

FREQUENTLY ASKED QUESTIONS (FAQs)

Under NSDC Fee Based Model

Q1. How are the training targets calculated?

Ans. Training targets are calculated financial year wise, pro-rated from date of 1st disbursement for funded partners and date of agreement for non-funded partners

For example, the training targets as per the agreement are as follows:

Year	1	2	3	4	5	6	7	8	9	10
Target	100	200	300	400	500	600	700	800	900	1000

If the 1st disbursement date (funded partner)/date of agreement (non-funded partner) is 1st May 2018, then the targets would be pro-rated as:

FY	2018- 19	2019- 20	2020- 21	2021- 22	2022-23	2023- 24	2024- 25	2025- 26	2026- 27	2027-28	2028- 19
Target	92	192	292	392	492	592	692	792	892	992	83

Note: In FY 2018-19 since there are only 11 months operational, target for year 1 is prorated for 11 months and remaining is added to 11 months of next FY

Q2. When does the Training Partner become liable to submit Utilization Certificate (UC)?

Ans. All funded partners of NSDC are required to submit a Utilization Certificate (UC) on quarterly basis as per clause 4.1 (ii) of the loan agreement. The submission of UC becomes due from the quarter in which the first disbursement is made. However, the data in terms of revenue and expenses (including preliminary expenses and /or any other in the UC should start from the date of promoter contribution or agreement signing date, whichever is earlier.

For e.g. If disbursement is released on 1st May 2018, the TP should start submitting UC for Q1 FY 2018-19. However, if the promoter contribution was infused in March 2018, the details of revenue and expenses in the UC should start from Q4 FY2017-18.

In case of a pilot project, start date of the UC should be according to the start date of the Pilot Project.

Q3. Is UC prepared on accrual basis or cash basis?

Ans. UC must always be prepared on accrual basis. Before preparing the UC, partner must read the Instruction Sheet of the UC annexure.

Q4. Which all trainings are included in the NSDC target achievement?

Ans. Trainings are categorized into two categories:

- a) Trainings conducted under central government schemes like DDU-GKY and PMKVY will not be considered towards achievement of targets set by NSDC.
- b) Trainings conducted under Paid model, CSR, Corporate, School – Projects, state government schemes will be considered towards achievement of targets set by NSDC.

Q5. When are the NSDC Partnership certificates issued?

Ans. Partnership certificates are issued at the beginning of each financial year to all the training partners. For new partners, the certificate is issued during the kick-off meeting which is conducted within 2 to 3 weeks of signing of the agreement.

Please note that for funded partners, the kick off meeting is scheduled only after completion of Pre-Disbursement Conditions (PDC) of the 1st tranche.

Q6. How are partnership certificated renewed?

Ans. The partnership certificate is renewed as per certificate renewal policy every year at the beginning of financial year.

Q7. What do you mean by Operational Centers?

Ans. Operational Centers are those centers that have had completed trainings, new enrollments or ongoing training in the last 3 months. On a monthly basis, the list of operational centers is updated on the NSDC website.

Q8. What are the mandatory fields for data upload in Skill Development Management System (SDMS)/ Skill India Portal?

Ans. A list of all mandatory fields for data upload is given in the template for data upload on Skill India Portal. Please refer to list for capturing and collection of all such data during enrollments to ensure there are no issues during the upload of information.

Q9. Which date will the moratorium be counted from?

Ans. Moratorium period starts from the date of first disbursement.

Q10. If the Training Partner does not avail disbursement, will any charges be applicable?

Ans. Yes, commitment fees of 1% of the loan amount will be charged once the availability period of loan/ tranche ends.

Q11. What are the due dates for submission of Utilization Certificate (UC) and Annual Financial Statements (AFS)?

Ans. The quarterly submissions of Utilization Certificate must be done by **15th of the next month** at the end of every quarter. For eg. UC for Q1 FY2018-19 (quarter ending June 2019), the UC will be due on 15th July 2019.

The last date for the submission of Signed Financial Statement is **30th October** or within 15 days of adoption of accounts in the Annual General Meeting, whichever is earlier. Eg. the last date of submission of AFS FY2017-18 was 30th October 2018 or within 15 days of adoption of accounts in the Annual General Meeting, whichever was earlier.

Q12. Is there any specific format for submission of UC and what is the mode of its submission?

Ans. An NSDC approved format for Utilization Certificate is shared with all funded partners at the time of kick-off meeting. The same is uploaded on NSDC website Fee Based Model <https://nsdcindia.org/existingpartners> under Documents section. The Certificate filled by the partner needs to be CA certified.

All partners are required to submit soft copy of the UC through JIRA, unless specifically asked for hard copy.

Q13. What is the process for subsequent disbursements post 1st disbursement?

Ans. Post first disbursement, partner are given access to JIRA ticketing tool for communication with the monitoring team. The partner can raise a request for the required tranche via a ticket and the allocated financial SPOC will guide you with further process in line with the agreed terms as per the loan agreement. Alternatively, partner can send a hard copy of the request letter for subsequent disbursement to NSDC office.

Q14. What is the eligibility criterion for availing subsequent disbursement?

Ans. The eligibility of the partner for availing subsequent tranche is evaluated basis the Pre-Disbursement Conditions (PDCs) for the requested tranche, financial performance vis-à-vis the approved financial model and social achievements vis-à-vis approved social targets and adherence to any other condition as per the loan agreement. Please refer to Schedule I of the Loan Agreement for Tranche wise Pre-Disbursement Conditions.

Q15. Does a Training Partner require an approval from NSDC for availing any additional loan?

Ans. As per the terms and conditions of the loan agreement (ARTICLE 2 – General Terms of Assistance, Clause 2.1 part iii), “The Borrower shall not obtain any further assistance/loan/equity participation in respect of the Project and as undertaken under the Project Proposal without prior written permission of NSDC”.

Q16. If a Training Partner has utilized all the funds of NSDC loan and Promoter contribution, is she/he still require to submit the UC?

Ans. As per Clause 4 (Borrower’s Covenants) of the Loan Agreement, it is mandatory to submit UC till the Assistance and Secured Obligations are fully paid and Milestones are completely achieved by the Borrower.

Q17. The Utilization Certificate is to be prepared on project level or firm level?

Ans. The UC is to be prepared and submitted on firm level.

Q18. Does a training Partner need to submit Insurance Copy of our assets to NSDC?

Ans. As per ARTICLE IV- BORROWER CONVENANTS Clause 4.1 part (ii) c “During the subsistence of this Agreement and till the Assistance and Secured Obligations are fully paid and Milestones are completely achieved by the Borrower, the Borrower shall deliver to the lender copies of all insurance policies obtained for insuring the Hypothecated Assets” wherever this clause is applicable, partner must submit scanned copy of the insurance on annual basis or as per its validity, whichever is later.

Q19. What the process for conversion is from funded to non-funded partnership of NSDC?

Ans. If a Funded Partner wishes to convert to Non-Funded Partner , it is required to raise a formal request for closing of current loan account. NSDC will share the details of loan balance along with applicable foreclosure charges. Post the foreclosure of loan account, if the partner meets the eligibility criterion for a Non-Funded partnership, the concerned team will share the details of required documents along with applicable charges. Please note that NSDC reserves the right to modify the applicable charges without prior notice.

Q20. If a Training Partner is unable to meet the social targets as budgeted in the initial approved model, is there any process to get them revised?

Ans. For change in any term and condition of the approved business model, term sheet and/or loan agreement, partner must raise a formal request to the fee-based monitoring team. The requirements along with applicable charges (if any) will be shared with the partner. Kindly note that any change in

financial details of the Agreement tantamount to “Restructuring” of the Agreement and approval is sought from Project Evaluation Committee (PEC) and Project Approval Committee (PAC).