

# Annexures

## Annexure-I

## Details of Shareholders of NSDC as on 31 March 2015

(As referred to in Para No. 1.1.2)

Sl. No.	Sector	Name of the Shareholders	No. of Shares	Percentage of shares
1.	Government	Government of India (GoI)	49,00,000	49.00
2.	Private Sector Shareholders	Confederation of Indian Industry (CII)	5,10,000	5.10
3.		Federation of Indian Chambers of Commerce and Industry (FICCI)	5,10,000	5.10
4.		The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	5,10,000	5.10
5.		Society of Indian Automobile Manufacturers (SIAM)	5,10,000	5.10
6.		Council for Leather Exports (CLE)	5,10,000	5.10
7.		Confederation of Indian Textile Industry (CITI)	5,10,000	5.10
8.		The Gem & Jewellery Export Promotion Council (GJEPC)	5,10,000	5.10
9.		Retailers Association of India (RAI)	5,10,000	5.10
10.		Confederation of Real Estate Developers' Associations of India (CREDAI)	5,10,000	5.10
11.		National Association of Software & Service Companies (NASSCOM)	5,10,000	5.10
			<b>Total</b>	<b>1,00,00,000</b>

## Annexure-II

## List of sample cases selected for audit and status of achievement of training and placement targets

(As referred to in Para Nos. 1.2 and 4.1.1)

Sl. No.	Name of the Project /Partner	Date of approval of project by NSDC Board	Date of first disbursement	Disbursement upto 2013-14 ( in crore)	Type of assistance	Percentage achievement of training targets				Placement Targets	Percentage achievement of placement targets			
						2010-11	2011-12	2012-13	2013-14		2010-11	2011-12	2012-13	2013-14
1	AISECT Skill Mission Society	30.09.2011	13.04.2012	10.13	Loan	-----	-----	176	128	70	-----	-----	2	54
2	Anudip Foundation for Social Welfare	09.12.2011	09.01.2014	0.2	Grant	-----	-----	----	580	70	-----	-----	-----	70
3	BASIX Academy for Building Lifelong Employability Limited	22.02.2010	23.02.2010	23.51	Loan	101	102	78	35	50	79	50	59	70
4	Centum Workskills India Limited	05.07.2010	17.02.2011	13.18	Loan + Equity	339	330	138	94	90	100	100	87	91

Sl. No.	Name of the Project /Partner	Date of approval of project by NSDC Board	Date of first disbursement	Disbursement upto 2013-14 ( in crore)	Type of assistance	Percentage achievement of training targets				Placement Targets	Percentage achievement of placement targets			
						2010-11	2011-12	2012-13	2013-14		2010-11	2011-12	2012-13	2013-14
5	Construction Industry Development Council	27.11.2013	12.02.2014	10	Loan	----	----	----	----	70	----	----	----	----
6	CREDAI Pune	02.12.2010	02.07.2011	11.12	Grant	----	69	72	71	70	----	100	97	98
7	Don Bosco Tech Society	21.08.2012	01.03.2013	12.36	Loan	----	----	----	54	75	----	----	----	50
8	Emerge Vocational Skill	27.06.2013	23.10.2013	3.12	Loan	----	----	----	----	70	----	----	----	1
9	Everonn Skill Development Corporation	13.01.2011	30.04.2011	41.76	Loan*	----	4	1	Progress not reported	70	----	13	66	Progress not reported
10	Future Sharp Skill Limited	13.05.2011	02.02.2012	16.6	Loan+ Equity	----	----	6	18	70	----	----	65	60

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Sl. No.	Name of the Project /Partner	Date of approval of project by NSDC Board	Date of first disbursement	Disbursement upto 2013-14 ( in crore)	Type of assistance	Percentage achievement of training targets				Placement Targets	Percentage achievement of placement targets			
						2010-11	2011-12	2012-13	2013-14		2010-11	2011-12	2012-13	2013-14
11	Globsyn Skill Development Private Limited	02.12.2010	31.03.2011	7.63	Loan + Equity	----	27	45	21	85	----	38	14	12
12	Gram Tarang Employability Training Services Private Limited	22.02.2010	03.05.2010	10.00	Loan	53	150	104	63	75	64	82	81	72
13	Gram Tarang Employability Training Services Private Limited-2	29.03.2012	12.02.2014	10.80	Loan	----	----	----	----	75	----	----	----	----
14	Gras Education and Training Services Private Limited	14.09.2010	20.12.2010	17	Loan*	----	8	16	277	70	----	41	47	35
15	IL&FS Skills Development Corporation Limited	14.09.2010	17.02.2011	85.89	Loan+ Grant+ Equity	----	60	70	126	70	----	76	87	89

Sl. No.	Name of the Project /Partner	Date of approval of project by NSDC Board	Date of first disbursement	Disbursement upto 2013-14 ( in crore)	Type of assistance	Percentage achievement of training targets				Placement Targets	Percentage achievement of placement targets			
						2010-11	2011-12	2012-13	2013-14		2010-11	2011-12	2012-13	2013-14
16	The Gems and Jewellery Export Promotion Council - Indian Institute of Gems and Jewellery (IIGJ)	22.02.2010	24.02.2010	3.68	Loan + Grant	21	25	25	6	70	0	16	155	95
17	Indigram Skill and Knowledge Initiatives Private Limited (I-SKILL)	04.08.2010	20.09.2010	7.7	Loan	-----	3	46	69	56	-----	76	98	99
18	Institute of Advance Security Training (ASTM)	09.12.2011	22.03.2012	12	Loan	-----	-----	24	23	70	-----	-----	98	75
19	Job Skill Solution Private Limited (Fides Global)	13.01.2011	24.05.2011	4.07	Loan *	-----	47	10	0	70	-----	0	3	21

Sl. No.	Name of the Project /Partner	Date of approval of project by NSDC Board	Date of first disbursement	Disbursement upto 2013-14 ( in crore)	Type of assistance	Percentage achievement of training targets				Placement Targets	Percentage achievement of placement targets			
						2010-11	2011-12	2012-13	2013-14		2010-11	2011-12	2012-13	2013-14
20	Kalyani Skills Private Limited	25.03.2013	16.11.2013	0.5	Loan	----	----	----	----	70	----	----	----	----
21	Labournet Services India Private Limited	29.03.2012	14.12.2012	6.34	Loan	----	----	102	156	70	----	----	56	41
22	Laqsh Job Skill Development Corporation	16.02.2011	13.07.2011	2	Loan*	----	11	13	2	70	----	55	74	47
23	Laurus Edutech Life Skills Private Limited	16.02.2011	01.10.2011	15.48	Loan+ Equity	----	70	67	97	75	----	4	23	65
24	NIIT Yuva Jyoti Limited	13.05.2011	08.12.2011	33.27	Loan+ Grant+ Equity	----	----	19	29	70	----	----	98	94
25	Orion Edutech Private Limited	20.02.2012	20.03.2013	11.52	Loan	----	----	----	67	85	----	----	----	62

Sl. No.	Name of the Project /Partner	Date of approval of project by NSDC Board	Date of first disbursement	Disbursement upto 2013-14 ( in crore)	Type of assistance	Percentage achievement of training targets				Placement Targets	Percentage achievement of placement targets			
						2010-11	2011-12	2012-13	2013-14		2010-11	2011-12	2012-13	2013-14
26	Pan IIT Alumni Reach for India Foundation	26.09.2012	02.07.2013	18.62	Loan+ Grant	----	----	----	136	70	----	----	----	89
27	Rural Shores Skill Academy Private Limited	20.02.2013	30.07.2013	3	Loan	----	----	----	111	70	----	----	----	74
28	Sasakawa India Leprosy Foundation	06.05.2013	30.07.2013	0.73	Grant	----	----	----	Progress not reported	75	----	----	----	Progress not reported
29	Skillsonics India Private Limited	14.12.2012	13.09.2013	4.5	Loan+ Equity	----	----	----	500	70	----	----	----	100
30	Talent Sprint Education Services Private Limited	13.01.2011	28.03.2011	10	Loan+ Equity	----	157	220	238	70	----	56	19	5
31	TMI Input & Services Private Limited	02.12.2010	23.03.2011	19.28	Loan	----	4	29	58	85	----	568	93	44



### Annexure-III

#### Instance of cases where issue raised by the Government Director

(As referred to in Para No.2.2.2.1)

No.	Name of the Project/ Issue	Issue raised by the Government Director	Response of NSDC
1	GRAS Project	Government Director mentioned (March 2012) major shortfall in performance compared to the targets set and stated “NSDC did not appear to be taking necessary precautions in safeguarding its exposure in various projects and it was very difficult for the Board to assess the overall risk of NSDC exposure.” Government Director further reiterated that NSDC was using public money and unjustified risk taken by NSDC, could be questioned in future.	Chairman, NSDC had stated that very rationale for setting up of NSDC, as a private entity was to take risk because without taking requisite risk no initiative could be successful.
2.	O&M Campaign	On marketing campaign, in Board Meeting Government Director (March 2012) had suggested that NSDC may reinitiate the bidding process for selection of advertising agency for pilot phase. NSDC is only one of the initiatives of GoI for skill development, hence transparent procedure should be adopted.	The suggestion of GoI director was not supported by the Board including Chairman.
3	Gram Tarang	Government Director observed (May 2012) that “as per minutes of the 29 <sup>th</sup> Board Meeting; it was clarified to the Board members that the maximum repayment period is 10 years. However, had been given a period of 11 years. The cost per trainee in case of Gram Tarang was abnormally high approx. ` 3,000 per trainee, while others had cost ranging from ` 140 to ` 500 per trainee. The principal moratorium period was also 14 quarters, which was beyond the permissible limit of 3 years. Moreover, the interest moratorium period was 12 quarters, whereas in other cases no interest moratorium period was given. The guidelines were not followed in this case. NSDC should provide justifications for so much variation”.	MD & CEO, NSDC stated that the deviation was brought to the attention of Board and was approved.

## Annexure-IV

## Analysis of management audit reports and action taken

(As referred to in Para No.4.2.2)

Sl. No.	Name of the Project/Partner	Major Issues raised by Management Auditor	Action Taken by NSDC on audit reports
1.	<b>BASIX Academy for building Lifelong Employability Ltd.</b>	<ul style="list-style-type: none"> <li>• Company unable to generate revenue as per agreement</li> <li>• Non maintenance of separate banks for NSDC funds</li> <li>• Non fulfilling of all statutory obligations like PF registration, non deduction of TDS etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Closure report was submitted on assurance of partners that the targets for next year have been revised and company is trying hard to meet the targets.</li> <li>• Action taken by NSDC was not found in the records.</li> </ul>
2	<b>Indian Institute of Gems and Jewellery (IIGJ)</b>	<ul style="list-style-type: none"> <li>• Less students trained compared to the numbers estimated.</li> <li>• No proper system of analyzing and improving the weaker controls</li> <li>• Non verification of fixed assets acquired out of NSDC funds by Management</li> <li>• Non booking of funds released by NSDC in books of accounts.</li> </ul>	<ul style="list-style-type: none"> <li>• Closure report was submitted informing NSDC that a lot of observations had been unattended. Observations specifically related to mis-statement of financial statements were leading to non compliance of Companies Act, 1956.</li> <li>• Action taken by NSDC was not found in the records.</li> </ul>
3	<b>Gram Tarang Employability Training Service Limited</b>	<ul style="list-style-type: none"> <li>• Non conductance of internal audit by partner.</li> <li>• Charge created for securing loan of NSDC was not registered with ROC.</li> </ul>	<ul style="list-style-type: none"> <li>• On assurance of partner that company has a good statutory audit system and no requirement of internal audit, Closure report was submitted.</li> <li>• Action taken by NSDC was not found in the records.</li> </ul>

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4	<b>Indigram Skill and Knowledge Initiatives Private Limited</b>	<ul style="list-style-type: none"> <li>• No internal audit system in place.</li> <li>• No periodic verification of fixed assets.</li> <li>• Low performance in terms of number of people trained, number of people placed, centers opened, revenue collected etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Audit points were closed and closure report was submitted by Management Auditors after reply of partner.</li> <li>• Action taken by NSDC was not found in the records.</li> </ul>
5	<b>CREDAI Pune</b>	<ul style="list-style-type: none"> <li>• Number of people trained was much below the target.</li> </ul>	<ul style="list-style-type: none"> <li>• Audit points were closed and closure report was submitted by Management Auditors after reply of partner.</li> <li>• Action taken by NSDC was not found in the records.</li> </ul>
6	<b>Future Sharp Skill Limited</b>	<ul style="list-style-type: none"> <li>• Number of people trained and placed were much below the target.</li> <li>• Physical verification of assets was not conducted.</li> </ul>	<ul style="list-style-type: none"> <li>• Audit points were closed and closure report was submitted by Management Auditors after review of action taken by the partner and even noticing that the performance was not satisfactory.</li> <li>• Action taken by NSDC was not found in the records.</li> </ul>