

2011

Proposal Submission Guidelines

Applicable for Sector Skill Councils



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Sub: Proposal Submission Guidelines and Template

The National Skill Development Corporation (‘NSDC’) has been set up under the PM’s National Council on Skill Development with the primary mandate of enhancing, supporting and coordinating private sector initiatives for skill development. To fulfill its objectives, NSDC is looking for proposals to create Sector Skill Councils that can focus on skill development for a particular industry sector, and which can be the organisation to bring together all stake holders to manage current and future skill needs of that industry sector.

We request you to carefully study the Proposal template (enclosed) to understand NSDC’s evaluating guidelines. The proposals, among other parameters, will be evaluated through the following guidelines:

1. Sustainability of Business Models in the medium-long term.
2. Partnerships with industry players, VET providers, resource environment, training and accreditation bodies, relevant government organizations, trade unions and other stake holders for skill development in the industry sector.
3. Development of an overarching plan that addresses the skill development needs of the industry sector to include Labour Management Information, Competency framework for various trades, training delivery mechanisms, placement and QA.

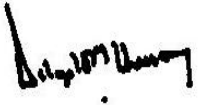
The NSDC will adopt a phased and detailed due-diligence process to approve proposals. The detailed evaluation will be done across seven set of criteria as below:

1. Support of industry players, industry bodies and other stakeholders for skill development in the industry sector.
2. Alignment of organized and unorganized market segment of industry sector in the proposal, and plans thereof.
3. Robustness of overall plan and operating model.
4. Ability to integrate the entire skill development framework into a scalable model, as per needs of both the employer and the employee.

5. Ability to leverage financial requirements.
6. Ability to leverage management capability.
7. Profile and depth of Leadership team.

You may submit your proposal to the following address.

Yours sincerely,



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Objectives of NSDC

Contribute significantly to the overall skill development target of the country (500 million skilled people by 2022) through “market making” initiatives that act like a catalyst in increasing private sector involvement in equitable skills development.

To fulfill its objective, NSDC is mandated in the National Skill Development Policy 2009, to constitute Sector Skill Councils with the following objectives:

- a) Identification of skill development needs including preparing a catalogue of types of skills, range and depth of skills to facilitate individuals to choose from them.
- b) Development of a sector skill development plan and maintain skill inventory.
- c) Determining skills/competency standards and qualifications.
- d) Standardization of affiliation and accreditation process.
- e) Participation in Affiliation, accreditation, examination and certification.
- f) Plan and execute Training of Trainers.
- g) Promotion of academies of excellence.
- h) Establishment of a well structured sector specific Labour Market Information System (LMIS) to assist planning and delivery of training.

NSDC invites industry bodies, forums, and industry groups to forward proposals for setting up SSCs. The Proposal should endeavour the address the current and future skill needs of an Industry Sector, including but not restricted to, Subpara (a) to (h) above.

Aspects to note while submitting proposals for Skill Councils to NSDC

1.1. Proposals should preferably be for setting up Skill Councils in the following priority sectors identified by the Planning Commission

Industry
1. Automobile/auto component
2. Electronics hardware
3. Textiles and garments
4. Leather and leather goods
5. Chemicals and pharmaceuticals
6. Gem and jewellery
7. Building and construction
8. Food processing
9. Handlooms and handicrafts
10. Building hardware and home furnishings
11. IT or software services
12. ITES – BPO services
13. Tourism hospitality and travel trade
14. Transportation/ logistics/ warehousing and packaging
15. Organized retail
16. Real estate services
17. Media, entertainment, broadcasting, content creation, animation
18. Healthcare services
19. Banking/insurance and finance
20. Education/skill development services
21. Unorganised Sector (e.g., Domestic help, Private Security Industry, Plumbing, etc)

- 1.2. Proposals should focus on sustainability of the project
- 1.3. Proposals should focus on scalability in terms of scope, reach and scale of operations.
- 1.4. Proposals should clearly outline the funding requirement from NSDC.
- 1.5. NSDC will not fund any land and physical infrastructure (like building etc) requirement of proposals and the NSDC funding is to be used for core skill development purpose only.

- 1.6. SSCs will sign SLAs on performance with NSDC, and be a Member in an Association of Skill Councils, when formed.
- 1.7. Proposals should clearly outline the legal structure of the firm/consortium for the proposed fund utilization. Formation of legal entity of SSCs will commence after approval of the Proposal by NSDC Board, and the MoA of the entity would align with standard SSC MoA, a draft of which will be made available during the approval process.
- 1.8. Proposals should have the support of all major employers of the Industry Sector, and their names should be mentioned in Para 3 of this Proposal.

2. Instructions to Applicant

2.1. In case the Applicant (“Proposal owner”) proposes to apply as a group of entities (the “Consortium”), coming together to implement the Proposal under an existing binding agreement in the form of a Consortium Agreement.

- a. Such Consortium Agreement should clearly define the roles and responsibilities of individual members and their inter-se relationship, particularly with reference to financial, technical and operating obligations of the individual members for the Proposal.
- b. Such Consortium Agreement should clearly specify one member as the ‘Lead Member’, who shall be responsible for the execution of the Proposal and respective obligations as may be agreed between NSDC and such Consortium on behalf of the members of such Consortium, who shall issue a Power of Attorney signed by all the members of the Consortium in favour of the Lead Member to act for and on behalf of all the members of the Consortium.
- c. Such Consortium Agreement should be for a minimum period of 5 (five) years or till the proposed project is executed, whichever is later
- d. Such Consortium should clearly specify that all Consortium members shall be jointly and severally liable for the execution of the Proposal in accordance with the terms and conditions of the agreement(s) as may be executed with NSDC.
- e. The Lead Member of the Consortium shall be the single point of contact for NSDC with relation to project execution, monitoring and any matter connected therewith.
- f. A copy of the Consortium Agreement is required to be submitted along with the Proposal, failing which the Proposal shall be considered incomplete.
- g. Such members of the Consortium may also enter into a joint venture agreement to execute the Proposal incorporating the above terms, however in all circumstances, the members forming such a joint venture shall remain jointly and severely liable for the execution of the Proposal in accordance with the terms and conditions of the agreement(s) as may be executed with NSDC.

2.2. Such Consortium Agreement and/or joint venture agreement as per Clause 2.1 above shall form an integral part of the transaction documents with NSDC.

2.3. All proposals submitted to NSDC shall become the property of NSDC, which shall not be liable to be returned to the proposer. NSDC would, however, maintain confidentiality of the information contained within the proposals. NSDC would be entitled to share the proposals and the information contained therein with its advisors, consultants, lawyers etc. and as may otherwise be required to be disclosed under law.

2.4. Furthermore, NSDC would have the absolute discretion to reject any proposal without assigning any reason whatsoever.

2.5. Please retain the same Font and Size for submitting the Proposal (Times New Roman - Size 12)

2.6. It is important to structure your response as per the instructions with each Para. Please do not delete any instructions.

3. Introduction to Proposal

This page introduces your Industry Sector, and the guiding philosophy behind this Proposal. Please fill in the following aspects (and any other that you wish), in a broad manner:

- Who are the promoters of this Proposal?
- What is the purpose?
- How is skill development being currently carried out in your Industry Sector? What are the challenges?

Please do not exceed one page.

4. Project Objective

What do you expect to achieve by this Project? Use this page to describe your objectives. These may flow out of the NSDC's mandate of setting up SSCs (See Pg 7 above). You may want to list them serially, in order of importance, giving a para of description for each. Restrict yourself to this Page.

5. Background Information

This part will provide the context for this Proposal. Key aspects which can be covered in this part (one or two Paras on each) are:

- Description of the Industry Sector – what are its sub sectors (e.g., for Retail, does it include the supply chain?), its historical perspective, growth rate etc.
- Key or core activities in the Industry
- Demand Supply Analysis of various sub sectors of your Industry (use tables where possible)
 - Employment creation across the value chain (e.g., for auto companies , those in manufacturing, selling, drivers, supply chain etc)
 - Requirement of manpower across various experience levels/grades
 - Availability of manpower. Analyse through the lens of quality and quantity.
- Functional distribution of Human Resources – here give the % of resources in each function of your Industry Sector , in a Tabular Form – e.g., what % are involved in manufacturing, sales, supply chain and others.
- Regional distribution of manpower requirement - district/cluster/city/state wise % of requirement- depends on your industry pattern.
- Skill gaps in the Industry Sector – the major skill gaps for each type of job/profession can be listed here - as per format of skill gap analysis done by NSDC (www.nsdcindia.org). Please give reference for your data.
- Reasons for skill gaps. Here analyse the probable causes of skill gaps listed above. Are they due to inadequate industry- training provider interaction, or poor trainers, or outdated content, or all of these? Please be as specific as possible.
- Participation, efficacy of training by Govt bodies and institutions in your Industry Sector.
- Size of unorganized Industry in your Sector, by manpower numbers,

Your response should not exceed five pages, including this page. Please make optimal use of graphs, charts and numbers.

6. Global Best Practices for Skill Development in your Sector

This should include details of SSCs of your Industry Sector, if functional in any country. Include a brief analysis of the Best Practices and their relevance to your Sector at the end. Response not to exceed two pages. . Please make optimal use of graphs, charts and numbers.

7. Overview of SSC Activities

Please revisit the mandate of NSDC (Pg 7). What do you think should be the broad activity segments of your SSC? Write them down in bullet form in the space given below:

Now that the first level of segmentation is done, please take each of these segments and discuss them as follows:

- Segment # 1
 - Description of the segment – (50 words)
 - Main activities undertaken by this Segment - two sentences on each activity. If there are activities under these, list them as bullets.

(Similarly discuss each segment)

8. Nature of Likely Impact

Since impact is the key metric to focus on in the skill development area, please provide a brief outline of the outcome of the benefits of the proposed SSC along the following dimensions, during first five years of Council formation, clearly indicating data separately for Year 1 to 10. *The information provided here will be used to track the performance of the Council and the yearly funding support will be given based on this performance.*

Ser No	Item	Year 1		Year 2		Year 3		Year 4		Year 5 (so on upto Year 10)	
		Number	% of Total Workforce Impacted	Number	% of Total Workforce Impacted	Number	% of Total Workforce Impacted	Number	% of Total Workforce Impacted	Number	% of Total Workforce Impacted
1	Number of people certified										
2	Placement, as percentage of numbers certified										
3	Number of in-service training courses planned										
4	Number of Trades for which competency framework developed										
5	Number of Trades for which curriculum development facilitated										
6	Number of Trades for which training of trainers conducted										
7	Number of Trades for which career path has been developed, and lifelong learning planned										
8	Number of training programs for which certification done of trainers and trainees										
9	Number of accreditation organizations registered										
10	Number of training organizations certified										
11	Number of Trades for which skill gap analysis, and development plan created										
12	Number of Trades included in Labour Market Intelligence System										

9. Overall plan / operating model

Please indicate the details of the overall plan for setting up the Sector Skill Council. It will be helpful to indicate how NSDC funding will be used in fulfilling the requirements and in achieving sustainability for the proposed plan. Please adhere to the word limit. Any supporting documents should be attached as Annexures.

- 9.1. Overall plan details for the Sector Skills Council (*kindly articulate the overall plan including organization structure, governing body and governance, the number of 'unskilled manpower' and 'in service manpower' to be trained, rollout plan, role of various partners; word limit of 100 words*)

- 9.2. Method of operationalising a sector skill development plan, and linking it to a competency based training framework. Use of consulting support envisaged, if any. (*please specify in a word limit of 100 words*).

9.3. Please indicate how the delivery mechanism for training will be created to include curriculum design, and train the trainers(*please specify in a word limit of 50 words*)

9.4. Please provide details on how Standards and QA would be implemented(*please include details of standardisation, certification and accreditation, and specify in a word limit of 50 words*)

9.5. Please indicate how the Council proposes to generate finances to become self financed, and in what time frame?(*Word limit of 50 words*)

- 9.6. Plans for initial set up, activities, and scale up (*it will be helpful to indicate how the plan addresses the issue of scalability; e.g. the plan addresses the issue of scalability by developing e Learning based curriculum and delivery; word limit of 50 words*)

- 9.7. Technology usage and innovativeness(*please indicate how the program plans to use technology or innovative models to achieve scale / create a ripple effect in skill development; e.g. video conferencing to provide technical education in various centers of India or setup “train the trainers” facility to increase availability of trainers; word limit of 50 words*)

- 9.8. Outline the monitoring mechanism for successful implementation and smooth running of the project (*in terms of monthly information systems (MIS), or other tracking systems etc., word limit of 50 words*)

10. Proposed / Existing Partnerships

The Applicant shall indicate the partnerships that the plan envisages for smooth running and sustainability of the program and how many of them are already in place.

- a. Partnerships with employers/ industry bodies (*kindly indicate the partnerships that will be needed and the partnerships that are already in place; word limit of 50 words.*)

- b. Partnership with financial institutions (*word limit of 50 words*)

- c. Partnership with Training, Certifications and Accreditation Organisations (*word limit of 50 words*)

11. Financial Plan

Please indicate the critical financial parameters of the proposal along with sufficient backups indicated below: All the supporting documents should be attached as Annexures.

- a. Please provide financial statements including P&L statement, balance sheet and cash flow statement for at least previous 5 (five) years of the sponsoring organisation (*please provide soft copies of the worksheets*).
- b. Details of the Capital Expenditure for the next 10 (ten) years of project operations (*kindly specify in detail the list of existing and proposed equipment, technology etc. with costs and their key functions*)
- c. Details of the Operating Expenses for the project for the next 10 (ten) years of project operations (*kindly specify in detail the list of discrete annual fixed and recurring expenses for smooth running of the project*)
- d. Details of the Revenue model/ key sources of earning for the project (*please indicate the key revenue streams for the project; e.g. certification, accreditation, course fees, training of trainers. productivity analysis etc*)
- e. Financial Internal rate of return (IRR) from the project including the major base assumptions in the financial model.
- f. Type and amount of funding required from NSDC like equity investment, soft loan, etc. (*it will be helpful to give a brief rationale around why this funding should be provided by NSDC; word limit 50 words*)

- g. Amount raised from other sources (including own contribution) (*Provide list of the breakup and funds raised from other sources like industry members, associations, individual donors, banks / financial institutions, State govt., donor agencies, ; word limit 50 words*)

- h. Financial independence (*please indicate how the Proposal envisaged by you will become self sustainable after the first few years of funding support from NSDC; word limit of 50 words*)

- i. Key risks associated with project and mitigation strategy (*market, technical, organization and financial risks; word limit of 100 words*)

12. Organization details/ Profile of Management Team

Please indicate the organization details and the prior experience and the qualification of the management team identified. All the supporting documents should be attached as Annexures.

- a. Details of the company/industry body/group of organisations applying for the proposal (*please indicate organization name/ country and year of incorporation/ registered office/ contact details/ key activities of the organization/ sector expertise and provide relevant legal documents as Annexures*)

- b. Proposed organization structure (*Sec 25 Co; Public Limited Co; word limit of 50 words*)

- c. Prior experience in skill development space (*word limit of 50 words*)

- d. Educational qualification and experience of the management team, or proposed team(*team member wise; word limit of 50 words*)

- e. Please provide details of key achievements of(or the key achievements you will look for in the proposed) management/ project team in the area of skill development (*word limit of 50 words*)

- f. Experience of Project Execution Team or proposed Project Execution Team (please provide detailed CV of the project execution team)

13. Key documents to be attached with proposal

- a. Documents evidencing legal existence of your entity (s) e.g. Certificate of Incorporation / Registration / License under Section 25 of the (Indian) Companies Act, 1956 etc.
- b. Full details of shareholders/ members/ trustees along with documentary evidence supporting the same like register of members / returns submitted with the authorities etc.
- c. Full details of the governing council members / board of directors/ management team looking after day to day affairs of your entity(s) along with documentary evidence supporting the same like register of directors / return submitted with the authorities etc.
- d. Details of registration with tax/other authorities for the purpose of exemptions, if any
- e. Address of the registered office/ corporate / branch offices along with documentary evidence like copy of the registration certificate of the company, lease deeds, property papers etc.
- f. Provide tax and/ or other applicable statutory returns / reportings filed/ made with the government authorities for the last three years or since existence whichever is later along with relevant corporate progress and financial reporting documents like Balance Sheet/ Profit and Loss Account/ Statement of Expense etc
- g. Confirmation certificate in original signed by the head of the applicant entity such as Managing Director/ Chief Executive Officer/ Chairman confirming compliance with all applicable laws including but not limited to labor laws, environmental laws, tax laws, industrial laws, along with applicable supporting documents.
- h. Copies of minutes books of the meetings of the governing council / board of directors/ trustees/ shareholders/ members for the last three years or since inception whichever is later
- i. Details of all secured and unsecured loans / financial assistance availed by your entity(s) from banks / financial institutions / government institutions along with details of any mortgage, charge, hypothecation and pledge created on any property of your entity(s)
- j. Details and documents pertaining to all major contracts / agreements executed by your entity(s) imposing obligation/ liability and/ or special right on your entity(s) including and not limited to employment contracts with key employees.
- k. An Applicant shall provide details regarding pending or threatened litigation / quasi judicial proceedings, notices / orders etc. (if any) in relation to or in manner affecting the rights of your entity (s) to any movable / immovable asset / liability along with relevant documents.
- l. A consortium agreement, if applicable
- m. CV's of project execution team
- n. Soft copies of technical and financial proposal (including excel sheets) in CD