

REQUEST FOR EXPRESSIONS OF INTEREST
(CONSULTING SERVICES)

For

Selection of an “Independent Monitoring Agency in National Skill Development Fund (NSDF) to monitor the activities undertaken by National Skill Development Corporation” (NSDC)”

Key dates and information

EOI ref. no.	SD-12012/10/2017-ENNN
EOI issuance date	26 th February, 2020
Last Date and Time for receipt of request for clarifications	17th March, 2020 by 1700 hours <i>E-mail ID: lendup.sherpa@nic.in</i>
Last Date and Time for online submission of EOI	24th March, 2020 till 1700 hours
Date and Time for online opening of EOI	26th March, 2020 at 0900 hours
Contact Persons for Queries	Under Secretary, MSDE- 011-23465892

REQUEST FOR EXPRESSIONS OF INTEREST (REOI)
(CONSULTING SERVICES – FIRM SELECTION)

Date: 26.02.2020

Assignment Title: Selection of an “Independent Monitoring Agency in National Skill Development Fund (NSDF) to monitor the activities undertaken by National Skill Development Corporation” (NSDC)”

1) *National Skill Development Fund (NSDF), the client*, invites Expression of Interests (EOIs) for selection of Independent Monitoring Agency (MA) to monitor the activities undertaken by NSDC.

2) Background:

i. About Ministry of Skill Development & Entrepreneurship (MSDE)

The Ministry of Skill Development & Entrepreneurship (MSDE) is the apex governmental body responsible for enhancing employability of the youth through skill development. The skill ecosystem in India is seeing some great reforms and policy interventions which is reinvigorating and re-energizing the country’s workforce today. It is preparing the youth for job and growth opportunities in the international market. The core objective of the Ministry is to empower the individual, by enabling her/him to realize their full potential through a process of lifelong learning where competencies are accumulated via instruments such as credible certifications, credit accumulation and transfer, etc.

ii. National Skill Development Fund (‘NSDF’)

The National Skill Development Fund (NSDF) has been set up as a Trust fully owned by the Government, under the Indian Trusts Act, 1882, to act as a receptacle for financial contributions by Government/Government entities and multilateral/bilateral and other private sector donors who would prefer to provide funds through the Government.

It was set up in 2009 by the Government of India for skill development in the country. The Fund is contributed by various Government sources, and other donors/ contributors to enhance, stimulate and develop the skills of Indian youth by various sector specific programs.

The Fund is operated and managed by the Board of Trustees. The Chief Executive Officer of the Trust is responsible for day-to-day administration and management of the Trust.

The Fund meets its objectives through National Skill Development Corporation (NSDC) which is an industry led ‘Not for Profit Company’ set up for building skill development

capacity and forging strong linkages with the market. NSDC acts as a catalyst in skill development by providing funding to enterprises, companies and organizations that provide skill training. It also develops appropriate models to enhance, support and coordinate private sector initiatives.

NSDF entered into an Investment Management Agreement (IMA) with NSDC for utilization of its corpus to meet the desired objectives of National Skill Development Mission and encourage skill development in the country.

iii. National Skill Development Corporation ('NSDC')

NSDC under MSDE has been conceptualized in response to the increasing shortage of adequately skilled workforce for meeting the growth requirements of a dynamic and vibrant economy. NSDC is a completely private sector led entity, a public private partnership, set up as a section 25 not for profit company under Companies Act 1956 with shareholding of GOI (49%) and private sector (51%). The primary mandate of NSDC is to impart world class skills to Indian labour force with employability as the end objective.

It aims to promote skill development by catalyzing creation of large, quality, for-profit vocational institutions. NSDC provides funding to build scalable, for-profit vocational training initiatives.

Its mandate is also to enable support systems such as quality assurance, information systems and train the trainer academies either directly or through partnerships. NSDC acts as a catalyst in skill development by providing funding to enterprises, companies and organizations that provide skill training. Key government schemes like PMKVY, PMKK, NULM and Udaan to promote skill development are also implemented by NSDC.

iv. Independent Monitoring Agency ('MA')

NSDC was granted exemption for the registration and governance formalities under RBI on the premise that regulatory oversight is provided by NSDF. Accordingly, NSDF, through an independent external agency undertakes oversight activities of NSDC in terms of Investment Management Agreement (IMA) between NSDC & NSDF, the Trust Deed and RBI regulations on NBFC. The MA will work in coordination with the CEO, NSDF. The MA will submit the quarterly report to the NSDF comprising review of activities undertaken by NSDC.

3. Brief Scope of Work

i. Development of Monitoring Framework

The MA would assist in the development of a suitable monitoring framework, in respect of the activities of NSDC and its assisted projects, with a view to ensure that the activities are aligned with the objectives of NSDF and are consistent with the provisions of Investment management Agreement (IMA) between NSDF and NSDC.

For this purpose, the MA will undertake the following activities: -

a) Study of the existing policies of NSDC pertaining to: -

- I. Selection of eligible projects under the scheme
- II. Sanction of funding assistance/ investment and disbursement of funds thereof
- III. Current organizational delegation structure in respect of sanction and disbursement
- IV. Existing mechanism for monitoring end use of funding assistance/investments made by NSDC
- V. Key indicators identified for assessment of operating performance of the projects in terms of coverage and success rate etc.
- VI. Mapping the flow of funds from NSDC vis-a-vis the budget/work plan estimates prepared in respect of assisted projects.

b) Review of risk management and mitigation mechanism adopted by NSDC to safeguard the interest of the Fund/Trust in respect of the assistance to eligible units and achievement of the objectives set under the Trust Agreement/IMA.

c) Review of the existing financial reporting framework followed by NSDC with respect to income recognition and asset classification and adherence to best practices, such as prudential guidelines of RBI for NBFCs/ similar bodies. For this purpose, inspection of books of accounts, records and registers and statutory registers of NSDC may be carried out on sample basis.

d) Monitor end-use of funds loaned/ investments out by NSDC to various skill training and development programs through on-site and off-site inspections of records on a random sample basis.

e) Inspect book of Accounts, Records and registers of the NSDC to the extent necessary for discharging its obligation.

f) To take appropriate measure for protecting the interest of the Government (MSDE), as the funding source for NSDC, and inform the Board of Trustees as soon as any breach of the trust deed or law comes to its notice.

ii. Submission of Monitoring Framework Report

Based on the above, the Consultant shall submit a Monitoring Framework Report, within 45 days from the award of contract by MSDE, incorporating its suggestions and recommendations on the various aspects to be covered for the purpose of monitoring the activities undertaken by NSDC

iii. Submission of Periodic Monitoring Report

The Consultant would, thereafter, submit quarterly monitoring reports, covering *inter-alia* the following aspects: -

- a) Flow of funds from NSDC and corresponding utilization of the same by eligible projects
- b) Overall performance of projects on the basis of Key Performance Indicators/Matrix as envisaged
- c) Adherence with the set objectives of the Fund/Trust in respect of the assistance extended during the reporting period and deviations, if any. For this purpose, the Consultant may rely on information obtained from the assisted units and/ or onsite/ off-site inspection of records on a random sample basis
- d) Review of periodic progress reports obtained from NSDC
- e) Recommending suggestions to improve the funding processes of NSDC as per the best practices followed by the financial services industry
- f) Monitoring time bound implementation of suggestions made by MA

Review of NPA cases on sample basis (maximum of 2 per quarter) as per suggestions made by NSDF

4. The MA shall be hired initially for one (1) year, with provision of extension of another two years, subject to satisfactory performance by the Consultants on annual basis in the first years.
5. Ministry of Skill Development and Entrepreneurship (MSDE) now invites eligible consulting firms (“Consultants”) to indicate their interest as Independent Monitoring Agency (MA) to monitor the activities undertaken by NSDC .
6. Interested consulting firms should provide information demonstrating that they have the required qualifications and relevant experience to undertake the mentioned assignment.

7. The shortlisting criteria are:

S.No	Eligibility criteria	Proof required
i.	The Consultant must be an Indian company registered as Debenture Trustee and regulated by SEBI in existence for at least 10 years.	Incorporation Certificate SEBI & GST Registration Certificate
ii.	The Consultant should have a Net Worth (Paid up Share Capital plus Free Reserves less Accumulated losses /	CA certificate reflecting overall net worth for the last three

	Fictitious assets) of at-least rupees 15 crores for each of the past three completed financial years.	completed financial years
iii.	The Consultant should have minimum average annual turnover of INR 30 crores in the last three completed financial years.	CA certificate reflecting minimum average annual turnover for the last three financial years
iv.	Consultant should have carried out advisory assignments related to credit appraisal/NPA resolution/restructuring/fund administration & management for minimum cumulative aggregate of Rs.5,000 crores in the past 3 completed financial years, with minimum number of such assignments being 10.	CA certificate reflecting relevant experience; Copy of Work Orders/Contract/ Completion Letter from Client.
v.	Consultant should have prior experience of handling at least 3 projects in the area of Prudential Oversight and Monitoring for Government/PSU funding agencies, including public sector banks/financial institutions etc (at least Rs 500 crores) during last 3 years	Copy of Work Orders/Contract/ Completion Letter from Client.
vi.	The Consultant must have on its rolls consulting staff of at least 30 technically qualified personnel in the area of consulting services for Program/Project Management, Financial Management, qualified as CA/CFA/CS/LLB/MBA with post qualification experience of at least 5 years.	Certificate from Company Secretary for number of technically qualified professionals employed by the company and appropriate supporting under taking.
vii.	Consultant should have its Registered office/branch office in Delhi or NCR for close co-ordination with NSDF/T	Self- declaration together with the address

Please use the two forms given at **Annexure 1 and Annexure 2** to provide further details.

8. **Consortium bids are not allowed.** The bidding firm shall not subcontract any of services required under this assignment.
9. **Selection Method-**A Consulting Firm will be selected in accordance with the Quality and Cost Based Selection (QCBS) method as set out in the GFR, 2017 and Manual for procurement of consultancy and other services 2017 issued by Department of Expenditure, Ministry of Finance, Govt. of India. Request for Proposal (RFP) will be issued only to shortlisted qualified agencies after evaluation of EOI to submit their detailed technical and financial proposals for the required services.
10. **Clarifications on REOI-** In case of any query on the objectives or scope of work or the services projected, the consultants may contact Shri Lendup Sherpa, Under Secretary, MSDE (email id: lendup.sherpa@nic.in) latest by **17.03.2020** (05:00 PM).

11. EOI Online Submission Process and Timelines:

- 11.1 The EOI containing the Technical Proposal along with supporting documents as per Qualification criteria mentioned above under Section- Eligibility Criteria as per format given at Annexure 1 and 2 of the document should be submitted online (only) on the Portal <https://eprocure.gov.in/eprocure/app>. Manual submission of EOI is not permissible. The Consulting Firm shall submit a digitally signed, encrypted and complete EOI.
- 11.2 **Deadline for online EOI submission is 24.03.2020 till 05:00 PM.**
- 11.3 An authorized representative of the Consulting Firm shall digitally sign the EOI submission letter in the required formats and supporting documents. The authorization shall be in the form of a written power of attorney scanned and uploaded together EOI. The digitally signed and encrypted EOI shall be uploaded in the Procurement Portal as mentioned below, using valid DSC.
- 11.4 The EOI or its modifications must be uploaded on the portal no later than the deadline indicated for submission, or any extension to this deadline. The electronic system will not allow any EOI or its modification being uploaded after the due date & time as per server. Once the Proposal is uploaded on the Portal, the system will generate a unique identification number with the stamped submission time. The unique identification number with the time stamp represents an acknowledgement of the EOI submission.

Other requirements are specified below:

- i. The Consulting Firm must have Class III Digital Signature Certificate (DSC) with signing, and User-id of the e-Procurement website before participating in the selection process. The Firm may use their DSC if they already have. They can also obtain DSC from any of the Government of India's authorized Certifying Authorities. For user-id they have to get registered themselves on e-procurement website <https://eprocure.gov.in/eprocure/app> and submit their EOI online on the same. Offline bids shall not be entertained by the MSDE.
- ii. For support related to submission of EOI on the Procurement Portal, Firm may contact the 24x7 CPP Portal Helpdesk (Help Desk Number 0120-4001005) at the Portal <https://eprocure.gov.in/eprocure/app>.
- iii. EOI document can be downloaded from <https://www.msde.gov.in/> and <https://eprocure.gov.in/cppp/>

12. Summary Rejection:

- i. It is expressly made clear that mere submission of EOI, eligible or not eligible, shall not confer any right whatsoever on any such entity/ Consulting firm. Any EOI submitted by a Consulting firm, which fails to satisfy the eligibility requirements set out in the Clause No 7 above, is liable to be rejected summarily.
- ii. The MSDE reserves the right to accept or reject any proposal and to annul the procurement process and reject any or all proposals at any time prior to award of contract, without thereby incurring any liability to the affected Bidding Firms or any obligations to inform the firms of the grounds for the MSDE's action.

Form – 1: Notice of Intent to Submit response to the EoI

(To be submitted on the Letter head of the applicant)

To

Under Secretary

Ministry of Skill Development & Entrepreneurship

Room No. 328, Shram Shakti Bhawan,

Rafi Marg, New Delhi

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Ref: EoI Notification dated **26.02.2020**

Subject: Hiring of an Independent Monitoring Agency (MA) to monitor the activities undertaken by NSDC

Dear Sir/Ma'am,

1. Having examined the EoI document, we, the undersigned, herewith submit our response to your EoI Notification dated **26.02.2020** for Hiring of **an Independent Monitoring Agency (MA) to monitor the activities undertaken by NSDC**, in full conformity with the said EoI document.
2. We have read the provisions of the EoI document and confirm that these are acceptable to us. We further declare that additional conditions, variations, deviations, if any, found in our EoI shall not be given effect to.
3. We agree to abide by this EoI, consisting of this letter, the detailed response to the EoI and all attachments, for a period of 90 days from the closing date fixed for submission of proposal as stipulated in the EoI document.
4. We would like to declare that we are not involved in any major litigation that may have an impact of affecting or compromising the delivery of services as required under this assignment and we are not under a declaration of ineligibility for corrupt or fraudulent practices.
5. We hereby declare that all the information and statements made in this EoI are true and accept that any misrepresentation contained in it may lead to our disqualification.

6. We understand that MSDE is not bound to shortlist / accept any proposal received in response to this EoI.

Our correspondence details with regard to this EoI are:

No.	Information	Details
1.	Name of the applicant	
2.	Address of the applicant	
3.	Name, designation and contact address of the person to whom all references shall be made regarding this EoI	
4.	Telephone number of the contact person	
5.	Mobile number of the contact person	
6.	Fax number of the contact person	
7.	Email ID of the contact person	

We hereby declare that our proposal submitted in response to this EoI is made in good faith and the information contained is true and correct to the best of our knowledge and belief.

Sincerely,

[Applicant's Name with seal]

Name:

Title: Signature

Date:

Form-2: Details of the applicant's Operations

S. No.	Information Sought	Details to be furnished	
1	Contact Details of the Applicant		
	Name of the applicant		
	Address		
	Telephone, Mobile No		
	Email		
	Fax		
	Website		
2	Business Information about the Applicant's Operations		
2.1	Incorporation/registration Information		
	Incorporation status of the firm (public limited / private limited, etc.)		
	Details of company registration (Attach the photocopy of the registration)	Date registration	
		Registration Reference No.	
Details of registration with appropriate authorities for service tax/GST and other statutory taxes/duties (for each provide date of registration, registration reference/number and photocopies and any other relevant detail)			

	Date of registration with SEBI and registration number.	
2.2	Net Worth of Consultant (Paid up Share Capital plus Free Reserves less Accumulated losses/ Fictitious assets) for each of the past three completed FYs	
2.3.	Annual Turnovers for the last three Financial Years	
2.4.	Number of Advisory Assignments carried out related to Credit Appraisal/ NPA resolution/ restructuring/ fund administration and management alongwith funds managed in each assignment	
2.5	Number of projects managed in the area of Prudential Oversight and Monitoring for Government/ PSU funding agencies, including public sector banks/ financial institutions etc during last three years alongwith funds linked with each project	
2.6	Number of consulting staff on its rolls who are technically qualified personnel in the area of consulting services for Program/Project Management, Financial Management, qualified as CA/CFA/CS/LLB/MBA with post qualification experience of at least 5 years	
2.7	Address of registered office/ branch office of the consultant in Delhi or NCR for close co-ordination with NSDF	

Please attach relevant documents as mentioned in the point 7 (Shortlisting criteria) of the EOI document.