



**RFP for Selection of Lead Implementation Partner (LIP) to setup an Apex Skill Development Centre for imparting high-end skill training in the Manufacturing and Capital Goods Sector**

**Tamil Nadu Skill Development Corporation,**  
1<sup>st</sup> floor, Integrated Employment Exchange Campus,  
Alandhur Road, Thiru.Vi.Ka Industrial Estate, Guindy, Chennai-600032.  
Phone: 044-22500107 E.Mail: [dettnsdm@gmail.com](mailto:dettnsdm@gmail.com)

**RFP No. 2210 / SDC-7 / 2016 Date: 24-Dec-2018**

1. Managing Director, Tamil Nadu Skill Development Corporation invites proposals from eligible firms for "Selection of Lead Implementation Partner (LIP) to set up an Apex Skill Development Centre for imparting high-end skill training in the Manufacturing and Capital Goods Sector".
2. Participating Agencies must fulfil the following pre-requisites:

Sl.	Pre-qualification criteria
1	Lead Implementation Partner (LIP) should be an entity registered in India under the Companies Act/ LLP Act/ Societies Registration Act or as a Trust.
2	LIP should have been in existence for at least 10 years. <ul style="list-style-type: none"><li>• In case the LIP does not meet the said criteria, it can still bid if the LIP has been in existence for at least 5 years and at least one of its parent companies has been in existence for at least 10 years.</li></ul>
3	LIP should not have been blacklisted by any Government/ Department/ Body. <ul style="list-style-type: none"><li>• If the LIP is leveraging on the credentials of its parent company/ companies, then the parent company/ companies also should not have been blacklisted by any Government/ Department/ Body.</li></ul>
4	LIP should have an annual turn-over of at least <u>Rs. 50 Crore</u> in each of the past 3 years. <ul style="list-style-type: none"><li>• In case the LIP is bidding on the credentials of its parent company/ companies (as per Point 2), the annual turn-over of at least one of its parent company should meet the said criteria.</li></ul>
5	Minimum initial equity contribution of the LIP for formation of the SPV should be at least <u>Rs. 1.02 Lakhs.</u>
6	EMD / Bid Security should be submitted along with RFP in the form of DD for Rs. 5,000/- in favour of The Managing Director, Tamil Nadu Skill Development Corporation, Guindy, Chennai – 32 and drawn on a Nationalised bank / Scheduled Bank payable at Chennai.

3. The bidding documents may be downloaded free of cost from the website <http://www.tenders.tn.gov.in/> and [www.tnskill.tn.gov.in](http://www.tnskill.tn.gov.in).
4. Interested firms shall **submit** the RFP in the prescribed format up to **3:00 pm** on **7.01.2019** to The Managing Director, Tamil Nadu Skill Development Corporation, Guindy, Chennai -32.
5. A **pre-bid meeting** is proposed on **28.12.2018** at **3:00 p.m.**
6. The bids shall be submitted to the Office of the Managing Director, Tamil Nadu Skill Development Corporation in a sealed envelope, with documents as indicated below:
  - Proposal and Earnest Money Deposit (EMD)/ Bid Security (refundable).
7. Proposals received without Earnest Money Deposit (EMD)/ Bid Security will not be accepted and will be summarily rejected.
8. The **last date** for **submitting** the bids is **7.01.2019** up to **03:00 PM.**
9. The duly filled bid in proper format should be submitted in person or sent by courier, registered/ speed post etc., to The Managing Director, Tamil Nadu Skill Development Corporation, Guindy, Chennai -32. Each page of the proposal should be signed by the competent authority of the applicant.
10. All amendments, time extension, clarifications etc. will be uploaded on the website only and will not be published in newspapers. The bidders should regularly visit the website to keep themselves updated.

**Key dates:**

Sl.	Description	Important Information
1	Date of Invitation for bids	<b>24.12.2018</b>
2	Pre-bid meeting	<b>28.12.2018</b> at <b>3:00 p.m.</b>
3	Due date & time for downloading the bidding documents	<b>7.01.2019</b> up to <b>2.30 p.m.</b>
4	Due date & time for submission of bids	<b>7.01.2019</b> up to <b>3.00 p.m.</b>
5	Date of opening of response to RFP	<b>7.01.2019</b> at <b>3.30 p.m.</b>

Sd..

Managing Director,  
Tamil Nadu Skill Development Corporation,  
Guindy, Chennai- 600-032



## SELECTION OF LEAD IMPLEMENTATION PARTNER (LIP)

### REQUEST FOR PROPOSAL

RFP No.: 2210 / SDC-7 / 2016

**RFP for selection of Lead Implementation Partner (LIP) to setup an Apex Skill Development Centre (ASDC) for imparting high-end skill training in the Manufacturing and Capital Goods Sector**

#### **Tamil Nadu Skill Development Corporation (TNSDC)**

1<sup>st</sup> floor, Integrated Employment Exchange Campus,  
Alandhur Road, Thiru.Vi.Ka Industrial Estate, Guindy, Chennai-600032.  
Phone: 044-22500107 E-Mail: [dettnsdm@gmail.com](mailto:dettnsdm@gmail.com)

**Issued on: December 24, 2018**

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## Section 1. Introduction

In line with the Tamil Nadu Vision 2023 and as part of the Tamil Nadu Investment Promotion Programme, the Government of Tamil Nadu intends to setup five “**Apex Skill Development Centres (ASDC)** for imparting high-end skill training”. The five sectors that have been identified include:

1. Auto, auto components and machine tools
- 2. Manufacturing and capital goods**
3. Transportation and logistics
4. Hospital and health care services
5. Construction

As part of this programme, the Tamil Nadu Skill Development Corporation (TNSDC) intends to select one **Lead Implementation Partner (LIP)** in each of the five sectors listed above. This ToR pertains to the selection of an LIP for the ASDC in the Manufacturing and Capital goods sector.

The overall plan, as part of this programme is to encourage an LIP to setup an Apex Skill Development Centre (ASDC). The ASDC may also associate with national/ international partners (called Sector Partners – SPs) to setup an interrelated high technology, modular, skilling facility at the ASDC and offer demand driven courses.

The ASDC, to be designed by the LIP, is envisioned to be setup as a State of the Art Centre of Excellence (CoE) in which the LIP brings in their best in class equipment/ tools/ machines/ simulators (commonly referred to as equipment) to be used for training purposes. The ASDC will be located in an existing ITI/ Industrial Estate/ any other appropriate space identified by the ASDC (in discussion with TNSDC). The ASDC can also associate with decentralized centres / spoke centres located at the SPs’ facilities such as manufacturing units for the purpose of training.

The ASDC will be managed professionally by the LIP. The trainees who graduate from the ASDC may also function as Lead Trainers (for future programmes) as it provides them employment and keeps the system dynamic.

The ASDC will run under the overall operational management of the LIP. The LIP will be responsible for devising and implementing a three year rolling plan and ensuring that the ASDC is constantly upgraded and provides a high technology ecosystem for skilling/ up-skilling/ re-skilling/ cross-skilling and multi-skilling. The LIP will be expected to generate revenues at the ASDC which can help offset the overall costs of the ASDC. It is proposed that the ASDC will evolve over its life into a Centre of Excellence (CoE). Therefore, in its business plan, the LIP will be required to suggest initiatives/ activities that will ensure the transition of the ASDC into a CoE.

The modalities of implementation and the role of the LIP have been detailed in the Terms of Reference (Section 4) of this document.

TNSDC invites proposals from eligible LIPs for selection and appointment as a Lead Implementation Partner. TNSDC will execute an MoU with the selected LIP. It is proposed to sign the MoU before January 31, 2019.

## Section 2. Instructions to LIPs (ITL) and Data Sheet

### A. General Provisions

#### 1. Definitions

- (a) “Applicable Guidelines” means the policies of GoTN governing the selection and Contract award process as set forth in this RFP.
- (b) “Applicable Law” means the laws and any other instruments having the force of law in India, as they may be issued and in force from time to time.
- (c) “Client” means Tamil Nadu Skill Development Corporation (TNSDC).
- (d) “Lead Implementation Partner (LIP)” means a legally-established firm or an entity that is contracted with under this Contract.
- (e) “Contract” means a legally binding written agreement signed between the Client and the LIP and includes all additional documents as may be specified by the Client.
- (f) “Data Sheet” means an integral part of the Instructions to LIPs (ITL) Section 2 that is used to reflect specific assignment conditions to supplement, but not to over-write, the provisions of the ITL.
- (g) “Day” means a calendar day.
- (h) “Experts” means, collectively, Key Experts, Non-Key Experts, or any other personnel of the LIP, Sector Partner or Consortium member(s).
- (i) “Government” means the Government of Tamil Nadu.
- (j) “Joint Venture (JV)” means an association with or without a legal personality distinct from that of its members, where one member has the authority to conduct all business for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Client for the performance of the Contract.
- (k) “Key Expert(s)” means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract.

- (l) “ITL” (this Section 2 of the RFP) means the Instructions to LIPs that provides the LIPs with all information needed to prepare their Proposals.
- (m) “Non-Key Expert(s)” means an individual professional provided by the LIP or its Sector Partner and who is assigned to perform the Services or any part thereof under the Contract.
- (n) “Proposal” means the Proposal of the LIP.
- (o) “RFP” means the Request for Proposals to be prepared by the Client for the selection of LIPs.
- (p) “Services” means the work to be performed by the LIP pursuant to the Contract.
- (q) “Sector Partner” means an entity with whom the LIP intends to contract with while remaining responsible to the Client during the performance of the Contract.
- (r) “TORs” means the Terms of Reference that explain the objectives, scope of work, activities, and tasks to be performed, respective responsibilities of the Client and the LIP, and expected outcomes.

## 2. Introduction

2.1 The Client named in the **Data Sheet** intends to select an LIP in accordance with the method of selection specified in the **Data Sheet**.

2.2 The LIPs are invited to submit a Proposal for the project named in the **Data Sheet**. The Proposal will be the basis for negotiating and ultimately signing the Contract with the selected LIP.

2.3 The LIPs should familiarize themselves with the local conditions and take them into account in preparing their Proposals, including attending a pre-bid meeting if one is specified in the **Data Sheet**. Attending any such pre-bid meeting is optional and is at the LIP's expense.

## 3. Conflict of Interest

3.1 The LIP is required to provide services, at all times holding the Client's interests paramount, strictly avoiding conflicts with other assignments or its own corporate interests, and acting without any consideration for future work.

3.2 The LIP has an obligation to disclose to the Client any situation of actual or potential conflict that impacts its capacity to serve the best interest of its Client. Failure to disclose such situations may lead to the disqualification of the LIP or the termination of its

Contract and/or sanctions by the Client.

3.2.1 Without limitation on the generality of the foregoing, the LIP shall not be hired under the circumstances set forth below:

**a. Conflicting projects**

(ii) Conflict among projects: an LIP (including its Experts and Sector Partners) shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the LIP for the same or for another Client.

**b. Conflicting relationships**

(iii) Relationship with the Client's staff: an LIP (including its Experts and Sector Partners) that has a close business or family relationship with a professional staff of the Client, who are directly or indirectly involved in any part of (i) the preparation of the Terms of Reference for the assignment, (ii) the selection process for the Contract, or (iii) the supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Client throughout the selection process and the execution of the Contract.

**4. Unfair Competitive Advantage**

4.1 Fairness and transparency in the selection process require that the LIPs competing for a specific assignment do not derive a competitive advantage from having had past engagements with the Client. To that end, the Client shall indicate in the **Data Sheet** and make available to all LIPs together with this RFP all information that would in that respect give such LIP any unfair competitive advantage over competing LIPs.

**5. Corrupt and Fraudulent Practices**

5.1 GoTN requires compliance with its policy in regard to corrupt and fraudulent practices.

5.2 In further pursuance of this policy, LIPs shall permit and shall cause their Experts, Sector Partners, sub-contractors, services providers, or suppliers to permit the Client to inspect all accounts, records, and other documents relating to the submission of the Proposal and contract performance (in case of an award), and to have them audited by auditors appointed by the Client.

**6. Eligibility**

6.1 The Client permits LIPs (individuals and firms, including Joint Ventures and their individual members) from all countries to offer services under this contract unless otherwise blacklisted/ de-barred by the Government of Tamil Nadu or its undertaking.

6.2 Furthermore, it is the LIP's responsibility to ensure that its Experts, joint venture members, Sector Partners, agents



(declared or not), sub-contractors, service providers, suppliers and/or their employees meet the eligibility requirements as established in this document.

6.3 Government-owned enterprises or institutions in India shall be eligible only if they can establish that they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) that they are not dependent agencies of the Client.

To establish eligibility, the government-owned enterprise or institution should provide all relevant documents (including its charter) sufficient to demonstrate that it is a legal entity separate from the government; it does not currently receive any substantial subsidies or budget support; it is not obligated to pass on its surplus to the government; it can acquire rights and liabilities, borrow funds, and can be liable for repayment of debts and be declared bankrupt; and it is not competing for a contract to be awarded by the government department or agency which, under the applicable laws or regulations, is its reporting or supervisory authority or has the ability to exercise influence or control over it.

6.4 Government officials and civil servants in India are not eligible to be included as Experts in the LIP's Proposal unless such engagement does not conflict with any of the provisions of this engagement or employment or other laws, regulations, or policies of India.

## B. Preparation of Proposals

- |  |   |
|--|---|
| 7. <b>General Considerations</b>             | 7.1 In preparing the Proposal, the LIP is expected to examine the RFP in detail. Material deficiencies in providing the information requested in the RFP may result in rejection of the Proposal.   |
| 8. <b>Cost of Preparation of Proposal</b>    | 8.1 The LIP shall bear all costs associated with the preparation and submission of its Proposal, and the Client shall not be responsible or liable for those costs, regardless of the conduct or outcome of the selection process. The Client is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the LIP. |
| 9. <b>Language</b>                           | 9.1 The Proposal, as well as all correspondence and documents relating to the Proposal exchanged between the LIP and the Client, shall be written in the language specified in the <b>Data Sheet</b> .  |
| 10. <b>Documents Comprising the Proposal</b> | 10.1 The Proposal shall comprise the documents and forms listed in the <b>Data Sheet</b> .  |

**11. Proposal Validity**

11.1 **The Data Sheet** indicates the period during which the LIP's Proposal must remain valid after the Proposal submission deadline.

11.2 During this period, the LIP shall maintain its original Proposal without any change.

11.3 If it is established that any Key Expert nominated in the LIP's Proposal was not available at the time of Proposal submission or was included in the Proposal without his/her confirmation, such Proposal shall be disqualified and rejected for further evaluation.

**a. Extension of Validity Period**

11.4 The Client will make its best effort to complete the negotiations within the proposal's validity period. However, should the need arise, the Client may request, in writing, all LIPs who submitted Proposals prior to the submission deadline to extend the Proposal's validity.

11.5 If the LIP agrees to extend the validity of its Proposal, it shall be done without any change in the original Proposal.

11.6 The LIP has the right to refuse to extend the validity of its Proposal (without forfeiture of the EMD) in which case such Proposal will not be further evaluated.

**b. Sub-Contracting**

11.7 The LIP shall not subcontract the whole of the Services.

**12. Clarification and Amendment of RFP**

12.1 The LIP may request a clarification of any part of the RFP during the period indicated in the **Data Sheet** before the Proposal's submission deadline. Any request for clarification must be sent in writing, or by standard electronic means, to the Client's address indicated in the **Data Sheet**. The Client will respond in writing, or by standard electronic means, and will send written copies of the response (including an explanation of the query but without identifying its source) to all LIPs. Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure described below:

12.1.1 At any time before the proposal submission deadline, the Client may amend the RFP by issuing an amendment in writing or by standard electronic means. The amendment shall be sent to all LIPs and will be binding on them. The LIPs shall acknowledge receipt of all amendments in writing.

12.1.2 If the amendment is substantial, the Client may extend the proposal submission deadline to give the LIPs reasonable time to take an amendment into account in

their Proposals.

12.2 The LIP may submit a modified Proposal or a modification to any part of it at any time prior to the proposal submission deadline. No modifications to the Proposal shall be accepted after the deadline.

### 13. Proposal Format and Content

13.1 The proposal shall be as per the formats included in this RFP.

## C. Submission, Opening and Evaluation

### 14. Submission, Sealing, and Marking of Proposals

14.1 The LIP shall submit a signed and complete Proposal comprising the documents and forms in accordance with Clause 10 (Documents Comprising Proposal). The submission can be done by hand/ courier/ registered post/ speed post.

14.2 An authorized representative of the LIP shall sign the original submission letter in the required format for the Proposal and shall initial all pages of both. The authorization shall be in the form of a written power of attorney attached to the Proposal.

14.2.1 A Proposal submitted by a Joint Venture shall be signed by all members so as to be legally binding on all members, or by an authorized representative who has a written power of attorney signed by each member's authorized representative.

14.3 Any modifications, revisions, interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Proposal.

14.4 The signed Proposal shall be marked "ORIGINAL", and its copies marked "COPY" as appropriate. The number of copies is indicated in the **Data Sheet**. All copies shall be made from the signed original. If there are discrepancies between the original and the copies, the original shall prevail.

14.5 The original and all the copies of the Proposal shall be placed inside of a sealed envelope clearly marked "**PROPOSAL**", "[Name of the Assignment]", reference number, name and address of the LIP, and with a warning "**DO NOT OPEN UNTIL [INSERT THE DATE AND THE TIME OF THE PROPOSAL SUBMISSION DEADLINE].**"

14.6 The sealed envelope containing the Proposal shall be placed into one outer envelope and sealed. This outer envelope shall bear the submission address, RFP reference number, the name of the assignment, LIP's name and the address, and shall be clearly

marked “**DO NOT OPEN BEFORE**[insert the time and date of the submission deadline indicated in the Data Sheet]”.

14.7 If the envelopes and packages with the Proposal are not sealed and marked as required, the Client will assume no responsibility for the misplacement, loss, or premature opening of the Proposal.

14.8 The Proposal or its modifications must be sent to the address indicated in the **Data Sheet** and received by the Client no later than the deadline indicated in the **Data Sheet**, or any extension to this deadline. Any Proposal or its modification received by the Client after the deadline shall be declared late and rejected, and promptly returned unopened.

### **15. Confidentiality**

15.1 From the time the Proposals are opened to the time the Contract is awarded, the LIP should not contact the Client on any matter related to its Proposal. Information relating to the evaluation of Proposals and award recommendations shall not be disclosed to the LIPs who submitted the Proposals or to any other party not officially concerned with the process, until the publication of the Contract award information.

15.2 Any attempt by LIPs or anyone on behalf of the LIP to influence improperly the Client in the evaluation of the Proposals or Contract award decisions may result in the rejection of its Proposal, and may be subject to the application of prevailing Client’s sanctions procedures.

15.3 Notwithstanding the above provisions, from the time of the Proposals’ opening to the time of Contract award publication, if an LIP wishes to contact the Client on any matter related to the selection process, it should do so only in writing.

### **16. Opening of Proposals**

16.1 The Client’s evaluation committee shall conduct the opening of the Proposals in the presence of the LIPs’ authorized representatives who choose to attend (in person). The opening date, time and the address are stated in the **Data Sheet**.

16.2 At the opening of the Proposals the following shall be read out: (i) the name and the country of the LIP or, in case of a Joint Venture, the name of the Joint Venture, the name of the lead member and the names and the countries of all members; (ii) any modifications to the Proposal submitted prior to proposal submission deadline.

### **17. Proposals Evaluation**

17.1 The LIP is not permitted to alter or modify its Proposal in any way after the proposal submission deadline. While evaluating the Proposals, the Client will conduct the evaluation solely on the

basis of the submitted Proposals.

## **18. Evaluation of Proposals**

18.1 The Client's evaluation committee shall evaluate the Proposals on the basis of their responsiveness to the Terms of Reference and the RFP, applying the pre-qualifying criteria, evaluation criteria, and point system specified in the **Data Sheet**. Each responsive Proposal will be given a technical score. A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP or if it fails to achieve the minimum technical score indicated in the **Data Sheet**.

## **D. Negotiations and Award**

### **19. Negotiations**

19.1 The negotiations will be held at the date and address indicated in the **Data Sheet** with the LIP's representative(s) who must have written power of attorney to negotiate and sign a Contract on behalf of the LIP.

19.2 The Client shall prepare minutes of negotiations that are signed by the Client and the LIP's authorized representative.

#### **a. Availability of Key Experts**

19.3 The invited LIP shall confirm the availability of all Key Experts included in the Proposal as a pre-requisite to the negotiations. Failure to confirm the Key Experts' availability may result in the rejection of the LIP's Proposal and the Client proceeding to negotiate the Contract with the next-ranked LIP.

19.4 Notwithstanding the above, the substitution of Key Experts at the negotiations may be considered if due solely to circumstances outside the reasonable control of and not foreseeable by the LIP, including but not limited to death or medical incapacity. In such case, the LIP shall offer a substitute Key Expert within the period of time specified in the letter of invitation to negotiate the Contract, who shall have equivalent or better qualifications and experience than the original candidate.

#### **b. Technical negotiations**

19.5 The negotiations include discussions of the Terms of Reference (TORs), the proposed methodology, the Client's inputs, the special conditions of the Contract, and finalizing the "Description of Services" part of the Contract. These discussions shall not substantially alter the original scope of services under the TOR or the terms of the contract.

### **20. Conclusion of Negotiations**

20.1 The negotiations are concluded with a review of the finalized draft Contract, which then shall be initialed by the Client and the LIP's authorized representative.

20.2 If the negotiations fail, the Client shall inform the LIP in writing of all pending issues and disagreements and provide a final opportunity to the LIP to respond. If disagreement persists, the Client shall terminate the negotiations informing the LIP of the reasons for doing so. The Client will invite the next-ranked LIP to negotiate the Contract. Once the Client commences negotiations with the next-ranked LIP, the Client shall not reopen the earlier negotiations.

## 21. Award of Contract

21.1 After completing the negotiations, the Client shall sign an MoU with the LIP as per the instructions in the **Data Sheet**; and promptly notify the other shortlisted LIPs.

21.2 The LIP is expected to commence the next steps on the date and at the location specified in the **Data Sheet**.

## E. Data Sheet

A. General	
<b>ITL Clause.</b>	
<b>2.1</b>	<b>Name of the Client:</b> Tamil Nadu Skill Development Corporation(TNSDC) <b>Method of selection:</b> QualityBased Selection
<b>2.2</b>	<b>The name of the assignment is:</b> Selection of Lead Implementation Partner to set up an Apex Skill Development Centre for imparting high-end skill training in the Manufacturing and Capital Goods Sector.
<b>2.3</b>	<b>A pre-proposal conference will be held:</b> Yes Date of pre-proposal conference: 28-Dec-2018 at 3:00 PM Address:  TAMIL NADU SKILL DEVELOPMENT CORPORATION Integrated Employment Offices Campus (1st Floor) Thiru. Vi .Ka Industrial Estate, Guindy, Chennai-600 032, Tel: 044 – 22500107   Email: <a href="mailto:dettnsdm@gmail.com">dettnsdm@gmail.com</a> Website: <a href="https://www.tnskill.tn.gov.in">https://www.tnskill.tn.gov.in</a> Contact person: Mr. B Mustafa, Project Director, 044-22500107.
<b>4.1</b>	-
B. Preparation of Proposals	
<b>9.1</b>	English language.

<b>10.1</b>	<p><b>The Proposal shall comprise the following:</b></p> <ol style="list-style-type: none"> <li>(1) Power of Attorney to sign the Proposal.</li> <li>(2) TECH-1</li> <li>(3) TECH-2</li> <li>(4) TECH-3</li> <li>(5) Earnest Money Deposit/ Bid Security.</li> </ol>						
<b>11.1</b>	<p><b>Proposals must remain valid for 90 (ninety) calendar days after the proposal submission deadline (i.e., until April 8, 2019).</b></p>						
<b>12.1, 14.8</b>	<p><b>Clarifications may be requested no later than 7 (seven) days prior to the submission deadline.</b></p> <p><u>The contact information for requesting clarifications is:</u></p> <p>TAMIL NADU SKILL DEVELOPMENT CORPORATION  Integrated Employment Offices Campus (1st Floor),  Thiru. Vi .Ka Industrial Estate, Guindy, Chennai-600 032.  Tel: 044 – 22500107   <a href="mailto:dettnsdm@gmail.com">Email: dettnsdm@gmail.com</a></p>						
<b>C. Submission, Opening and Evaluation</b>							
<b>14.4</b>	<p><b>The LIP must submit:</b> (a) <b>Proposal:</b> one (1) original and one (1) copy.</p>						
<b>14.8</b>	<p><b>The Proposals must be submitted no later than:</b>  <b>Date and Time: 7.01.2019 up to 3.00 PM</b>  <b>The Proposal submission address is:</b>  TAMIL NADU SKILL DEVELOPMENT CORPORATION  Integrated Employment Offices Campus (1st Floor)  Thiru. Vi Ka Industrial Estate, Guindy, Chennai-600 032.  Tel: 044 – 22500107.</p>						
<b>16.1</b>	<p><b>The opening shall take place at:</b> same as the Proposal submission address.  <b>Date: 07.01.2019 at 3.30 p.m.</b></p>						
<b>18.1</b>	<p>Criteria, sub-criteria, and point system for the evaluation of the Full Proposals:</p> <p><b><u>Pre-Qualification Criteria:</u></b></p> <table border="1" data-bbox="342 1602 1442 1822"> <thead> <tr> <th data-bbox="342 1602 407 1671">Sl.</th> <th data-bbox="407 1602 906 1671">Evaluation Metric</th> <th data-bbox="906 1602 1442 1671">Documentary Proof</th> </tr> </thead> <tbody> <tr> <td data-bbox="342 1671 407 1822">1</td> <td data-bbox="407 1671 906 1822">Lead Implementation Partner (LIP) should be an entity registered in India under the Companies Act/ LLP Act/ Societies Registration Act</td> <td data-bbox="906 1671 1442 1822">Proof of registration to be submitted.</td> </tr> </tbody> </table>	Sl.	Evaluation Metric	Documentary Proof	1	Lead Implementation Partner (LIP) should be an entity registered in India under the Companies Act/ LLP Act/ Societies Registration Act	Proof of registration to be submitted.
Sl.	Evaluation Metric	Documentary Proof					
1	Lead Implementation Partner (LIP) should be an entity registered in India under the Companies Act/ LLP Act/ Societies Registration Act	Proof of registration to be submitted.					

	<p>or as a Trust.</p>	
2	<p>LIP should have been in existence for at least 10 years.</p> <p>In case the LIP does not meet the said criteria, it can still bid if the LIP has been in existence for at least 5 years and at least one of its parent companies has been in existence for at least 10 years.</p>	<ul style="list-style-type: none"> <li>• The Certificate of Incorporation of the LIP should be submitted.</li> </ul> <p><u>In case the LIP is bidding on the credentials of its Parent Company/ Companies, the additional documents to be submitted:</u></p> <ul style="list-style-type: none"> <li>• The Certificate of incorporation of the Parent Company/ Companies should be submitted.</li> <li>• Proof of equity holding of the Parent company/ companies in the LIP.</li> </ul>
3	<p>LIP should not have been blacklisted by any Government/ Department/ Body.</p> <p>If the LIP is leveraging on the credentials of its parent company/ companies, then the parent company/ companies also should not have been blacklisted by any Government/ Department/ Body.</p>	<p>Self-declaration to be provided.</p>
4	<p>LIP should have an annual turn-over of at least <u>Rs. 50 Crore</u> in each of the past 3 years.</p> <p>In case the LIP is bidding on the credentials of its parent company/ companies (as per Point 2), the annual turn-over of at least one of its parent company should meet the said criteria.</p>	<ul style="list-style-type: none"> <li>• Audited financial statements for past three financial years of the LIP to be submitted.</li> <li>• Audited financial statements for past three financial years of the Parent company/ Companies to be submitted (if applicable).</li> </ul>
5	<p>Minimum initial equity contribution of the LIP for formation of the SPV should be at least <u>Rs. 1.02 Crore</u>.</p>	<p>Declaration on LIP letter head signed by Authorised Representative.</p>



## 6 Submission of EMD

EMD / Bid Security should be submitted along with RFP in the form of DD for Rs. 5,000/- in favour of The Managing Director, Tamil Nadu Skill Development Corporation, Guindy, Chennai – 32 and drawn on a Nationalised bank / Scheduled Bank payable at Chennai.

Note:

1. In case the applicant is a Consortium/ an Association, then the consortium will need to identify a Lead Member of the consortium, who will be the LIP. In such a case, the criteria mentioned in this table above will apply to the Lead Member of the Consortium.
2. The Consortium shall need to be able to demonstrate through documentary evidence (e.g. its MoA/ AoA/ Power of Attorney etc.) that the Consortium can take decisions on behalf of its members.

The bids submitted by the bidders who clear the pre-qualification round only will be evaluated as per the criteria provided below:

**Evaluation Criteria (100 Points)****A. Profile of the LIP (30 points)**

1. Profile of the LIP (maximum 1 page).
  - Where the LIP is a subsidiary or part of a Consortium, an additional 1 page profile of the Parent companies/ consortium companies is to be provided.
2. Details about the business partners (national and international) that the company is closely engaged with in various capacities in the relevant sector as part of routine business activities. These partners may include vendors/ tie-ups/ associations/ JVs/ Knowledge partners.
3. Investment details of the LIP (and where applicable, its Parent Company) in process upgradation and technology upgradation in the past 3 years (in Rs.).
  - The LIP should be able to show a continuous and on-going effort to use state of the art equipment/ machines/ tools as part of routine business activities.
  - Details about relevant certifications/ awards won/ recognition obtained for best-in-class processes, and adherence to quality standards (e.g. ISO certification, Six Sigma, 5S, Deming Award etc.).

**B. Training profile of LIP (20 points)**

1. Details about the existing training infrastructure available with the LIP (and if applicable, the SPs).
2. Demonstrated commitment to training, skilling and up-skilling of its workforce over the past 3 years.
3. Details of curriculum of its 3 best-in-class training programmes with a clear indication of modules that are taught practically. Should include details such as the job profile, number of trainees trained, and relevance of the courses for the sector.
4. Detailed curriculum and content of one training programme with a clear indication of modules that are taught practically.

**C. Overall Vision/ Plan for the ASDC (20 points)**

1. Present an overall Business Plan for the first five years of the ASDC.
2. Present a detailed action plan for the first three years of the ASDC.
  - Should contain, among other aspects the overall strategy for the centre for the first three years, operationalisation of the strategy into action items for the first three years; list of training courses to be conducted (through a demand assessment), their duration, and batch size; indicative profiles of faculty that shall be brought in as train-the-trainers; list of equipment/ machinery that will be brought into the ASDC; proposed placements; list of MoUs that the LIP will sign/ SPs that the LIP will engage with; financials of the ASDC (Cash flows and P&L statements); steps that the LIP will take to ensure that the training provided is aligned to market requirements, is demand driven and is always current.

**Note:**

- It is expected that the LIP will give preference to training courses in new/ upcoming/ emerging/ disruptive areas.
- LIPs may submit MoUs signed with SPs as part of their proposal.

**The bidders who secure at least 75% of the points in the Evaluation Criteria A, B and C above will be shortlisted and called for a presentation.**

**D. Presentation to the Evaluation Committee (30 Points)**

Presentation shall be in three parts:

- Part 1: About the LIP- overall profile; expertise in the sector and skill development (5 mins).
- Part 2: Five year Business Plan and Vision for ASDC. (10 mins).
- Part 3: Detailed 3 year operational plan. (15 mins)

	<p>- Note: The senior resource persons proposed to be directly involved in the running of the ASDC shall be required to make the presentation.</p> <p><b>One bidder will be chosen as the LIP in each sector at the end of the Presentation.</b></p>
	<b>D. Negotiations and Award</b>
<b>19.1</b>	<p><b>Expected date and address for contract negotiations:</b>  <b>Date:</b> To be informed by the Client.  <b>Address:</b> TAMIL NADU SKILL DEVELOPMENT CORPORATION  Integrated Employment Offices Campus (1st Floor),  Thiru. Vi Ka Industrial Estate, Guindy, Chennai-600 032.</p>
<b>21.1</b>	<b>Expected date for the signing of the MoU: Before 31-January-2019 at: <u>Chennai.</u></b>
<b>21.2</b>	To be informed by the Client.

### **Section 3. Proposal – Standard Forms**

**All pages of the original Proposal shall be initialed by the same authorized representative of the bidder who signs the Proposal.**

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**FORM TECH-1**  
**A. PROPOSAL SUBMISSION FORM**

[Location, Date]

To,

The Managing Director,  
Tamil Nadu Skill Development Corporation,  
Guindy, Chennai - 600 032.  
Tamil Nadu,

Dear Sir/Madam,

We, the undersigned, intend to participate as a Lead Implementation Partner (LIP) for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Proposal.

{If the LIP is a joint venture, insert the following: We are submitting our Proposal as a joint venture with: {Insert a list with full name and the legal address of each member, and indicate the lead member}. We have attached a copy {insert: “of our letter of intent to form a joint venture” or, if a JV is already formed, “of the JV agreement”} signed by every participating member, which details the likely legal structure of and the confirmation of joint and severable liability of the members of the said joint venture.

We are hereby submitting our Proposal, which includes this Proposal sealed under a separate envelope 1.

We hereby declare that we have read the Instructions to Consultants included in the RFP, and abide by the same, and specifically to conditions mentioned in Instruction to bidders. [In case of any declaration, reference to concerned document attached must be made]. We hereby declare that all the information and statements made in this Proposal are true and we accept that any misleading information contained in it may lead to our disqualification.

We undertake, if our Proposal is accepted, to sign the MoU and initiate the project as per the timelines prescribed.

Yours faithfully,

Authorized Signature [In full and initials]:

Name and Title of Signatory:

Name of Firm:

Address:

{For a joint venture, either all members shall sign or only the lead member, in which case the power of attorney to sign on behalf of all members shall be attached}.

**B. PROOF OF REGISTRATION (COMPANY/LLP/SOCIETY/ TRUST)**

<<Insert proof here>>

**C. CERTIFICATE OF REGISTRATION OF THE COMPANY**

<<Insert Certificate of registration of the LIP>>

In case LIP is bidding on the credentials of its Parent Company/ Companies, the additional documents to be submitted:

<<Proof of equity holding of the Parent company/ companies in the LIP>>

<<The Certificate of incorporation of the Parent Company/ Companies>>

**D. SELF-DECLARATION AGAINST BLACK LISTING**

<<Certificate of self-declaration>>

**E. TURN OVER**

<<Audited financial statements for past 3 financial years of the LIP>>

<<Audited financial statements for past three financial years of the parent company/ companies (if applicable)>>

**F. CONFIRMATION FOR INITIAL EQUITY CONTRIBUTION**

<<Declaration on LIP letter head signed by Authorised Representative>>

**F. EMD**

<<EMD / Bid Security should be submitted along with RFP in the form of DD for Rs. 5,000 in favour of The Managing Director, Tamil Nadu Skill Development Corporation, Guindy, Chennai – 32 and drawn on a Nationalised bank / Scheduled Bank payable at Chennai>>.

**FORM TECH-2****LIP'S PROFILE, TRAINING PROFILE, VISION AND PLAN FOR THE ASDC****A. BASIC DETAILS**

<b>1</b>	<b>Full legal name of LIP</b>	
<b>2</b>	<b>Is the LIP a subsidiary?</b>	Yes/ No.  If yes, full legal name of parent company/ companies to be provided with equity holding % of each parent company in the LIP.
<b>3</b>	<b>Whether LIP is bidding using the credentials of it's Parent Company/ Companies</b>	Yes/ No.
<b>4</b>	<b>Whether submitting proposal as a Consortium?</b>	Yes/ No.  If yes, the full legal names of each of the consortium members is to be mentioned. Also, specifically mention the name of the LIP.

**B. PROFILE OF LIP**

Profile of the LIP (maximum 1 page). Where the LIP is a subsidiary or part of a Consortium, an additional 1 page profile of the Parent companies/ consortium companies is to be provided.

**C. DETAILS ABOUT BUSINESS PARTNERS**

Details about the business partners (national and international) that the company is closely engaged with in various capacities in the relevant sector as part of routine business activities. These partners may include vendors/ tie-ups/ associations/ JVs/ Knowledge partners.

**D. INVESTMENT DETAILS ABOUT LIP**

Investment details of the LIP (and where applicable, its Parent Company) in process upgradation and technology upgradation in the past 3 years (in Rs.). The LIP should be able to show a continuous and on-going effort to use state of the art equipment/ machines/ tools as part of routine business activities.

Details about relevant certifications/ awards won/ recognition obtained for best-in-class processes, and adherence to quality standards (e.g. ISO certification, Six Sigma, 5S, Deming Award etc.), with date, purpose for which award was received.

The LIP should indicate the name of the equipment/ machinery, make/ brand, year of purchase, cost, brief description of the use of the equipment in the normal business process, differentiator viz-a-viz competitors.

#### **E. TRAINING PROFILE**

1. Details about the existing training infrastructure available with the LIP (and if applicable, the SPs).
2. Demonstrated commitment to training, skilling and up-skilling of its workforce over the past 3 years.
3. Details of curriculum of its 3 best-in-class training programmes with a clear indication of modules that are taught practically. Should include details such as the job profile, number of trainees trained, and relevance of the courses for the sector.
4. Detailed curriculum and content of one training programme with a clear indication of modules that are taught practically.

#### **F. OVERALL VISIONS/ PLAN FOR THE ASDC**

1. Overall Business Plan for the first five years of the ASDC.
2. Detailed action plan for the first three years of the ASDC. This should contain, among other things the following:
  - The overall strategy for the centre for the first three years,
  - Plan for operationalisation of the strategy into action items for the first three years;
  - Steps that the LIP will take to make the ASDC a Centre of Excellence.
  - List of training courses to be conducted, the method by which the training courses will be chosen, their duration, indicative batch size, cost to be charged to the trainee; (Note: It is expected that the LIP will give preference to training courses in new/ upcoming/ emerging/ disruptive areas).
  - Indicative profiles of faculty that shall be brought in as train-the-trainers, their experience, areas of expertise (CVs to be attached).
  - List of equipment/ machinery that will be brought into the ASDC along with timelines when the equipment will be introduced, cost of the equipment, age of the equipment,
  - Proposed placements;
  - List of MoUs that the LIP will sign/ SPs that the LIP will engage with;
  - Three year financial plan of the ASDC (Cash flow statement, balance sheet and P&L statements to be prepared);
  - Steps that the LIP will take to ensure that the training provided is aligned to market requirements, is demand driven and is always current.



- Steps that the LIP will take to market the courses, identify trainees, mobilise trainees into the training centres.
- Assessment and Certification plan of the LIP – including whether the assessment method and certification will conform to any national/ international standard.
- LIPs may submit MoUs signed with SPs as part of their proposal.

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## **FORM TECH-3**

### **COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE**

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Form TECH-3: comments and suggestions on the Terms of Reference that could improve the quality/effectiveness of the assignment.

#### **A - On the Terms of Reference**

{improvements to the Terms of Reference, if any}

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## Section 4. Terms of Reference

### **Terms of Reference for Selection of Lead Implementation Partner to set up an Apex Skill Development Centre (ASDC) for imparting high-end skill training in the Manufacturing and Capital Goods Sector**

#### **INTRODUCTION**

In line with the Tamil Nadu Vision 2023 and as part of the Tamil Nadu Investment Promotion Programme, the Government of Tamil Nadu intends to setup five “Apex Skill Development Centres for imparting high-end skill training”. The five sectors that have been identified include:

1. Auto, auto components and machine tools
- 2. Manufacturing and capital goods**
3. Transportation and logistics
4. Hospital and health care services
5. Construction & infrastructure

As part of this programme, the Tamil Nadu Skill Development Corporation (TNSDC) intends to select one Lead Implementation Partner (LIP) for each of the five sectors listed above.

This ToR pertains to the selection of an LIP for the Apex Skill Development Centre for Manufacturing and Capital goods sector.

#### **Concept**

The overall plan, as part of this programme is to encourage an LIP to setup an Apex Skill Development Centre (ASDC). The ASDC may also associate with national/ international partners (called Sector Partners– SPs) to setup an interrelated high technology, modular, skilling facility at the ASDC and offer demand driven courses.

The ASDC, to be designed by the LIP, is envisioned to be setup as a State of the Art Centre of Excellence (CoE) in which the LIP brings in their best in class equipment/ tools/ machines/ simulators (commonly referred to as equipment) to be used for training purposes. The ASDC will be located in an existing ITI/ Industrial Estate/ any other appropriate space identified by the ASDC (in discussion with TNSDC). The ASDC can also associate with decentralized centres / spoke centres located at the SPs’ facilities such as manufacturing units for the purpose of training.

The ASDC will be managed professionally by the LIP. The trainees who graduate from the ASDC may also function as Lead Trainers (for future programmes) as it provides them employment and keeps the system dynamic.

The ASDC will run under the overall operational management of the LIP. The LIP will be responsible for devising and implementing a three year rolling plan and ensuring that the ASDC is constantly upgraded and provides a high technology ecosystem for skilling/ up-

skilling/ re-skilling/ cross-skilling and multi-skilling. The LIP will be expected to generate revenues at the ASDC which can help offset the overall costs of the ASDC. It is proposed that the ASDC will evolve over its life into a Centre of Excellence (CoE). Therefore, in its business plan, the LIP will be required to suggest initiatives/ activities that will ensure the transition of the ASDC into a CoE.

### **Role of the LIP**

The role of this LIP shall include the following:

1. To design the ASDC and to develop a three year strategic rolling plan for the ASDC and be responsible for implementing the plan.
2. Overall administrative, quality and financial responsibilities including the management of the ASDC, marketing, branding, placement, costing of courses, management of hostels, course content, pedagogy, funding etc.
3. The LIP may engage with, invite and sign MoUs with SPs (such as equipment manufacturers, tool and device manufacturers that service the sector) and continuously engage with the SPs to ensure that the ASDC remains relevant at all times.
4. Identify and formulate training programmes to develop skills in futuristic/ disruptive technologies and associated skill sets that are lacking in the sector.
5. To develop courses, course content, course work, manuals, standard operating procedures and standards, get them approved by the Board, and disseminate the same with the overall intent of improving the skillsets of individuals associated with the sector. In developing these, the ASDC shall build on existing available literature and ensure compliance with existing standards (where available).
6. To facilitate placement of the trained candidates. The extent of placement of candidates in relevant jobs shall be a key assessment metric of the quality and relevance of the training provided.
7. To create a network among existing training facilities (both Publicly and Privately owned) and pool their resources so as to not replicate existing effort put in.
8. To impart high-end skills (and not generic skills) to unemployed individuals, and employed individuals (looking to upskill/ re-skill themselves).
9. To conduct train the trainer programmes.
10. To facilitate industry linkages for apprenticeship and on-the job training programmes. One off training at the ASDC is not the intended end result of this project.
11. To conduct need based/ on-request training programmes to cater to specialized requirements of corporates, and to generate revenues through these programmes.
12. To carry out assessment, certification and placement of trainees.
13. To make the ASDC self-supporting and provide production or services while it meets its primary objective of being a high technology skilling centre.

## IMPLEMENTATION MODALITIES

The Government of Tamil Nadu has engaged Tamil Nadu Skill Development Corporation (TNSDC) to coordinate and execute this project in a phased manner. The modalities of this project will be as follows:

- TNSDC will select an LIP, who shall be a recognized name (or names) in the sector.
- TNSDC and the LIP will form an SPV in which the LIP's ownership will be 51%.
- The SPV shall be constituted under the Companies Act 2013 and shall be a Section 8 Company.
- The Governance composition of the SPV shall be as follows:
  - Chairman: To be appointed by the GoTN.
  - MD: An expert with industry experience, appointed by the Board of the SPV.
  - Additional Directors: To be appointed by the Board, and can include industry experts, and experts from academic institutions.
  - Independent Directors: To be appointed by the Board.
  - Advisory Panel: The Board can appoint an Advisory Panel consisting of prominent experts to advise the Board.
  - Note: The Board shall be a professional board and shall have professional internal and external audit/ review processes and conform to the highest corporate governance standards.
- The ASDC will be located in an existing ITI/ Industrial Estate/ any other appropriate space identified by the ASDC (in discussion with TNSDC). The space allocated, where allocated by the GoTN, shall be allocated on long term lease basis to the SPV. The initial period of lease shall be for 30 years, extendable based on the performance of the SPV.
- Relevance of the ASDC's training will be assessed periodically by sectoral experts appointed by the Board.
- Investment of Government and LIP:
  - The LIP shall hold 51% equity in the SPV.
  - The LIP and the Government shall contribute towards the necessary Owner's Equity at the time of setting up the SPV. The equity contribution of the LIP and the Government shall be decided through discussions between the LIP and the Government.
  - Additionally, the Government will contribute a grant to the ASDC to support it in its initial 3 years.
    - The GoTN has budgeted for an overall contribution of Rs. 20 Cr for each SPV. This shall be used towards equity contribution and the grant.

- This grant shall be released based on the achievement of the milestones defined in the 3 year rolling plan and based on the actual expenses incurred the LIP in running the ASDC.
- The milestones identified by the LIP shall need to be approved by the Board prior to commencement of the programme.
- The grant shall be used only for the expenditures approved by the Government.
- The LIP's initial contribution towards the paid-up capital shall be in cash. Any additional contributions can be in cash or in-kind. Any in-kind/ notional contribution should be supported by valuers certificate issued by a registered valuer.
- The land, if provided, will be provided in the available Government ITIs/ Industrial Estates on long term lease basis.
- The overall branding guidelines for the ASDC will be provided by TNSDC.

## Section 5. Memorandum of Understanding (Draft)

MEMORANDUM OF UNDERSTANDING (MoU) BETWEEN TAMILNADU SKILL DEVELOPMENT CORPORATION (TNSDC), and <NAME OF LEAD IMPLEMENTATION PARTNER> for "SETTING UP AN APEX SKILL DEVELOPMENT CENTRE FOR IMPARTING HIGH-END SKILL TRAINING IN THE \_\_\_\_\_ SECTOR" under the "Tamil Nadu Investment Promotion Programme Phase 2 – Assisted by Japan International Cooperation Agency (JICA) – Establishing Two tier Skill Development Centre" (hereinafter referred to as the "Scheme").

This MoU for "Setting Up an Apex Skill Development Centre for imparting high-end skill training in the \_\_\_\_\_ Sector" (hereinafter referred to as the "Project") under the Scheme is made for execution of the Project on this <date><month>, <year> between parties, namely, Tamil Nadu Skill Development Corporation (TNSDC), having its office at Thiru. Vi Ka Industrial Estate, Guindy, Chennai (hereinafter referred to as TNSDC which expression shall, where the context so requires or admits, be deemed to include its successors and permitted assignees)

and

<Name of Lead Implementation Partner> (hereinafter referred to as in short as LIP) which expression shall, where the context so requires or admits, be deemed to include its successors and permitted assignees.

It is agreed by and between the Parties that the project would be executed jointly within the following objectives, deliverables and the responsibilities of each of the Parties.

## 1. DEFINITIONS

For the purpose of this MoU:

- 1.1. 'Scheme' means "Tamil Nadu Investment Promotion Programme Phase 2– Assisted by Japan International Cooperation Agency (JICA)".
- 1.2. 'Lead Implementation Partner' (LIP) shall mean <name of company> responsible for implementing the Project.
- 1.3. 'Funding Organization' shall mean Japan International Cooperation Agency (JICA).
- 1.4. 'Project' means "Setting Up Apex Skill Development Centre (ASDC) for imparting high-end skill training in the \_\_\_\_\_ Sector at <location> " under this scheme.
- 1.5. 'Coordinating Organization' means TNSDC.
- 1.6. 'Board' shall mean the Board of Directors of the Special Purpose Vehicle, proposed to be constituted for this Project.
- 1.7. 'Parties' refer to the organizations participating in the project namely TNSDC and LIP.
- 1.8. 'Sector Partner' shall mean industries or partners participating in this Project who may have a national or international presence and who may support the LIP in the Project.
- 1.9. 'Approval letter' shall mean the letter No. \_\_\_\_\_ dated \_\_\_\_\_ communicating detailed terms and conditions of the approval of the competent authority in TNSDC for the Project.

## 2. OBJECTIVE



- 2.1. The objective of this project is to appoint an LIP that will setup a high-end ASDC that will provide high technology, demand driven skilling courses at the ASDC. The objective is also to develop a pool of highly skilled labour force that are available for deployment in the industries in Tamil Nadu and in India.

### 3. OVERALL GUIDELINES

- 3.1. The overall plan, as part of this programme is to encourage an LIP to setup a high-end Apex Skill Development Centre (ASDC). The ASDC may also associate with national/ international partners (called Sector Partners – SPs) to setup an interrelated high technology, modular, skilling facility at the ASDC and offer demand driven courses.
- 3.2. The ASDC, to be designed by the LIP, is envisioned to be a state-of-the-art Centre of Excellence facility in the given sector.
- 3.3. The ASDC will be located in an existing ITI/ Industrial Estate/ Training Institute or any other appropriate space identified by the ASDC (in discussion with TNSDC). The ASDC can also associate with decentralized centres / spoke centres located at the SPs' facilities for the purpose of training.
- 3.4. The ASDC will be managed professionally by the LIP. The trainees who graduate from this programmemay function as Lead Trainers (for future programmes) as it provides them employment and keeps the system dynamic.
- 3.5. The ASDC will run under the overall operational management of the LIP. The LIP will be responsible for a three year rolling plan to ensure that that the ASDC is constantly upgraded and provides a high technology ecosystem for skilling/ up-skilling/ re-skilling/ cross-skilling and multi-skilling. The LIP will be expected to generate revenues at the ASDC which can help offset the overall costs of the ASDC. It is proposed that the ASDC will evolve over its a life into a Centre of Excellence (CoE).

### 4. PLAN, METHODOLOGY AND WORKING PROCEDURE

- 4.1. TNSDC and the LIP will form an SPV in which the LIP's equity will be 51%.
- 4.2. The Special Purpose Vehicle (SPV), between TNSDC and \_\_<LIP>\_\_, will be incorporated as a not-for-profit company under Section 8 of the Companies Act, 2013 (previously, Section 25 of the Companies Act, 1956).
- 4.3. The SPV would recruit professionals from the sector, with technical expertise, for operations of the facilities. SPV will be run professionally by the elected Board of Directors. The key person responsible for the SPV will be the Managing Director (MD) who will also report to the Board of Directors. The composition of the Board of SPV shall be as follows:
- a. Chairman: To be appointed by the GoTN.
  - b. MD: An expert with industry experience to be appointed by the Board of the SPV.

- c. Additional Directors: To be appointed by the Board, and can include industry experts, and experts from academic institutions.
- d. Independent Directors: To be appointed by the Board.
- e. Advisory Panel: The Board can appoint an Advisory Panel consisting of prominent experts to advise the Board.

Note: The Board shall be a professional board, shall have professional internal and external audit/ review processes and shall meet the highest corporate governance standards expected of Boards in India.

- 4.4. The ASDC will be located in an existing ITI/ Industrial Estate/Training Institute or any other appropriate space identified by the SPV (in discussion with TNSDC). The space allocated, where allocated by the GoTN, shall be allocated on long term lease basis to the SPV. The initial period of lease shall be for 30 years, extendable based on the performance of the SPV.
- 4.5. Relevance of the ASDC's training will need to be assessed periodically by the SPV, through the appointment of independent sectoral experts by the Board.
- 4.6. The SPV would be responsible for the operations, maintenance, service of the assets created or acquired or used under the Project.
- 4.7. The trainees trained as part of the Project or at the ASDC shall be employable at any organisation of their choice and shall not be bound in any manner to take up employment with the LIP or any of the SPs.

## 5. MAJOR MILESTONES

**[To be obtained from the LIP's Plan submitted]**

## 6. PROPOSED IMPLEMENTATION SCHEDULE

**[To be obtained from the LIP's Plan submitted]**

## 7. MODE OF FINANCING

- 7.1. The LIP shall own 51% of the equity in the SPV.
- 7.2. The LIP and the Government shall contribute towards the necessary Owner's Equity at the time of setting up the SPV. The equity contribution of the LIP and the Government shall be decided through discussions between the LIP and the Government.
- 7.3. The Government will contribute a grant to the ASDC to support it in its functioning on a need basis. However, it is envisaged that the SPV will strive to be self-sustaining.
  - 7.3.1. The GoTN has budgeted for an overall contribution of Rs. 20 Cr for the SPV. This shall be used towards equity contribution and the grant.

- 7.3.2. This grant shall be released based on the achievement of the milestones defined in the rolling plan and based on the actual expenses incurred the LIP in running the ASDC.
- 7.3.3. The milestones submitted by the LIP (as part of its proposal) will be approved by the Board prior to commencement of the Project.
- 7.3.4. The grant shall be used only for the expenditures approved by the Government.
- 7.3.5. The LIP's initial contribution towards the paid-up capital shall be in cash. Any additional contributions can be in cash or in-kind. Any in-kind/ notional contribution should be supported by valuers certificate issued by a registered valuer.
- 7.3.6. The land, if provided, will be provided in the available Government ITIs/ Industrial Estates on long term lease basis.
- 7.4. The overall branding guidelines for the ASDC will be provided by TNSDC in due course.
- 7.5. Release of funds will be subject to fulfilment of existing rules of GoTN.
- 7.6. TNSDC Budgetary grant will be released in line with GoTN rules, such as the submission of Utilisation Certificates.
- 7.7. In addition to the terms & conditions mentioned in paragraph 7.5 above, release of subsequent instalment(s) of funds by TNSDC will be subject to satisfactory progress of the Project (as assessed based on the detailed plan submitted by the LIP) and satisfactory utilization of the fund already released.

## **8. ROLE AND RESPONSIBILITIES OF LEAD IMPLEMENTATION PARTNER**

- 8.1. The Lead Implementation Partner (LIP) shall be responsible for designing the ASDC and developing a strategic rolling plan for the ASDC and be responsible for implementing the plan.
- 8.2. LIP shall be responsible for overall administrative, quality and financial management including the management of the training centre, marketing, branding, placement, costing of courses, management of hostels, course content, pedagogy, financials etc.
- 8.3. LIP may engage with, invite and sign MoUs with Sector Partners (such as equipment manufacturers, tool and device manufacturers that service the sector).
- 8.4. Identify and formulate training programmes to develop skills in futuristic/ disruptive technologies and associated skill sets that are lacking in the sector.
- 8.5. LIP will develop courses, course content, course work, manuals, standard operating procedures and standards, get them approved by the Board, and disseminate the same with the overall intent of improving the skillsets of individuals associated with the sector. In developing these, the ASDC shall build on existing available literature and ensure compliance with existing standards (where available).
- 8.6. LIP will facilitate placement of the trained candidates. The extent of placement of candidates in relevant jobs shall be a key assessment metric of the quality and relevance of the training provided.

- 8.7. LIP will create a network among existing training facilities (both publicly and privately owned) and pool their resources so as to not replicate existing effort put in.
- 8.8. LIP will endeavour to impart high-end skills (and not generic skills) to unemployed individuals and employed individuals (looking to upskill/ re-skill themselves).
- 8.9. LIP will conduct train the trainer programmes.
- 8.10. LIP will facilitate industry linkages for apprenticeship and on-the job training programmes. off training at the centre is not the intended end result of these centres.
- 8.11. LIP will conduct need based/ on-request training programmes to cater to specialized requirements of corporates, and to generate revenues through these programmes.
- 8.12. LIP will carry out assessment, certification and placement of trainees.
- 8.13. LIP will attempt to make the ASDC self-supporting and provide production or services while it meets its primary objective of being a high technology skilling centre.
- 8.14. The LIP shall maintain a separate account for the funds released by TNSDC for execution of this project.
- 8.15. Mobilization of trainees: LIP will take up the responsibility of mobilization of trainees for enrolment in various skill-based training courses aligned to their career aspirations. This activity would be supported through awareness and communication campaigns run by LIP.
- 8.16. The LIP shall make arrangements for proper operation and maintenance of equipment/ management of knowledge procured under the project.
- 8.17. The LIP shall ensure that the funds released are utilized only for the purpose of the Project.
- 8.18. The LIP shall provide free access to TNSDC officers (or nominees / representatives) and the SIPEC Committee members and their representatives to all facilities/ assets and their records relating to the project located at the ASDC and spoke centres where training may be carried out under this project.
- 8.19. The LIP shall also be responsible for achieving and reporting quarterly progress on the project to TNSDC.
- 8.20. The LIP shall maintain a register of all assets acquired wholly or mainly out of the grant-in-aid as well as log for use of them.
- 8.21. The utilization of assets shall be in public interest and shall be the responsibility of the LIP.
- 8.22. The LIP will ensure that assets will not be disposed of/ sold/ transferred/ leased/ rented/ transferred without prior approval Board Approval.
- 8.23. The LIP shall also be responsible for adhering to law of the land including rules of central, State and local Governments in its operation.
- 8.24. The LIP should maintain proofs of all incomes and expenses incurred.

- 8.25. The LIP shall indemnify and protect Government of TN / TNSDC from all costs, damages and expenses arising out of any claim, action or suit brought against Government of TN by third parties in respect of any infringement of any patent, registered designs or Intellectual Property Rights resulting from use of any technical information, data or process or design belonging to or used by the LIP and/ or furnished to Government of Tamil Nadu.
- 8.26. The LIP will adhere to and follow the Labour Acts and Rules while executing this Project and shall keep GoTN indemnified and protected from all claims, costs, damages and expenses arising out of any violation of Labour Acts and Rules.
- 8.27. In case the LIP proposes to import any equipment, software etc. for the purpose of performance of the job in India, all duties related to such imports shall be paid directly by the LIP to the concerned authorities. It will be the responsibility of the LIP to provide the required particulars and documents to the Customs authorities and other Government Authorities and get the materials cleared and transported in time.
- 8.28. The LIP, shall under the project cost, insure and keep insured all the fixtures and equipment etc. acquired for implementation of the Project. In case of loss or damage of such fixtures and equipment, etc. the insurance monies will be given to the SPV.

## **9. MANDATORY OBLIGATIONS**

- 9.1. It is obligatory on the part of LIP, to ensure free access to TNSDC Officials/ GoTN Officials to all facilities/ assets and records relating to the project.
- 9.2. The LIP shall duly acknowledge TNSDC for funding this project in all publications, reports, publicity, presentations materials, assets/ facilities created, events etc.
- 9.3. The LIP shall furnish all deliverables of the project such as full documentation pertaining to common facilities (including equipment), design etc. to TNSDC.
- 9.4. The assets facilities created by the LIP wholly or substantially out of Government grants, except those declared as obsolete and unserviceable or condemned in accordance with the procedure laid down, shall not be disposed-of, encumbered or utilized for another purpose/ project, without obtaining the prior approval of the Board. In case of winding up or dissolution of the SPV, all the assets acquired to that effect out of the grants-in-aid should be handled as per the decisions of the Board.
- 9.5. The LIP shall be required to maintain subsidiary accounts of the Government grant and furnish to the nominated officer a set of audited statement of accounts after utilization of the grants-in-aid or whenever called for.
- 9.6. The annual report and audited accounts of the LIP will have to be submitted to the GoTN.
- 9.7. The accounts of the grants shall be open for inspection by the authority approving the grant in aid and audit.

- 9.8. The grants-in-aid should not be a source of profit. If after examination of the AuditedAccounts, TNSDC comes to the conclusion that the grants-in-aid have been source of profit, then LIP shall forthwith refund the amount of grants-in-aid to GoTN.
- 9.9. The LIP shall utilize the interest earned on the recurring/ nonrecurring grants in aid to meet the operational expenses of the SPV.
- 9.10. A penal interest is chargeable if the LIP fails to furnish progress report/ audited statement of Accounts/ Audited Utilization Certificate etc. within the specified period after release of grants- in- aid in the event of short closure of the project due to non-technical reasons.
- 9.11. In the event of any liquidation or bankruptcy proceedings or any threatened distress action against the LIP or any of its assets; and equipment procured for the purpose of the Project out of or with the support of grant- in- aid shall be outside such proceedings and GoTN may assume the control and management of the LIP and appoint any of its officer or authorized representative to run the Project.

## **10. ROLE AND RESPONSIBILITIES OF TNSDC**

- 10.1. TNSDC will approve and provide grants and review the progress of the project.
- 10.2. TNSDC would release the funds to (LIP), in the designated Project Account <number – name of bank> for execution of the project depending upon the financial, technical and physical progress of the project and recommendations of the Nodal Officer.
- 10.3. TNSDC will monitor utilization of grants by LIP so that the funds released are utilized by LIP only for the purpose of the project component for which it is released.
- 10.4. TNSDC would be free to use the IPR/ equipment/ facilities; software procured/ developed for any scientific work or technology development/ demonstration purpose on their own or can request LIP for use of this infrastructure by any other organization/ agency or manufacturer for scientific technology development/ demonstration/ public purpose.
- 10.5. Managing Director, TNSDC shall be the contact person for all matters concerning the project.

## **11. JOINT ROLES AND RESPONSIBILITIES OF LIP AND TNSDC**

- 11.1. Every trainee will be awarded a joint certificate on successfully attaining pass marks in the assessment as per the guidelines issued by the Board.
- 11.2. All Parties will establish procedures to facilitate regular contact at the executive and operational levels to discuss issues arising in relation to the Project.

## **12. MONITORING PROGRESS**

- 12.1. The Plans as per Section 5 and 6 and any modifications to the Plan approved by the Board shall serve as the primary workplan for monitoring the Project.

- 12.2. All progress reports shall be submitted by the LIP in a standardized format on a monthly basis (and aggregated on a quarterly and annual basis) within 7 working days of the completion of the month.
- 12.3. All progress reports shall include the technical and financial progress and the alignment between the two.
- 12.4. TNSDC reserves the right to carry out a physical verification of the ASDC and can also outsource full/ part work of physical verification.
- 12.5. Annual Reports of the Project will also be submitted along with financial year end Progress Reports.

### **13. PROJECT REORIENTATION**

- 13.1. The scope and the work/ activities of the project can be re-oriented without deviating from broad objective and scope of the approved project, based on Board Approval.

### **14. FUND UTILIZATION CERTIFICATE (UC) AND PROJECT ACCOUNTS**

- 14.1. The Accounts duly audited by external auditors shall be forwarded to TNSDC at the end of each financial year.
- 14.2. Utilization of Fund and maintenance of Accounts should be done in accordance with relevant provisions of GFR and will be subject to Govt. Audits/ CAG audits.

### **15. PATENT AND TECHNOLOGY TRANSFER MECHANISM**

- 15.1. The parties recognise the intellectual property rights in all respects for each other.
- 15.2. Technology transfer fees and royalty, if any, shall be decided by mutual consent of TNSDC and LIP after achieving key milestones.

### **16. STATUTORY REQUIREMENTS**

- 16.1. All prevailing Laws and Regulations or any other related enactment passed by the Parliament or State Legislature and any rules/ laws made thereunder by the either Central or respective State Government shall be adhered to in letter and spirit by the LIP.
- 16.2. Since the project is sanctioned to the LIP, it shall not be transferred to any other Institution. Transfer of project money within the Organization or with other Organizations under the same Management is not permitted under any circumstances.
- 16.3. If the force majeure conditions continue beyond six months, the signatories shall then mutually decide about the future course of action.

### **17. MISCELLANEOUS PROVISIONS**

- 17.1. The Memorandum of Understanding (MoU) as outlined in this document is not intended to be a legally binding document. Rather, it is meant to describe the nature and cooperative intentions of the LIP and TNSDC to suggest guidelines for cooperation. Nothing, therefore, shall diminish the full autonomy of either party, nor any constraints be imposed by either upon the other, and nothing in this Agreement

shall be deemed to create a partnership, joint venture, or agency relationship between the parties.

17.2. Any other matter not included in this MoU which is necessary for the smooth functioning of the project shall be finalized by the LIP and TNSDC.

17.3. The use of the name, logo and/ or official emblem of any of the Parties on any publication, document and/ or paper is allowed as mutually agreed upon by the LIP and TNSDC.

17.4. The MoU is not intended to create any legal relation of employer-employee or principal and agent relationship amongst the parties.

17.5. Through this Memorandum of Understanding LIP and TNSDC affirm their commitment to fulfil and achieve the objectives mutually agreed upon in this MoU.

## **18. CONFIDENTIALITY**

18.1. The signatories will maintain strict confidentiality and prevent disclosure thereof of all information and data exchanged/ generated pertaining to work assigned under this approval letter at all times except with mutual consent. This is subject to RTI and other laws of the land.

## **19. FORCE MAJEURE**

19.1. None of the participating agencies/ bodies shall be held responsible for non-fulfilment of their respective obligations under this MoU due to the exigency of one or more of the force majeure events, such as but not limited to, Acts of God, war, natural calamities such as flood, earthquakes etc. and strike, lockout, epidemics, riots, civil commotion etc. provided on the occurrence of cessation of any such events, the party affected thereby shall give a notice in writing to the other party within one month of such occurrence or cessation.

## **20. Validity of MoU**

20.1. This MoU comes into force on the date of signing and will remain valid till the SPV remains valid.

## **21. Amendments to the MoU**

21.1. No change can be made to this MoU without written consent and approval of all the parties. Additions, deletions and/ or alterations to this MoU may be effected with the written agreement of all the parties to this MoU concerning the changes. Documents containing such additions, deletions and/or alterations and signed by all the Parties shall form addenda to this MoU, and be deemed to be part of this MoU.

## **22. Resolution of disputes**

22.1. In the event of any dispute between the parties to this Memorandum of understanding, it will be resolved as per the Indian Arbitration and Conciliation Act 1996.

## **23. Jurisdiction**



23.1. The courts at Chennai shall have jurisdiction in all matters concerning this MoU including any matter arising out of the arbitration proceedings or any award made therein.

**24. Governing Law**

24.1. Notwithstanding anything contained in this Memorandum of Understanding, in case of any conflict between any of the provisions of this Memorandum of Understanding, the right of interpretation will rest with the Board.

**25. Termination**

25.1. Termination by TNSDC: TNSDC may terminate this arrangement upon 30 calendar days’ notice in writing or after occurrence of any of the events specified in paragraphs below:

25.1.1. If the LIP does not remedy a failure in the performance of its obligations under the MoU, within 30 days of being notified of such a failure, or within such further period as TNSDC may have subsequently approved in writing;

25.1.2. If the LIP becomes insolvent or bankrupt; or

25.1.3. If, as the result of Force Majeure event, the LIP is unable to perform a material portion of its obligations for a period of not less than 30 days.

25.2. Termination by LIP: The LIP may terminate this MoU upon 30 calendar days’ notice in writing after occurrence of any of the events specified in paragraphs below:

25.2.1. If TNSDC fails to pay any monies due to the LIP pursuant to this arrangement within 60 days after receiving written notice from the LIP that such payment is overdue; or

25.2.2. If, as the result of Force Majeure, TNSDC is unable to perform a material portion of its obligations for a period of not less than sixty days.

25.3. The termination of this MoU shall not prejudice or affect in anyway, the rights and benefits accrued or liabilities and duties imposed on the Parties of this MoU.

Signed in the presence of <name of officer> ,designation>, TNSDC.

IN WITNESS WHEREOF PARTIES HERETO HAVE ENTERED INTO THIS MOU EFFECTIVE AS THE DAY AND YEAR FIRST ABOVE WRITTEN.

For and on behalf of TNSDC	Witness
For and on behalf of <name of LIP>	Witness