State share.
4. Cost of monitoring unit has been reduced to 153.00 lakh from Rs. 610.00 lakh with 100% Central share as per earlier provision.
5. Cost of Skill Gap Survey at 34 districts of 9 States has been retained as per earlier provision (Rs. 204.00 lakh) with 100% Central Share.
6. Cost of Rs. 47.00 crore @ 100 lakh per ITI to IMCs of 47 ITIs with 100% Central share.
7. The new ITI to be established in the most appropriate un-served blocks in selected districts.
8. Component for Skill training and SDCs is dropped.
9. Continuation of service of 2 Data Entry Operators (DEOs) and 1 Multi-Tasking Staff (MTS) upto the project period, i.e. 31st March, 2019.

List of participants in the meeting of Standing Finance Committee (SFC) held on the Centrally Sponsored Scheme titled “Skill Development in 34 Districts Affected by Left Wing Extremism” on 5th August, 2016 at 10:30 hrs. under the Chairmanship of Secretary (MoSDE) in Committee Room, Shivaji Stadium Annexe, Connaught Place, New Delhi.

1. **Sh. Rohit Nandan** Secretary, MSDE and Chairman of SFC
2. Smt. Kiran Soni Gupta AS&FA, MSDE
3. Sh. Ashish Sharma Joint Secretary, DGT, MSDE
4. Smt. Sunita Sanghi Adviser, NITI Aayog
5. Sh. Rais Ahmad Director, MHA
6. Sh. Deepankar Mallick DDG(T), DGT, MSDE
7. Sh. R. P. Dhingra Director (P), DGT, MSDE
8. Sh. Shahjahan M. JDT, DGT, MSDE
9. Sh. V K Saksena DDT, DGT, MSDE
10. Sh. Ramesh Babu DDT, DGT, MSDE
11. Sh. Ashim Roy ADT,DGT, MSDE

The districts covered under the scheme “Skill Development in 34 Districts Affected by Left Wing Extremism”

Sl	States	No. of Dist.	Name of Districts.
1	Andhra Pradesh	1	Vishakhapatnam
2	Bengal	1	Paschim Midnapur (Lalgarh Area)
3	Bihar	9	Jamui, Gaya, Aurangabad, Rohtas, Jehanabad, Arwal, Muzzafarpur, Banka and Nawada
4	Chhattisgarh	9	Dantewada, Bastar, Kanker, Surguja, Rajnandgaon, Bijapur, Narayanpur, Sukma and Kondagaon
5	Jharkhand	16	Chatra, West Singhbhum, Palamau, Garhwa, East Singhbhum, Bokaro, Lohardaga, Gumla, Latehar, Hazaribagh, Girdih, Khunti, Ranchi, Dumka, Ramgarh and Simdega
6	Madhya Pradesh	1	Balaghat
7	Maharashtra	2	Gadchiroli K, Gondia
8	Orissa	6	Gajapati, Malkangiri, Rayagada, Deogarh, Sambalpur and Koraput
9	Telangana	1	Khammam
10	Uttar Pradesh	1	Sonebhadra
	Total	47	

Comparison of the component wise cost alongwith approved cost by the SFC under the scheme “Skill Development in 34 Districts Affected by Left Wing Extremism”:

Sl	Component	Originally approved cost	Latest approved cost	Approved by SFC	Variation (+/-)
1	Establishment of 20 ITIs @ Rs. 532.60 lakh per ITI and 68 SDCs @ Rs. 50 lakh per SDC	14052.00	14052.00	14052.00	0.00
2	Establishment of 14 ITIs @ Rs. 734.60 lakh per ITI which are yet to be started	7456.40	7456.40	10284.40	2828.00
3	Establishment of 13 ITIs @ Rs. 734.60 lakh per ITI	0.00		9549.80	9549.80
4	Skill Training of 5340 youth (34 existing covered districts)	1512.46	1841.00	1841.00	0.00
5	Monitoring Unit at Central Level	106.02	610.00	153.00	-457.00
6	Skill gap survey at 47 districts of 9 States	0.00	204.00	204.00	0.00
7	One time grant@ Rs. 100.00 lakh per ITI to the IMCs to 47 ITIs	0.00	0.00	4700.00	4700.00
	Total	23126.88	24163.40	40784.20	16620.80

Say Rs 407.85 cr