

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
NATIONAL SKILL DEVELOPMENT CORPORATION (NSDC)  
AND  
THE GOVERNMENT OF JHARKHAND  
THROUGH - JHARKHAND SKILL DEVELOPMENT MISSION SOCIETY,  
JHARKHAND, RANCHI**

This Memorandum of Understanding (the "MoU") is entered into on 22nd of March, 2015 at Ranchi between the National Skill Development Corporation (NSDC) having its headquarters at Block A, Clarion Collection, (Qutab Hotel) Shaheed Jeet Singh Marg, New Delhi (herein after referred to as NSDC) of the ONE PART and Jharkhand Skill Development Mission Society (An autonomous institution under Dept. of Planning & Development, Govt. of Jharkhand). Here in after referred to as Jharkhand Skill Development Mission Society (JSDMS, henceforth), party of the second part, henceforth collectively both are referred to as "parties" to this MoU.

1. WHEREAS NSDC is an institution set up by the Government of India on public-private partnership model with an aim to promote skill development, by catalyzing creation of large quality, for-profit vocational institutions and provide viability gap funding to build scalable, for-profit vocational training initiatives and is further desirous to expand its activities in the state.
2. WHEREAS NSDC has Government of India's mandate to skill 150 million people by 2022, in both formal and informal sectors.
3. WHEREAS the Jharkhand Skill Development Mission Society is an autonomous institution under the Dept. of Planning & Development, Govt. of Jharkhand, which has been set up for the purpose of Skill Development and to systematize and galvanize the skill development efforts in the state and it will be working with the primary objective of providing skill training and its certification for the people of Jharkhand.
4. WHEREAS NSDC shall assist the state in developing a comprehensive skilling environment through technical and financial support.
5. WHEREAS both parties firmly believe that skill development is one of the important areas for development in the state. Skill is most transparent, deliverable, short term, direct reach programme that can bring about livelihood and prosperity at local level, ramp-up nation's GDP, purchasing power and ensures that our industry



**6. Duration of the MoU**

This MoU will be operative with effect from 22.03.2015 and will remain in force till 21.03.2020 (Five years) or till its renewal through mutual agreement whichever is earlier.

**7. Objectives**

The objective of this MoU is to improve the employability skills of the youth undergoing skill development training in the State of Jharkhand. This will be achieved through joint collaboration between Government of Jharkhand and NSDC by implementing National Occupation Standards, Assessment and Certifications Mechanisms developed by NSDC, Capacity Building of resources and infrastructure and coordination with the Industry Associations

**8. Government of Jharkhand & the Jharkhand Skill Development Mission have already initiated several activities to promote skill development in the state which are as follows:**

- a. Programme of expansion of the network of ITIs to increase capacity to around 15,000 per annum through the following steps:
  - Establishing ITIs & Women ITIs in every district & subdivision
  - Upgrade & modernizing select ITIs into Centre of Excellence
- b. Setting up of Instructor Training Institute in collaboration with leading industry players in Jharkhand
- c. Scheme for skill development of youth in 10 districts affected by left wing extremism
- d. Strengthening of Craftsman/ Apprenticeship Training Scheme for retraining of the faculty of the ITIs and ITCs of the state
- e. Skill development initiatives in area of Sericulture, Handloom & Handicraft e.g. - Jharkhand Silk Training Centre, Kharsawan in collaboration with NIFT, Kolkata; Nirmal Mahto Institute at Bhagaiya in collaboration with NID, Ahmedabad
- f. Jharkhand Agency for Promotion of Information Technology, (JAP-IT) has been retained to develop a portal of the Labor Market Information System (LMIS) for JSDMS.
- g. Workshops/Seminars with the participation of Govt. Departments, NDSC, NSDA, Training Providers, and Students to spread awareness on new developments in the skilling eco-system.
- h. An annual roadmap/skill development plan, that would serve as the guiding document on the skill development initiatives of the GoJ/ JSDMS has been finalized for 2015-16.



- i. Tata Institute of Social Sciences (TISS), Mumbai has been retained to conduct a study on Job & Skills Mapping in the state
- j. Setting up of State Project Management Unit (SPMU) at the mission headquarters at Ranchi and DPMU (District Project Management Units) in each of the 24 districts.
- k. Engaging PSUs, Private Sector, local NGOs & Civil Society, academic institutions to promote quality skill development initiatives in the state
- l. Initiating an institutional mechanism with panchayats and the banking community for successful skill delivery in the state.
- m. Department for International Development, UK (DFID) through the National Skill Development Agency (NSDA) has deployed a Technical Assistance team to help the Capacity Building of the JSDMS for a period of three years.
- n. Working with NSDA & NSDC to achieve an agreed roadmap on the following goals :-
  - i. 'Cradle to Career Approach to facilitate seamless skill development interventions
  - ii. 'Digitized Market Place' for seamless information transfer between stakeholders
  - iii. 'One Nation One Quality' for standardized skill education that allows mobility
  - iv. 'Vocational Education by Choice' to encourage employment in the trade most liked by the youth at their doorstep.
  - v. 'Talent Capital of the World' to leverage the demographic dividend and make India a leader in Human Resources and support – “Make in India” initiatives.

**9. Current Issues and Challenges that needs to be addressed**

- a. 17 government departments are currently engaged in education and skill development initiatives in the state. However, there is little coordination or convergence in action between them. Currently there is no rationalization of trainings provided by the state departments.
- b. Multiple accreditation and certification processes in the state. No standard process for assessment and certification of skilled students under various scheme
- c. There is no dedicated fund allocated for skill development. Skill development initiatives in the state are being undertaken through the funds available through central schemes and fund allocated by various State Government Departments.
- d. Low capacity utilization of the ITIs - Current capacity utilization about 54% and also the infrastructure has become obsolete.




- e. Few placement opportunities for the students studying at the ITI's. Most of the students prepare for competitive examinations conducted for various job opportunities in Government and PSUs.
- f. Limited number of private sector training providers in the state
- g. Poor industry readiness of the students passing out of the skill training institutes
- h. Existing skill programs lacks connect with the job market and not aligned with the industry requirements.
- i. Non-availability of data to assist in skills planning.

#### 10. Institutional Arrangements for implementing the MoU

- a. GoJ and NSDC will constitute a working group to be jointly headed by the Development Commissioner, Jharkhand and CEO & MD of NSDC to look into the implementation of a collaborative skilling program. The group will consist of officials from the NSDC, JSDMS, Sector Skill Councils approved by NSDC (SSCs), DFID TA, Local Industry and key departments.
- b. Set up Skill Development Committees in the high demand sectors (Agriculture & Allied Activities Building & Construction; Tourism; Hospitality and Travel Trade; Real Estate Services; Food Processing; Metal & Metal Products; Transportation & Logistics; Banking & Finance; Education & Skill Development Services; Handicrafts & Handloom, Horticulture, Sericulture, Non-Timber Forest Produce etc) with proper representation from respective state government department, SSC, NSDC and Industry Representatives. The committee will review the training needs and opportunities in the respective sectors in the entire state and advise the JSDMS on the same.
- c. NSDC will connect GoJ to its approved Training Partners and Sector Skill Council (SSCs) to facilitate training, assessment and certification as per industry standards in compliance to NSQF.
- d. NSDC will facilitate/ create awareness to youth/candidates to avail benefit from the various GoI Schemes in Skill Development including STAR
- e. NSDC shall also provide support to JSDMS for developing their monitoring systems and processes. NSDC shall also connect with its vendors for IT and 3<sup>rd</sup> party independent monitoring which State Mission could leverage to set up its monitoring system.



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- f. NSDC had conducted a district wise Skill Gap Study. It will assist the state in conducting periodic studies sector-wise/cluster-wise/geography-wise as and when required during the period of this agreement.
- g. The state shall set up a dedicated 'Skill Development Fund' for undertaking skill development initiatives at state level which may be financed through the following:
  - Separate allocation in budget for skill development
  - Funds available under various Government of India schemes
  - Industry contributions
  - Philanthropy contributions
- h. The funds required for the implementation or carrying of activities would be provided by GoJ to the respective agencies as per mutually agreed terms and conditions.
- i. Assist in conducting Recognition of Prior Learning Skills - putting in the mechanism and process, mobilizing assessors and SSCs for certification. Mobilizing Training Agencies for any bridge training based on the gaps assessed. Funds for the same could be allocated by the State Government or Industry or from the Construction Workers Welfare Fund, or CSR funds.

#### 11. Outcome of the MoU

Through this MoU, the following outcomes are planned to be achieved:-

- a. GoJ intends to Skill 25 Lakhs in 12th Plan Period and around 5-6 Lakhs per annum. As part of the MOU it is envisaged skilling of 5 lakhs in Skill Training from the State of Jharkhand over 3 years through NSDC approved Training Partners
- b. Focus will be on Demand Driven Skill Training Programmes, which would include
  - Encouraging private players to open skill development centres in backward districts such as Lohardaga, Gumla, Chhatra, Saraikala, Dumka, Sahibganj, Latehar, East Singhbhum, Garhwa etc.
  - Facilitate tie ups of the private partners with existing ITIs, Polytechnics, colleges, eminent institutions and schools for sharing infrastructure at nominal rates
  - Promoting partnership with private skill development players with focus on the following sectors identified based on future manpower requirements - Agriculture & Allied Activities, Building & Construction




Tourism; Hospitality and Travel Trade; Real Estate Services; Food Processing; Metal & Metal Products; Transportation & Logistics; Banking & Finance; Education & Skill Development Services; Handicrafts & Handloom, Horticulture, Sericulture, Non-Timber Forest Produce etc.

- c. Placement of at-least 70% of the trained students and in case of self-employment, increase in productivity/income
- d. Promotion/Funding of at-least 10 Local Training Partners as per NSDC guidelines , based out of Jharkhand that support Training in the State
- e. Setting up of an Internal State Program Management Unit (SPMU) within the JSDMS to coordinate and align all the departmental and central skilling initiatives in the State, including schemes directly being supported by NSDC like STAR for proper coordination, consolidation, monitoring and reporting of progress across multiple departments.

## 12. Specific Deliverables

In order to achieve the above, NSDC in consultation with JSDMS will work with DFID-TA team which has already been deployed in the state to achieve the following deliverables:

- a) An implementation plan that will include identification of training programs, finalization of training fees, financial projections of funds to be provided by State Mission to be utilized for training of the various trades.
  - b) Support GoJ in conducting market/industry survey to identify skill gaps, to be conducted jointly with the lead industry or with the involvement of lead industry representatives as partners. The survey will include identification and listing of the type of job opportunities and future requirement of job opportunities, the skill-set required, most common skill sets already available to the industries, the skill gaps, and the existing training facilities.
  - c) Conduction of skill programs through Training Partners
  - d) Periodic joint review of the skill program.
  - e) Periodic Partner/Prospective Partner Meetings in Ranchi and select districts  
Course alignment as per National Occupation Standards
  - f) Assessment and certification through the Sector Skill Council as per the NOS.
  - g) Engagement with NSDC agencies for SDMS (Skill Development Management System) and independent Monitoring for development of the monitoring solution and for setting up a Program Management Unit.
- Periodic Job Fair/Skills Fair in Ranchi and select districts.



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- i) Periodic Update of Skill Requirement and Skill Development Scenario in the State that would include a survey of a sizeable number of beneficiaries, training providers and industry who are part of the Skill Development Program

### 13. Joint Collaboration Responsibilities

WHEREAS parties intend to explore the possibilities and opportunities that exist in the State, in the field of Skills Development and with an intention to join their knowledge, skills, experience and resources, under which, collaboration between them will be undertaken in the following areas, in pursuance of the Outcomes that are listed in Para 11 above :

- a. NSDC will provide its list of approved or empanelled Training Providers to GoJ to meet the training needs of the State as per a mutually agreed selection criteria.
- b. Through the Sector Skills Council (SSCs), NSDC will facilitate certification of trained candidates against National Occupational Standard as defined under the NSQF. The SSCs will provide the industry linkages and will ensure that the curriculum has been validated as per industry's current needs.
- c. Existing vocational training curriculum would be made employment oriented and industry relevant; towards this a process of getting them evaluated would be devised and as a first step these would be vetted by sector skill councils (SSCs).
- d. Skill Vouchers – A mechanism allowing youth to secure training from any of the listed institutions in the State. Payments to the institute to be made by the government only after candidates successfully completes the course and is placed.
- e. GoJ to undertake Infrastructure Development of the existing ITI's, Schools, Colleges, and other Govt. affiliated training infrastructure, thereby expanding skill training capacity and it's quality in the State
- f. GoJ has to revamp the existing employment exchanges as Human Resource Development Centre on PPP mode
- g. With NSDC Partners assist in developing the placement mechanisms and systems to assist placing the trained beneficiaries in jobs based on their skill sets.

Govt. owned infrastructure like ITIs, Schools, Colleges etc. should be opened up for use by Training Partner's for skilling in various sectors.



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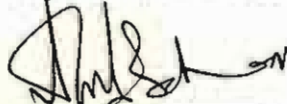
- i. Capacity Building, Training and Assessment of co-ordinators of the accredited centre under the state government, trainers/master trainers imparting training for life skills/soft skills for trainees and master trainers/trainees will be done jointly by the state skill mission and SSCs.
- j. Enhanced Skill development initiatives in area of Agriculture & Allied Activities Building & Construction; Tourism; Hospitality and Travel Trade; Real Estate Services; Food Processing; Metal & Metal Products; Transportation & Logistics; Banking & Finance; Education & Skill Development Services; Handicrafts & Handloom, Horticulture Sericulture, Non-Timber Forest Produce etc.
- k. Introduction of Skill courses in Schools and Universities under additional skill acquisition programme (A-SAP).

14. WHEREAS parties in principle agree to cooperate to have further dialogue and to further negotiate and finalise a mutually beneficial relationship.

It is hereby expressly made clear that the intention of the parties is to create an agreement between the parties and no party shall have right to file claim against the other party. The parties understand that neither this Memorandum gives any right to neither any party nor it creates a partnership, joint collaboration or any other entity.

It witnesses where of the parties have caused this Memorandum to be executed through their authorized representatives on the day and year first above written.

Signed and delivered by



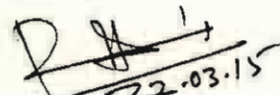
(Atul Bhatnagar)

COO

On behalf of NSDC New Delhi



Signed and delivered by



(R.P. Singh)

MD & CEO

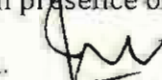
On behalf of Jharkhand Skill Development

Mission Society, Ranchi

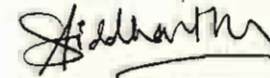


in presence of:

1.

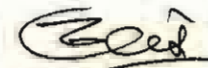
  
(Jaikant Singh  
NSDC - Head State  
Alliance)

2.


  
SIDDHARTHA KANKARIA  
MANAGER, PwC (DFID TA  
TEAM)

in presence of:

1.

  
(Deepak Kumar Sinha)  
264 New A.G. Co-op. Colony  
Karma, Ranchi

2.

  
(M. Balasubramanian  
Advisor, DFID-INDIA NEW DELHI)