

NATIONAL SKILL DEVELOPMENT CORPORATION

Ritu Bhandari*

ABSTRACT

The inception of the National Skill Development Corporation (NSDC) dates back to July 31, 2008, when it was formed as a not-for-profit public limited company, operating within the legal framework provided by section 25 of the Companies Act, 1956 (corresponding to section 8 of the Companies Act, 2013). It was formed as a result of a Public-Private Partnership (PPP) model initiated by the Ministry of Finance. The Ministry of Skill Development & Entrepreneurship (MSDE), representing the Government of India, holds a 49% stake in NSDC, with the remaining 51% owned by the private sector. NSDC's primary objective is to foster skill development by facilitating the establishment of large-scale, high-quality vocational institutions with a profit-oriented approach. Additionally, the organization provides financial assistance to develop scalable and financially viable vocational training programs. Its responsibilities extend to establishing and supporting quality assurance mechanisms, implementing robust information systems, and establishing trainer academies, either directly or in collaboration with partners. In this research paper we will discuss the NSDC and its Vision, Mission, Objectives and also highlighting its Schemes.

Keywords: NSDC Roles, Vision, Mission, Objective, Schemes.

Introduction

NSDC operates as a facilitator for initiatives with the potential for widespread impact, aiming for a multiplier effect rather than direct operational involvement. Central to this approach is the integration of industry into all facets of skill development.

The strategy involves forging partnerships with diverse stakeholders and building upon existing initiatives, avoiding overextension or duplication of efforts. To ramp up endeavors toward the objective of skilling/upskilling 150 million individuals, NSDC focuses on:

- Developing innovative, ultra-low-cost, and high-quality business models.
- Attracting substantial private sector investments.
- Emphasizing the circulation of funds, primarily through loans or equity rather than grants.
- Creating leverage opportunities.
- Establishing a robust financial corpus.

Research Objectives

- To highlight the Vision of NSDC.
- To discuss the mission of NSDC.
- To explain the Schemes carried out by the NSDC.

* Research Scholar, Jai Narain Vyas University, Jodhpur, Rajasthan, India.

The NSDC Fulfills three Pivotal Roles

- **Funding and incentivizing:** This role holds significant importance in the short term. It entails providing financial support in the form of loans or equity, offering grants, and facilitating financial incentives to specific private sector initiatives. These measures aim to enhance financial viability through mechanisms like tax incentives. The nature of funding (equity, loan, or grant) depends on the segment's viability and attractiveness, as well as the type of player involved (for-profit private, non-profit industry association, or non-profit NGO). Over time, NSDC aims to develop robust and sustainable business models, thereby diminishing its reliance on grant-making.
- **Enabling support services:** Skills development institutes require various inputs and support services, including curriculum development, faculty training standards, quality assurance mechanisms, technology platforms, and student placement systems. NSDC plays a crucial role in facilitating these support services, especially in the establishment of standards and accreditation systems through partnerships with industry associations.
- **Shaping/creating:** In the short term, NSDC actively initiates and facilitates widespread private sector engagement in skill development. It identifies critical skill areas, devises skill development models, attracts potential private sector participants, and provides support to these endeavors to foster large-scale participation by private players in skill development initiatives.

Vision

NSDC was established in alignment with a national skill development mission aimed at addressing the escalating demand in India for skilled labor across various sectors and bridging the prevailing gap between skill demand and supply. The vision entails launching a world-class skill development program in a mission-oriented approach to tackle the imperative task of imparting skills necessary for a burgeoning economy. The structure and leadership of this mission are designed to facilitate rapid scalability, ensuring comprehensive coverage across the entire nation.

Mission

The NSDC has following mission to fulfill

- Elevate skill standards to meet international benchmarks, with substantial engagement from various industries, while establishing essential frameworks for standards, curriculum, and quality assurance.
- Foster, bolster, and synchronize private sector endeavors for skill development by implementing suitable Public-Private Partnership (PPP) models, aiming for substantial operational and financial engagement from private entities.
- Act as a facilitator in the market by mobilizing funds, particularly in sectors where market mechanisms are inadequate or absent, thus playing the role of a 'market-maker.'
- Prioritize initiatives with the potential for multiplier or catalytic effects over those with only one-off impacts.

Objective

The primary objective is to make a substantial contribution to India's overarching goal of upskilling its populace, primarily by nurturing private sector involvement in skill development programs and providing funding support.

Schemes & Initiatives through NSDC: The following are the schemes carried out by NSDC:

- Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
- Rozgar Mela
- Pradhan Mantri Kaushal Kendras (PMKK)
- Capacity Building Scheme
- Udaan
- School Initiatives and Higher Education
- India International Skill Centres (IISCs)

Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) serves as the cornerstone program under the aegis of the Ministry of Skill Development and Entrepreneurship (MSDE), overseen by the National Skill Development Corporation (NSDC). Its primary objective is to offer industry-specific skill training to Indian youth, facilitating their access to enhanced livelihood opportunities. Furthermore, the scheme encompasses the assessment and certification of individuals with pre-existing experience through Recognition of Prior Learning (RPL).

Introducing PMKVY 3.0

In a bid to empower the youth of the nation and advance the Skill India Mission's objective of positioning India as the global skill hub, the Ministry of Skill Development and Entrepreneurship (MSDE) unveiled the third phase of its flagship initiative, Pradhan Mantri Kaushal Vikas Yojana (PMKVY 3.0), on January 15, 2021. PMKVY 3.0 aims to foster and facilitate skill development nationwide, catering to industry requirements, meeting market demands, and imparting skills relevant to services and emerging job roles vital in the aftermath of the COVID-19 pandemic.

Drawing insights from the preceding iterations, PMKVY 3.0 adopts a more decentralized approach, entrusting greater responsibilities and extending support to States/Union Territories (UTs) and Districts. District Skill Committees (DSCs), under the guidance of State Skill Development Missions (SSDM), will play a pivotal role in bridging the skill gap and assessing demand at the grassroots level. The revamped scheme emphasizes trainee and learner-centric methodologies, aligning with the aspirations of Atmanirbhar Bharat.

Skill training will be conducted under three pan-India categories:

- Short Term Training (STT)
- Recognition of Prior Learning (RPL)
- Special Project (SP)

PMKVY 3.0 (2020-21) pivots from a supply-based to a demand-based approach, responding to the upheaval caused by COVID-19 and its impact on livelihoods. The scheme underscores upskilling/reskilling efforts, with a pronounced emphasis on future skills (industry 4.0) courses to enhance the productivity of the existing workforce. Additionally, it embraces online/digital training modes to ensure broader outreach and coverage.



(Image Source: <https://www.naidunia.com/national-pmkvy-pradhan-mantri-kaushal-vikas-yojana-will-be-started-in-all-states-of-country-with-third-phase-know-what-will-be-benefit-6652418>)

Under PMKVY, the government fully covers the training and assessment fees, with payouts provided to Training Providers (TPs) adhering to common norms. The scheme operates at both the central and state levels, with funds and targets allocated in a 50:50 ratio and an increased involvement of District Skill Committees (DSC).

- **Short Term Training (STT)**

Short Term Training (STT) programs conducted at PMKVY Training Centers (TC) aim to benefit Indian nationals who are either school/college dropouts or unemployed. Alongside training aligned with the National Skills Qualification Framework (NSQF), TCs offer instruction in soft skills, entrepreneurship, financial literacy, and digital literacy. Upon successful completion of assessments, candidates receive placement assistance from training providers.

- **Recognition of Prior Learning (RPL)**

Recognition of Prior Learning (RPL) is a certification component designed to enable Indian youth to obtain industry-relevant skill certifications, enhancing their prospects for a better livelihood. Individuals with prior learning experiences or skills can register for assessment and certification under PMKVY's RPL component. It primarily targets individuals employed in unregulated sectors.

- **Special Projects**

The Special Projects segment within PMKVY aims to establish a platform facilitating training in specialized areas and/or premises of governmental bodies, corporations, or industry organizations. It encompasses training in unique job roles not currently defined within available Qualification Packs (QPs) or National Occupational Standards (NOS). Special Projects may necessitate some deviations from the standard short-term training guidelines under PMKVY. Proposing stakeholders for such projects may include institutions of the Central or State Government(s), autonomous bodies, statutory bodies, or corporate entities interested in providing training to candidates.



(ImageSource:<https://www.orissapost.com/wp-content/uploads/2021/08/NSDC-National-Skill-Development-Corporation-1.jpg>)

Rozgar Mela

A Rozgar Mela serves as an event where numerous employers and job seekers convene with the aim of applying for and interviewing for jobs. More precisely, it represents an employment strategy designed to expedite the interaction between job seekers and employers.

Typically, Rozgar Melas are held in spacious assembly halls, with each employer allocated a booth. Each booth features a table showcasing company brochures and information, while several company representatives are stationed behind the tables, engaging with job seekers. Some companies adorn their booths with banners and signs. These events vary in scale, ranging from small gatherings with five to a hundred employers and hundreds of job seekers. Even smaller Rozgar Melas can witness bustling activity, with lines of job seekers eager to interact with company representatives.

Participating companies utilize Rozgar Melas to screen candidates for current or future job openings. At the very least, companies gain exposure at these events, while at best, they can swiftly shortlist and hire highly qualified applicants. Employer representatives dedicate considerable time and resources to participate in Rozgar Melas. Consequently, they value job seekers who are well-prepared and exhibit a professional demeanor. Similarly, job seekers appreciate approachable company representatives who offer clear answers to their inquiries. With adequate preparation from both employers and job seekers, Rozgar Melas have the potential to be mutually beneficial and successful events for all involved parties.

Pradhan Mantri Kaushal Kendra

To elevate vocational training to an aspirational level and propel India toward becoming the skill capital of the world, the Ministry of Skill Development and Entrepreneurship (MSDE) aims to establish visible and aspirational Model Training Centres (MTCs) in every district across the country. NSDC has been designated as the implementation agency for this project.

The objectives of the Model Training Centres are as follows:

- Establish benchmark institutions that exemplify the aspirational value of competency-based skill development training.
- Prioritize aspects of quality, sustainability, and stakeholder engagement in the skills delivery process.
- Shift from a mandate-driven transient model to a sustainable institutional model.

These training centers will be advanced facilities referred to as Pradhan Mantri Kaushal Kendra (PMKK).

Capacity Building Scheme

In accordance with the convergence strategy devised by the Ministry of Skill Development and Entrepreneurship (MSDE), the Capacity Building (CB) segment of the Capacity Building & Technical Assistance (CB & TA) Scheme, previously under the purview of the Ministry of Development of North Eastern Region, has been reallocated to MSDE. This transfer is a strategic move aimed at harmonizing skill development efforts within the region in order to conduct skill development training for unemployed youth in the North Eastern Region (NER). The scheme provides residential training to NER youth with a budget of Rs. 25 crore. All courses and job roles under the scheme are aligned with the National Skills Qualification Framework (NSQF), and funds are disbursed to Training Providers (TPs) according to standard Common Norms. The scheme aimed to train approximately 9,681 candidates, ultimately enrolling 9,435 candidates. Out of these, 6,686 candidates have been certified, and 3,638 candidates have been reported as placed. The scheme has now concluded.

Udaan

Udaan is a Special Industry Initiative (SII) for the state of Jammu and Kashmir (J&K), funded by the Ministry of Home Affairs and implemented by the National Skill Development Corporation (NSDC). The scheme aims to enhance the employability of educated youth—graduates, post-graduates, and three-year diploma holders in engineering—in J&K, based on the recommendations of the Rangarajan Committee. The committee was formed in August 2010, and its report, submitted in February 2011, led to the launch of the Udaan scheme in the financial year 2011-12. Udaan focuses on capacity building of J&K youth through skill development and exposure to corporate India. The Ministry of Home Affairs funds and monitors the scheme, which has now reached its closure.

Objectives of the Udaan Scheme

- To provide exposure to graduates and postgraduates of Jammu and Kashmir to corporate India.
- To offer corporate India access to the skilled talent pool available in the state.

School Initiatives and Higher Education

In the realm of school education, NSDC's footprint has extended to encompass two additional states, Andhra Pradesh and Tamil Nadu, thus elevating the total count of engaged states and UTs to 28, spanning over 9,182 schools. Collaborating with the Ministry of Education (previously MHRD), NSDC has embarked on restructuring the implementation model of skill development training within schools, transitioning from a conventional four-year approach to a more streamlined two-year framework. Across these schools, a diverse array of seventy-three job roles spanning 21 sectors are being offered. Notably, Delhi Public School has joined hands with NSDC in the implementation of Skill Development courses. Moreover, NSDC has forged partnerships with esteemed institutions like Kunsapsskolan and Manav Rachna International University to introduce innovative educational paradigms. A pilot initiative was undertaken in 100 schools across Haryana, with a focus on sectors including Beauty & Wellness, IT-ITeS, and Retail, culminating in the establishment of Model IT Labs across five schools spread across five districts in Haryana. Additionally, NSDC has actively facilitated student placements through the organization of Job Melas in collaboration with Education Departments across states such as Punjab, Chhattisgarh, Rajasthan, Haryana, and West Bengal.

In higher education, NSDC is collaborating with the All India Council for Technical Education (AICTE) for the PMKVY-TI (Pradhan Mantri Kaushal Vikas Yojana – Technical Institute) initiative. In the first phase, 28,204 training SSC-Job Roles were completed, followed by the allocation of 171,879 training targets across 1,577 colleges in the second phase. NSDC also initiated an Apprenticeship model for general graduates/undergraduates in collaboration with the Department of Higher Education, MHRD-Gol, providing apprenticeship opportunities in select job roles. Nine sectors and approximately 100 job roles were shortlisted for phase 1 implementation. Furthermore, NSDC collaborated with MHRD to restructure the BVOC program and introduce new degree programs with mandatory embedded apprenticeships, with a pilot launched in the academic year 2019-20 across 20 colleges under NAPS.

India International Skill Centres (IISCs)

In response to the impending global labor shortage and India's demographic dividend of a youthful workforce, the Government of India has undertaken measures to bridge this gap. As part of the "Skill India Mission," the Ministry of Skill Development & Entrepreneurship (MSDE) has established India International Skill Centres (IISCs). These centers are dedicated to providing skill training and certification aligned with international standards. Initially introduced as a pilot phase, the IISCs were implemented through the National Skill Development Corporation (NSDC), focusing on two schemes: Pradhan Mantri Kaushal Vikas Yojana (PMKVY) and Pravasi Kaushal Vikas Yojana (PKVY), targeting youth seeking employment opportunities abroad. The IISC Program encompasses both domain-specific skill training adhering to international benchmarks and Pre-Departure Orientation Training (PDOT) for candidates.



(Image Source: <https://www.thehighereducationreview.com/news/international-skill-hub-to-be-set-up-in-go-a-under-governments-skill-india-mission-nid-1470.html>)

The successful completion of the pilot phase on 02nd July 2018 yielded valuable insights, including leveraging existing market-driven methodologies for overseas placement, gaining a deeper understanding of the Indian labor supply and overseas demand dynamics, and devising strategies for incentivizing quality across the operational value chain. In light of these learnings and the evolving landscape of international labor mobility, a revised policy for IISCs is being proposed.

Key focus areas of the IISC policy include

- Conducting assessments and certifications according to international standards, leveraging best practices and gaining recognition in various countries.
- Establishing Career Guidance and Counseling centers within IISCs to provide guidance on international training and employment opportunities. These centers will serve as resource hubs, aiding in foreign employment support by assisting students in identifying relevant overseas opportunities aligned with their interests and talents.
- IISCs, under the new policy, are expected to offer additional skill training as needed to candidates.
- Provision of PDOT, sponsored by the Ministry of External Affairs (MEA) under PKVY, will be extended to IISCs as part of the initiative.

Conclusion

The National Skill Development Corporation (NSDC) plays a crucial role in India's quest for economic growth and development by fostering skill development initiatives across various sectors. In conclusion, NSDC's efforts have significantly contributed to addressing the nation's skill gap, empowering individuals with employable skills, and enhancing the competitiveness of Indian industries on a global scale. As NSDC continues to collaborate with various stakeholders, including government bodies, training partners, and industry leaders, it is poised to further accelerate India's journey towards becoming a skillful and prosperous nation.

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