

**PRESS RELEASE**

**OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA**

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**CAG AUDIT REPORT ON SKILL DEVELOPMENT UNDER PRADHAN MANTRI  
KAUSHAL VIKAS YOJANA PRESENTED IN PARLIAMENT**

The Performance Audit Report (No. 20 of 2025) of the Comptroller and Auditor General of India on Skill Development under Pradhan Mantri Kaushal Vikas Yojana, Ministry of Skill Development and Entrepreneurship has been placed before both the Houses of Parliament here today. *Pradhan Mantri Kaushal Vikas Yojana* (PMKVY) is the flagship scheme of the Ministry of Skill Development and Entrepreneurship (MSDE) launched in July 2015 with the objective of enabling a large number of youths to take up industry-relevant skill training, and certification. Between 2015-2022, three different phases of PMKVY have been launched with an outlay of around ₹14,450 crore and combined targets of providing skill training/certifications to 1.32 crore candidates.

The first phase of PMKVY was implemented through National Skill Development Corporation (NSDC) and from its second phase the scheme was implemented through two components (a) Centrally Sponsored Centrally Managed (CSCM) where 75 *per cent* of the scheme fund and targets were allocated for skilling through NSDC and (b) Centrally Sponsored State Managed where 25 *per cent* of the scheme fund and targets were allocated for skilling through State Skill Development Missions.

Different types of training under PMKVY include (i) Short-Term Training planned for school/college dropouts or unemployed, (ii) Recognition of Prior-Learning planned for individuals with prior learning experience or skills, and (iii) Special Projects planned for training in special areas and/or premises depending on special needs in terms of geography, demography, and social groups.

The fourth phase of PMKVY introduced in February 2023, is underway. In this Report first three phases of PMKVY have been covered.

The audit was conducted at the MSDE, NSDC, and in eight selected States (Assam, Bihar, Jharkhand, Kerala, Maharashtra, Odisha, Rajasthan, and Uttar Pradesh). Besides, National Skill Development Fund and National Council for Vocational

Education and Trainings were also covered.

Following are the major audit findings highlighted in the Report.

### **Planning and Infrastructure**

- National Policy for Skill Development and Entrepreneurship estimated the need for skilling 40.29 crore persons across 24 Sectors in the country by 2022. However, there was absence of micro-level skill-gap information regarding job-role specific skilled human resource requirement. Sectoral, and State-wise trainings under PMKVY were not in line with skill-gap studies. Further, there was no long-term PMKVY implementation, strategy, and National Skill Development Plan. **(Para 2.1)**
- Apart from MSDE, 22 other Central Ministries and State Governments are also engaged in skilling efforts in sectors of their domain. However, even after completion of three phases of PMKVY, convergence between efforts of different Central Ministries and between Central and State Departments was not effective. The apex level framework for skill quality assurance and regulation to be implemented through National Council for Vocational Education and Training was still in the process of establishment and was performing only limited regulatory roles. **(Para 2.2 and 2.3.2)**
- The entire PMKVY implementation cycle, from enrolment to placement, is being generated within the SIP framework. However, there was an absence of policy for retention of crucial data/information viz. photographic/video evidence of training conducted and records related to education/work experience of participants *etc.* Controls regarding electronic identity/contact details of Trainers/Assessors/Candidates and their account details were also not effective. **(Para 2.4)**

### **Implementation and Achievement**

- Analysis of PMKVY data revealed that candidates for skill training under PMKVY were enrolled by ignoring their age, education, work experience related specific criteria prescribed in the guidelines/qualification packs. Mechanism for onboarding/verifying targeted beneficiaries *i.e.*, unemployed youth and school/college dropouts was also not available. **(Para 3.2)**
- Data analysis also revealed that out of the total candidates certified under STT/SP components of PMKVY (*i.e.*, 56.14 lakh), 23.18 lakh candidates (*i.e.*, 41 *per cent*) were placed. In Kerala, incorrect placement documents were produced by Training Partners as proof of placement of candidates. After being pointed out by Audit,

₹22.33 lakh was recovered by the State Government, apart from backlisting the agency. **(Para 3.6)**

- As part of Recognition of Prior Learning, certification of employees through Best-in-Class Employer (RPL-BICE) was introduced during second phase of PMKVY and implemented through NSDC. In respect of RPL-BICE several irregularities in the selection of agencies, scrutiny of proposal, implementation, and monitoring process were noticed. The documents produced by the implementing agencies in support of training undertaken and monitoring done by NSDC were also unreliable. **(Para 3.8)**

### **Financial Management**

- There were delays in release and non-utilization of funds under the state component. Funds were released in violation of Receipt and Payment Rules. Incorrect estimation and delay in transfer of central component funds of ₹222.63 crore resulted in burdening of the CFI. Despite clear instructions of the Ministry regarding expenditure, there was non-release of funds by NSDC to District Skill Councils indicating poor monitoring and oversight by the Ministry. **(Para 4.1, 4.2.1, 4.2.2 and 4.3.2)**
- After being pointed out by Audit, Ministry recovered interest of ₹12.16 crore retained by NSDC. Further, in respect of PMKVY 1.0, NSDC had overcharged administrative expenses of ₹24.13 crore from the Ministry. **(Para 4.3.1)**

### **Way Forward**

Ministry reported various steps being taken towards strengthening of skill ecosystem such as factoring Unified District Information System for Education (UDISE) data to support registration process, convergence related decisions at policy, field and data levels, onboarding of more State/Central schemes, strengthening of monitoring systems for PMKVY and introduction of information framework to protect accuracy and confidentiality of scheme related data.

Ministry has also introduced various measures such as Aadhaar authenticated e-KYC, name, age, date of birth, and mobile number of the candidates, and one-year post-certification tracking through Skill India Digital Hub (SIDH) to ascertain improved employability.