

[To be published in the Gazette of India, Part I, Section 1]
Government of India
Ministry of Communications and Information Technology
(Department of Electronics and Information Technology)

New Delhi, the 31st October, 2013

NOTIFICATION

F.No. 1(17)/2012-HRD (Vol. II)

Subject: Scheme for financial assistance to select six(06) States/UTs for Skill Development in Electronics System Design and Manufacturing (ESDM) sector

1. **Aim:** The scheme aims at enhancing the skilling capacities in ESDM sector through public and private sector for students/unemployed youth belonging to other disciplines by:
 - Utilizing the existing human resource who are undergoing studies in schools (IX standard onwards)/ITIs/Polytechnics/UG Colleges (non-engineering) and the school drop outs/unemployed youth by providing them with additional skills that are recognized by industry for employment in ESDM sector
 - Encouraging new investments in training in ESDM sector by Industry
 - Facilitating evolving of process/norms for (i) certification of various courses; (ii) providing opportunities for moving up the value chain; and (iii) recognition of institutions for conducting such courses, as per requirement of Industry in the ESDM sector
2. **Objective:** To provide financial assistance for facilitating skill development for **90,000** persons in ESDM sector by involving select States/UTs for improving the employability of the students/unemployed youth.
3. **Duration:** The Scheme would be in operation for Four(04) years.
4. **Budget Outlay:** The estimated Grant-in-aid support from the Central Govt. is Rs. 100.00 Crore (approx.) out of the total outlay of Rs. 113.77 Crore (approx.).
5. **Target Beneficiaries:**
 - a) **Students studying at**
 - IX/X standards onwards
 - ITIs
 - Polytechnics
 - Under Graduate (Non-Engineering)
 - b) **Unemployed youth (indicative list)**
 - School dropouts from 8th Pass onwards
 - ITI Certificate Holders
 - Diploma holders
 - Graduates(non-engineering)
 - Registrants in Employment Exchanges
 - Unemployed resources in the Non-formal Sector

6. Background and justification:

6.1 National Policy on Electronics 2012: Government of India has approved the National Policy on Electronics 2012 which aims at transforming India into a premier ESDM hub. The objective of the policy include creation of an eco-system for a globally competitive Electronic System Design and Manufacturing sector in the country to achieve a turnover of USD 400 billion by 2020 and employ 27.8 million (approx.) at various levels by 2020. To create a policy framework for creating a conducive ecosystem for promoting investment in ESDM sector in the country, various major policy decisions like setting up of semiconductor fab in the country; Electronic Manufacturing Clusters (EMCs); Preference for Domestically Manufactured Electronic Goods; Modified Special Incentive Package Scheme (M-SIPS), etc. have already been initiated.

6.2 Potential for skill development in ESDM Sector: At present the industry is characterised by high level of import and low domestic content, however, the scenario is expected to change in the near future as the thrust is given on higher domestic value addition, indigenous manufacturing and product development. Major Industry Verticals covered under ESDM are: Strategic Electronics (Aerospace & Defence, Atomic Energy and Space), Automotive Electronics Segment, Information & Broadcasting Segment, Industrial Electronics Segment, Medical Electronics Segment, Solar Photovoltaic Segment, Telecom Segment, IT/OA (Computers and peripherals), Mobile devices, Consumer Electronics, E-Waste Management, Components and other items (including Lithium Ion, Liquid Crystal Displays, Light Emitting Diodes, Solid State Memory Products, Testing Equipments & Controls, Smart Card.

The employment in the Electronics industry is estimated to grow phenomenally. Hence the instant scheme would facilitate skill development in ESDM sector focussing on students/unemployed youth at 9-10th standard onwards, ITI, Diploma, Non-engineering graduates, etc. to increase their employability to work in 'Manufacturing' and 'Service support' functions.

6.3 The present education/skill development system at both formal as well as non-formal level is not vibrant enough to meet the emerging requirement of the ESDM sector. Hence, it is essential for the Government to intervene and create an enabling requirement for increasing the numbers of skill providers (both in public and private domain) to address the emerging human resource requirements for ESDM sector. The key players in this initiative would be National Institute of Electronics and Information Technology (NIELIT- formerly known as DOEACC Society), respective Sector Skill Councils being set up by National Skill Development Cooperation (NSDC), skill providers (both public and private), educational institutions in the States and UTs, etc.

The instant scheme aims at building skills training as a mainstream activity and making it an inclusive program. This will be achieved by creating a formal arrangement along with the key stakeholders in the delivery pyramid viz. State Governments, Industry, Skills Providers (both public and private) and a Centralised Certification Mechanism by NIELIT and/or any other agency recognised by Sector Skill Councils. In the long run, it is expected that this scheme would lead to creation of an eco-system of Skill Development in ESDM sector in the country where large

number of skill providers would emerge throughout the country on the similar lines of IT and ITeS sector.

7. **Implementation Strategy:** The scheme would be implemented through select 06 (Six) State Govt(s)/UTs. The respective selected six States/UTs would need to tie-up with various Industry and NSDC promoted Sector Skill Councils, NIELIT, Skill Providers both in Government and private sectors, etc. to participate in this collaboration.

An **Empowered Committee** of DeitY would select the States/UTs where this scheme would be launched. Project proposals would be invited from these selected States/UTs and processed through the Empowered Committee for appraisal/approval.

7.1 **Role of State/UT Government/Implementing Agency**

Each of the selected State/UT government would be required to identify an existing state/UT level **Implementing Agency** in their State/UT which would in turn liaise with training/skilling partners, Industry and academic institutions in their States/UTs and ensure that deliverables of the project are achieved in a time bound manner. The role of States and UTs through their identified Implementing Agency would be:

- To sign an MoU with DeitY and be the single point of contact on behalf of the State Government/UT w.r.t. implementation of the Scheme.
- To liaise with the training/skilling partners (both government as well as private including ITIs, Polytechnics, other similar state level institutions, etc.) duly identified/recognized/accredited by NIELIT/SSCs.
- To facilitate sharing of resources already available – workshop, labs need not be set in each training institute
- To liaise, interact and coordinate with Govt. training/educational institutions/schools for working out collaboration with the identified training/skilling agencies/institutions so as to ensure that their students join these training programs.
- To liaise, interact and coordinate with respective employment exchanges to work out a mechanism for enrolment of unemployed youth in these training programmes.
- To liaise, interact and coordinate with the proposed EMCs partners/stakeholder in their respective States/UTs to ensure dovetailing of this scheme with EMCs.
- To create a placement mechanism for liaisoning, interacting and coordinating with the prospective employers for ensuring placement of the trained/skilled candidates.

7.2 **Role of NIELIT/Sector Skill Councils**

- To prepare a mechanism, standard norms and guidelines for design, development, delivery, assessment and certification for various courses in consultation with Industry and employers.
- To prepare a competency based curriculum that would include syllabus, student manual, trainers guide, training manual, teacher qualifications, multimedia package and e-material.
- To ensure that the curricula is prepared modularly which allows for step ups in skill accumulation and facilitate exit and entry. All the courses are to be aligned with NVEQF and later to NSQF(as and when it is ready).

- To assess and certify the competence acquired at each level for ensuring recognition and acceptance by Industry and prospective employers.
- To finalise courses at all level, fix minimum duration and fees at each level.
- To prepares guidelines and norms for accreditation of training/skilling institutions in terms of training/skilling infrastructure, labs, faculty/trainers, etc.
- To promote accreditation of large number of training institutions by providing necessary guidance, training of trainers, etc.
- To prepare norms for periodic monitoring and assessment the quality of training partners/accredited institutions.

7.3 Types of Courses to be covered: The scheme is proposed to facilitate all kinds of non-formal skill oriented courses that could go on evolving as per industry requirement as per the following broad parameters:

- Designed, evolved, recognized by Sector Skill Councils/NIELIT
- Standard courses conducted by ITIs, other govt. training institutions could also be included
- To be conducted by agencies/institutions recognized/accredited by SSCs/NIELIT
- Courses are to be in line with National Vocational Education Qualifications Framework (NVEQF -announced by Ministry of HRD) at various Levels (i.e. upto Level 5) in a modular way (and later to National Skill Qualifications Framework NSQF as and when the same is available)
- Duration of courses could range from 200 hrs to 400 hrs.
- Could be imparted in part-time mode or full-time mode.
- Course fee could be arrived at depending on no. of hours, level of expertise involved and type of investment required for creating training infrastructure, labs, etc.
- All courses to follow a uniform training process prescribed by NIELIT or SSC.
- All candidates trained by various agencies to acquire certificate by NIELIT or SSC to become eligible for financial assistance.

An **Expert Committee** of DeitY would recommend various courses which could be covered under the proposed scheme. The Committee will look into various aspects like syllabus, content, course fee, course duration, training process, etc. for any such course to become eligible for funding under the scheme. The Expert Committee will also recommend new Courses from time to time depending on the new emerging requirements including such courses that may not be available and/or popular and/or viable but essential for a particular need.

8. Financial Assistance:

- Assistance of 75% of course fee for students. 25% of the course fee to be paid by student.
- Assistance of 100% of course fee for students belonging to SC/ST, Economically weaker sections (criteria based). 40% seats would be reserved for the students belonging to these categories.
- Assistance to be provided only after a candidate clears a certification exam by NIELIT or SSCs or a certifying body recognized by SSCs.
- Assistance for Overhead and Placement @ 10% of Skilling Assistance to the Implementing Agency
- Assistance for 100% Registration-cum-Certification fee (including Examination fee for theory, Practical and Project Evaluation) per candidate who appears in the exams (for the first time) to be reimbursed to NIELIT/SSC recognized agency.

9. Physical and Financial details:

- The scheme is targeted to cover approx. 90,000 candidates.
- Skill-wise targets (based on NSDC report) and financial projections :

	Lower level skills		Middle level skills	Higher level skills
Level	Un-skilled (L1-L2)	Semi-skilled (L3)	Supervisor (L4)	Master technician/Trainer (L5)
Equivalence	IX-X std.	ITI	Diploma	Post-Diploma
Entry at	VIIIth pass	10 th pass	10 th + ITI, 12 th pass, Other graduates (non-Science)	Diploma, BSc.
Course duration(to be fixed by NIELIT/SSC in line with NVEQF/ NSQF)	3 months (~200-250 hrs)*	6 month (~350 hrs.)*	6 month (~350 hrs.)*	6 month (~400 hrs.)*
* No. of hours are indicative as per requirements indicated in NVEQF				
Target (No. of candidates)	22,500	22,500	31,500	13,500
	90,000 candidates			
Target per State/UT	3,750	3,750	5,250	2,250
	15,000 candidates			

- **Financial details of the scheme are as under:**

S.No.	Course at Level	L1, L2	L3	L4	L5
1	Level-wise Course fee per candidate (Max.)	Rs.5,000/-	Rs.10,000/-	Rs. 12,000/-	Rs.15,000/-
2	Level-wise Registration-cum-certification cost (including Examination fee for theory, Practical and Project Evaluation) per candidate (all inclusive one time assistance)	Rs.500/-	Rs.1000/-	Rs.1500/-	Rs.2000/-

Details of Physical Targets & Financial requirements per State/UT may be seen at Appendix.

- Flexibility would be provided to reward the States/UTs who are able to achieve their targets by enhancing their targets after reducing the same from other lesser-performing States/UTs (with in the overall targets/budget outlay).

10. Implementation & Monitoring:

- After finalisation of the States/UTs by the Empowered Committee the State/UT Government would be required to identify and nominate an existing state/UT level Implementing Agency who would submit a project proposal to DeitY. The proposal(s) would be processed through the Empowered Committee for appraisal / approval and release of first installment of Grant-in-aid from DeitY on a case to case basis.
- After approval, each implementing agency would then sign an MoU with DeitY.

- After signing of MoU a token amount say 25% of the skilling cost and overhead/placement cost would be released to these Implementing Agencies, as first instalment, based on the recommendation of Empowered Committee to initiate the implementation and create necessary mechanism for implementation, monitoring and placement. Thereafter, depending on the target achieved (candidates clearing the certification exams of NIELIT/SSCs), the placement of candidates, etc. the amount due would be released on a quarterly basis subject to receipt of UC of previous grants.
- Similarly, MoUs would be signed with NIELIT and SSCs and depending on the number of candidates certified by them funds would be released to them on a quarterly basis subject to receipt of UCs for the previous grants.
- To ensure time-bound implementation of the project and recommend fund release from second and subsequent installment in respect of each implementing agency, a project monitoring and steering mechanism in the form of Project Review and Steering Group (PRSG) would be put in place.
- Further, an impact assessment of the scheme would be carried out through a third party like IIM in the 3rd year of the scheme so that the learnings/mid-course corrections, if any, could be carried out during the balance period of implementation of the scheme.
- In addition, a Programme Management Unit(PMU) is to be set up in DeitY to professionally manage and support the Department in implementation and monitoring of the scheme in the identified States/UTs; facilitate creation of awareness and mobilization of various stakeholders including general public at large through print and electronic media, workshops, seminars etc.; facilitate creation of an MIS for capturing various kinds of data from the implementing agencies, bring out periodic progress report, collect any other relevant data for monitoring of the scheme; and facilitate carrying out an Impact Assessment of the scheme by a third party like IIM in the 3rd year of the scheme. The PMU is to be set up through NIELIT (a scientific Society under DeitY).



(Dr. Ajay Kumar)

Joint Secretary to the Government of India

Tele: 24360160

To

The Manager,
Government of India Press,
(Bharat Sarkar Press)
Faridabad

F.No. 1(17)/2012-HRD (Vol. II)

New Delhi, the 31st October, 2013

Copy forwarded for information to:

1. The Chief Secretaries of all States/UTs
2. Secretary, Planning Commission, Yojana Bhawan, New Delhi.
3. Secretary, Department of Expenditure, Ministry of Finance, North Block, New Delhi.
4. Secretary, Department of Higher Education, Ministry of Human Resource Development, Shastri Bhawan, New Delhi -110001.

5. Secretary, Department of Economic Affairs, Ministry of Finance, North Block, New Delhi.
6. Director General of Employment & Training, Ministry of Labour & Employment, Shram Shakti Bhawan, New Delhi - 110001.
7. Director General, National Skill Development Agency, 9th Floor, NDCC Building, Phase-II, Palika Kendra, Jai Singh Road, New Delhi - 110001.
8. Joint Secretary, Prime Minister's Office, South Block, New Delhi.
9. Joint Secretary & Financial Adviser, DeitY.
10. Mission Director, DeitY
11. All Group Coordinators, DeitY
12. Chief Executive Officer, Telecom Sector Skill Council, C-DOT Campus, Mandi Road, Mehrauli, New Delhi - 110031
13. Chief Executive Officer, Electronics Sector Skill Council of India (ESSCI), ELCINA House, 422, Okhla Industrial Estate, Phase-III, New Delhi - 110020
14. Managing Director, NIELIT
15. Chief Executive Officer, National Skill Development Corporation, Block A, Clarion Collection, Shaheed Jeet Singh Marg, New Delhi - 110016



(Dr. Ajay Kumar)

Joint Secretary to the Government of India

Tele: 24360160

Level/Year-wise Physical Target per State/UT

Sl. No.	Levels	Year-1	Year-2	Year-3	Year-4	Total
1	L1, L2 level	750	950	950	1,100	3,750
2	L3 level	750	950	950	1,100	3,750
3	L4 level	1,050	1,300	1,300	1,600	5,250
4	L5 level	450	550	550	700	2,250
	Sub-Total	3,000	3,750	3,750	4,500	15,000
a	Reserved Seats (@40%) - SC/ST/EWS*	1,200	1,500	2,400	1,800	6,000
b	General Seats(60%)	1,800	2,250	2,250	720	9,000

* SC - 15%, ST - 7.5%; Economically Weaker Sections(EWS) - 17.5%

Financial Details

A Costing per State/UT

Sl. No.	Particulars	Year-1	Year-2	Year-3	Year-4	Total
A1	Total Course Fees (A2+A3+A4+A5)	3,06,00,000	3,81,00,000	3,81,00,000	4,62,00,000	15,30,00,000
A2	- L1, L2 level (@ Rs. 5,000/-)	37,50,000	47,50,000	47,50,000	55,00,000	1,87,50,000
A3	- L3 level (@ Rs. 10,000/-)	75,00,000	95,00,000	95,00,000	1,10,00,000	3,75,00,000
A4	- L4 level (@ Rs. 12,000/-)	1,26,00,000	1,56,00,000	1,56,00,000	1,92,00,000	6,30,00,000
A5	- L5 level (@ Rs. 15,000/-)	67,50,000	82,50,000	82,50,000	1,05,00,000	3,37,50,000
A6	Overheads + Placement (@ 10% of B4 below)	26,01,000	32,38,500	32,38,500	39,27,000	1,30,05,000
A7	Outlay per State Imp. Agency (A1+A6)	3,32,01,000	4,13,38,500	4,13,38,500	5,01,27,000	16,60,05,000

B Break-up of Skilling Assistance - 1 State/UT

Sl. No.	Particulars	Year-1	Year-2	Year-3	Year-4	Total
B1	Total Course Fees (A1)	3,06,00,000	3,81,00,000	3,81,00,000	4,62,00,000	15,30,00,000
B2	Reserved (SC/ST/EWS @40%)	1,22,40,000	1,52,40,000	1,52,40,000	1,84,80,000	6,12,00,000
B3	General (60%)	1,83,60,000	2,28,60,000	2,28,60,000	2,77,20,000	9,18,00,000
B4	Skilling Assistance (B2 + 75% of B3)	2,60,10,000	3,23,85,000	3,23,85,000	3,92,70,000	13,00,50,000
B5	Student Contribution(25% of B3)	45,90,000	57,15,000	57,15,000	69,30,000	2,29,50,000

Total outlay per State/UT would be Rs. 16,60,05,000/- with a grant-in-aid support of Rs. 14,30,55,000/-

C Registration- cum- Certification Cost per State/UT – Payable as GIA to the Certifying Agencies by DeitY

Sl. No.	Particulars	Year-1	Year-2	Year-3	Year-4	Total
C2	- L1, L2 level (@ Rs. 500/-)	3,75,000	4,75,000	4,75,000	5,50,000	18,75,000
C3	- L3 level (@ Rs. 1,000/-)	7,50,000	9,50,000	9,50,000	11,00,000	37,50,000
C4	- L4 level (@ Rs. 1,500/-)	15,75,000	19,50,000	19,50,000	24,00,000	78,75,000
C5	- L5 level (@ Rs. 2,000/-)	9,00,000	11,00,000	11,00,000	14,00,000	45,00,000
C6	Total Reg-cum-Certification Cost	36,00,000	44,75,000	44,75,000	54,50,000	1,80,00,000