

# 'Our target, 30 per cent'

MV SUBBIAH, Chairperson, NSDC, on the objectives of the newly-formed organisation

BY MEHA MATHUR

**T**HE formation of National Skills Development Corporation (NSDC) in October this year was received with much enthusiasm in the world of skills. But how will the corporation make a difference to the sector? Will it work separately from, or in association with existing Government bodies? To know this and other answers, Skills Ahead talked to MV SUBBIAH, Chairperson of NSDC, who was earlier the chairperson of Murugappa Group.

## What's going to be the immediate agenda for NSDC?

As you are aware that the NSDC aims to play a leading role in skill development in the country, primarily by fostering private sector initiatives in this area. Our immediate agenda is to focus on soliciting some high quality proposals. NSDC will then evaluate the proposals and provide funding support in the form of equity, loan or grant, depending on what they need.

How is the functioning of NSDC going to be different from key players already in the field, like NCVT and DGET? What will be points of collaboration between the two (as also other training initiatives already happening under the aegis of the various ministries)?

In the overall challenge of skilling 500 skilled labour by 2022, the NSDC's mandate is clear and distinct to train 30% of the 500 mn. NSDC will:

1. Encourage scale ie numbers in the projects it will fund.
2. Ensure sustainability by monitoring the project over its life cycle. Eg each project will be over 5 years and may run upto 10 years. At each stage the project will be reviewed by robustness to ensure the commitment of output by the grantee.
3. Ensure quality and standard by setting up Sector Skills Council. The SSC will be formed by Industry associations' and will in turn engage industry. The industry will set job guidelines and benchmark those. This will ensure that the end product is employable by industry. The NSDC will work in close partnership with the labour ministry in formulating the terms of reference of the SSC.

How will you identify possible partners for the task of training? In whetting the proposals of interested skills development providers, what are the criteria you will be looking at, and what are the targets you will expect to be achieved?



We've put up calls for proposal on the web and anybody can submit a proposal — it could be an NGO or an entrepreneur. We will evaluate them and give those grants, soft loans or some sort of funding support, depending on what they need. The NSDC will adopt a phased and detailed due-diligence process to select proposals. Detailed evaluation will be done across six sets of criteria:

- Employer view of demand for the specific skills
- Alignment with the NSDC's mission
- Robustness of overall plan and operating model
- Ability to leverage partnerships
- Ability to leverage financial requirements
- Ability to leverage management capability

Through our website and meetings with various parties across the country, NSDC is encouraging submission of proposals that focus on scale, quality and sustainability. Eg a business house, for instance, goes to a local village school and hires a classroom from 5 to 8 pm to run a training programme; during the day it might use those people in the field. That's fine.

## Will skills development by these players be linked to any mandatory job generation target?

While we are not mandating 100% placement, the proposal evaluation process does examine the proposer's linkages with industry and any placement tie ups. The due diligence process also will examine what employment linkages exist for the trained person in the particular industry sector or location. Like any