



NSDC CONNECT

TRANSFORMING THE SKILLING ECOSYSTEM

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SOCIAL STOCK
EXCHANGE

IMPACT
INVESTING



CREDIT FINANCING FOR
ENTREPRENEURIAL GROWTH

PM VISHWAKARMA
SCHEME



POWERING THE SKILL
IMPACT BOND

OUTCOME BASED
SKILLING

LEVERAGING INNOVATIVE FINANCE MODELS TO MAKE INDIA THE SKILL CAPITAL OF THE WORLD

Kaushal Deekshant Samaroh

Skill Convocation Ceremony

New Delhi | October 12, 2023

#SkillKoSamman



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Dear Readers,

In the third edition of NSDC Connect, we explore the nuances of Skill Impact Financing within the context of India's aspirations and its commitment to Sustainable Development Goals. India's demographic dividend is a potent force, with 880 million in the working-age group and the median age of population at 28 years. India's GDP is projected to soar from \$3.5 trillion in 2023 to potentially \$30 trillion by 2047. Achievement of this growth is intrinsically linked to enhancing the skills and employability of its vast workforce.

As the GDP expands over the coming decades, the demand for the skilled workforce will also increase exponentially. The National Skill Development Corporation (NSDC), operating under the aegis of the Ministry of Skill Development & Entrepreneurship, has partnered with training organizations, both in the public and private sector, to provide the youth with skill-based training opportunities. To reach our goals, we must extend these opportunities to the masses.

To that end, we are exploring innovative financing tools, such as Skill Impact Bond, Skill Loans, First Loss Default Guarantee, Credit Financing through PM Vishwakarma Scheme and Structured Funding with CSR and philanthropic funds. These mechanisms are pivotal in ensuring adequate funding for equitable access to skill development. The NSDC Skill Loan is an important financial instrument aiming to address the twin challenges of skill acquisition and access to quality education.

By offering affordable loans to aspiring candidates, it not only enables them to pursue in-demand industry skills but also helps bridge the gap between the demand for skilled

workers and workforce's employability. With concessional lending rates and a seamless credit process, NSDC Skill Loans provide a lifeline for those eager to embark on their skilling journeys and contribute to the nation's development.

The First Loss Default Guarantee mitigates risk for lending institutions, encouraging the flow of commercial capital into the skilling ecosystem. Structured Funding, blended with CSR and philanthropic funds, unlocks essential financial resources for Training Partners focused on skill development and employment generation at the grassroots level. This initiative promises not only to affect millions but also brings specific benefits for women entrepreneurs, addressing financial challenges and promoting economic inclusion.

With its potential to unlock vast resources for social projects, the Social Stock Exchange signifies an unprecedented opportunity to scale up social development initiatives in India. NSDC, in alignment with this approach, is now registered with the Bombay Stock Exchange and is eligible to raise funds on SSE's platform. We look forward to sharing the impactful projects that will soon be subject to Social Audit for Impact Reporting in accordance with the highest standards of transparency and accountability.

In this edition of NSDC Connect, we endeavor to provide you with an understanding of these financing mechanisms and how they intertwine with India's goal of ensuring quality education and skill development for all. These initiatives align not just with SDG 4 (Quality Education), but also with other vital goals such as SDG 1 (No Poverty) and SDG 8 (Decent Work and Economic Growth). They exemplify India's dedication to fostering a skilled, employable, and prosperous future.



VED MANI TIWARI
OFFICIATING CEO, NSDC

NSDC Connect embodies NSDC's values: Integrity, Innovation, Inclusion, and Impact. We aim to provide trustworthy, innovative, and inclusive content that aims to make a positive impact on education and skill development. Join us in reimagining a better future.

IMPACT INVESTING: EMPOWERING INDIA'S JOURNEY TO BECOME GLOBAL SKILL CAPITAL



The article delineates how the National Skill Development Corporation (NSDC) in India is leveraging innovative finance models to bridge skill gaps and enhance employability. Emphasizing private sector participation via impact investments, NSDC employs financial tools like Skill Loans, Guarantee Structures, and Social Stock Exchanges (SSEs) to foster skill development. The piece underscores NSDC's pivotal role in propelling India towards becoming a skilled workforce hub, aligning with the nation's vision for comprehensive skill development and growth.

India enjoys a rich demographic dividend with one of the largest working populations (880 million). There are numerous reports that project India's GDP to grow from the current \$3.5 trillion to \$30 trillion by 2047. But for India's march towards becoming the third largest economy, the existing skill-gap in the country needs to be bridged and country's working-age population needs to be productively employed. Given the scale of the efforts required, it is crucial to catalyze the private sector participation in this mission using finance as a lever for the long-term multiplier effect. As a Public Private Partnership, NSDC is working as an investment manager for the Government of India, creating capacity for the Private Sector through Viability Gap Funding (VGF), and mobilizing impact capital from the corporate donors to enable skilling initiatives till the last mile.

Traditionally, NSDC has been a catalyst in improving private sector participation in the skill development ecosystem using financial instruments such as debt, equity and grants. Additionally, it has also helped in building a massive network of more than 650 private training partners and invested more than Rs. 2,000 Crores worth of funds to boost the skill development infrastructure.

To further strengthen the employability skills of the students and to create a rich pool of the workforce in the higher-level competencies and future skills across sectors, NSDC started to approach:



- Many new age skilling companies, offering fee-based / student paid programs in the high growth and futuristic job roles to provide support to scale the technology enabled skilling innovations. Many of these demand-led skilling start-ups have introduced innovative payment models such as 'get hired pay later', etc.
- Universities, Colleges and Corporates which are keen to set up their own Centers of Excellence (CoE) related to Industry 4.0 and future oriented courses to equip candidates with the 21st century skills and enhancing their employability.

In the last FY 2022-23, ~16 Lakh skilled candidates from the fee-based/market-led partners of NSDC (On Candidate Paid model) were reported on the Skill India portal with at par

placement track record. In its re-imagined avatar, NSDC is in the process of experimenting and driving innovations in both service delivery and financing models to create a more well-rounded long-term impact:



- Promoting market driven demand-led and outcome-based skilling models through various interventions/ value-added services.
- Enabling access to finance for the beneficiaries from the economically weaker sections through affordable skill-loans.
- Experimenting with more innovative blended finance models.
- Facilitating the mainstreaming of the skilling programs offered by its Partner Network, by providing support for their creditization as per the New Education Policy 2020. This would empower students with the opportunity to acquire relevant skills and simultaneously earn credits for them alongside their academic studies.

Some of the Innovative Financing Tools to enhance the access to finance are -

Skill Loans

While availability of skilled manpower remains a challenge, access to finance is another barrier for the candidates to pay for the required courses and acquire the most relevant skills. To stimulate credit supply in the skilling sector, NSDC has developed a unique product called "Skill Loan" that can bring synergies between the lending institutions, skilling organizations & aspiring candidates. Nearly INR 5000 Crores credit line has been enabled through the initial funding to the selected NBFC Partners at a concessional rate.

This leads to subsidized skill loans for the candidates trained by the NSDC's network of Training Partners. Through this initiative, NSDC facilitates an end-to-end skill development journey for the candidate right from mobilization, skill training, assessment, certification, and placement, to retention in the employment. Economically weaker sections of the society, who are new to credit or lack past credit history, are significant beneficiaries of the Skill Loan facility.

First Loss Default Guarantee

In a challenging financial context, where traditional forms of development aid are under pressure, innovative finance has emerged as a complementary approach to generate sustainable sources of finance to help reach development goals.

First Loss Default Guarantee (FLDG) structure is one such tool that can enable lending institutions to pump in sizeable commercial capital to augment the lending portfolio in the skilling ecosystem, benefiting the low-income segment of the society.

Defaults under the portfolio can be fully absorbed by FLDG assuming an acceptable level of default (NPA) ratio in this segment. The skilled candidates shall repay their loans after getting a job, and proportionate FLDG shall get released. The default, if any, will be mitigated by FLDG to cover the unknown repayment risk of NBFCs.

A hybrid structure of the First Loss Default Guarantee is in the making which shall be offered to the financial institutions to scale up their Skill Loan portfolio. This will also ensure a host of benefits to the stakeholders, viz. Students, Training Partners, Financial Institutions, Employers, CSR Funders, and the economy at large.

Structured Funding - Blended finance with CSR / Philanthropic Funds

Innovative instruments such as the Partial Risk Guarantee (PRG) from CSR / Philanthropic funds unlocks commercial capital for Training Partners, working towards skill development and engaged in the employment generation at the local level.

Empowering Women Entrepreneurs Through Structured Funding



10% of Indian MSMEs owned by women providing 8 million Jobs



Financing demand of ₹ 8.68 trillion



Formal financial sources account for ₹ 2.31 trillion



Finance gap of ₹6.37 trillion that can be bridged using blended financing

CSR funds or donor capital if paid directly to the beneficiaries will have a limited impact. However, if it is used as a leverage instrument, it can unlock commercial capital to impact larger number of beneficiaries.

Entrepreneurs, especially women entrepreneurs, can greatly benefit through this innovative instrument as they face a range of financial challenges, including limited access to funding, lack of financial literacy, insufficient collateral, and various other cultural barriers.

NSDC Bridging The Skills Gap With Impact Investing



650 Private Training Partners



More than ₹ 2000 cr worth of funds invested



~₹ 5000 cr worth of concessional credit through NBFC Partners



~16 Lakh candidates trained and placed through Skills India Portal

India is home to approximately 3 million women-owned enterprises across various industries, which accounts for about 10 percent of all the micro, small, and medium enterprises in the country. These enterprises provide employment to over 8 million people.

According to a study conducted by IFC in collaboration with the government of Japan, the financing demand for women-owned businesses in India is estimated to be \$158 billion (equivalent to 8.68 trillion Indian rupees). However, formal financial sources are only able to provide \$42 billion (equivalent to 2.31 trillion Indian rupees), leaving a significant gap of \$116 billion. The report further highlights that access to finance and higher rate of interest are some other challenges that grip the women entrepreneurs.

While the guarantee can't remove the risk completely, it does provide an additional layer of confidence to the financial institutions. This increased confidence can help to address the hesitations typically associated with lending to individuals with no or minimal credit history. The model also promotes financial inclusion by providing an avenue for entrepreneurs who are new to credit to establish a borrowing track record. Overtime, the model can identify and address the specific needs and preferences of this target group, based on the insights from the collected demographic, performance and repayment behavior data.

Social Stock Exchange

Traditionally Social Enterprises do not have access to traditional capital markets due to lack of appropriate fund-raising instruments that assure purpose, quality, and delivery of Social Development Projects.

Hon'ble Union Finance Minister, Smt. Nirmala Sitharaman, in her budget speech in July 2019, proposed Social Stock Exchange (SSE) to enable social enterprises engaged in eligible social activities and projects to raise funds via stock exchange. SSE is a SEBI regulated platform that brings together social enterprises and donors/investors to facilitate funding and

growth of Social Enterprises. In line with the founding vision of the Hon'ble Finance Minister, for inclusive growth, the knowledge capital of stock exchanges regarding instruments, investor relations and returns can be leveraged to deliver quality services to both donors & investors.



SSEs will make use of mature financial and capital markets to channelize and leverage resources towards social causes with measurable impact. Social Enterprises can choose from a variety of instruments such as Zero Coupon Zero Principal Bonds, Development Impact Bonds, Social Impact Bonds, etc. for issuance and listing on SSE.

SEBI has notified ZCZP as eligible security for registration on Social Stock Exchange. These are issued for raising funds for a particular project. The outcome of the project will be evaluated by an independent social auditor (at present it is self-reporting by a non-profit organization). Development Impact Bond is a structured finance product where a 'risk investor' invests in a social project undertaken by one or multiple NPOs and is provided returns by an outcome funder if the social project is successful in meeting certain pre-determined social outcomes.

The social outcome is measured by an independent third-party evaluator. An intermediary (AIF-SVF) shall be responsible for bringing the actors viz., risk investors, outcome funder, NPOs, 3rd party evaluator together to enable this product. These instruments promise social returns in place of financial returns. This will allow a variety of investors and funders including central/state governments to participate on the SSE and ensure transparency along with measurable social impact on their investments/donations/funding. In 2022-23, SEBI allowed both NSE and BSE to setup SSE as a separate segment as these are

well established stock exchanges that have been in operation for years with active pool of investors, requisite mechanisms and processes, infrastructure, and long-standing reputation.

In India, with the evolution of the concept of SSE coupled with government backing (unlike in other countries like Brazil, Singapore, UK where SSEs are mainly led by Private Sector Entities), the quantum of capital and resources towards the social causes can be scaled up significantly and the implementation of the Social Development Projects can be expected to be taken at newer heights.

NSDC is now registered with Bombay Stock Exchange and is eligible to raise funds on its SSE platform. We will soon be listing an instrument on SSE. The specific Social Development Project for which the funds will be mobilized shall be subject to Social Audit for Impact reporting in accordance with the Social Audit Standards prescribed by ICAI from time to time.

Way Forward



Outcome based skilling models, impact funding and well-designed blended finance tools together can unlock newer opportunities for India's skill landscape and bring in a long-term transformative effect for the country. In addition to the impressive growth trajectory domestically, the current geopolitical dynamics are also favoring India and a lot more international employment opportunities are opening up for the skilled workforce from India. NSDC is committed towards bridging the skill gap holistically and empowering dreams of the young Indians through structured interventions using finance as a lever, thereby fueling our Hon'ble Prime Minister's vision of making India the skill capital of the world.



Sanjeeva Singh

Sanjeeva Singh is the Executive Vice President for CSR & Skill Financing division at NSDC and is a CFO for NSDC International (100% subsidiary of NSDC). He is a seasoned banker and is leading CSR & Entrepreneurship Development, Skill Impact Bond, other Blended Finance, Innovative Finance products, Strategic Partnership, Social Stock Exchange, PMKKs, International G2G collaboration, quality improvement of Monitoring & Rating System for Skill Ecosystem.

CONNECTING CAPITAL WITH SOCIAL IMPACT: THE SOCIAL STOCK EXCHANGE

In her budget speech for the fiscal year 2019-20, Hon'ble Union Finance Minister Smt. Nirmala Sitharaman introduced the concept of an electronic fund-raising platform, the "Social Stock Exchange" (SSE). This platform operates under the regulatory purview of the Securities and Exchange Board of India (SEBI) and is designed to facilitate the listing and fundraising of social enterprises and voluntary organizations working towards achieving socially beneficial goals. The SSE enables these entities to raise capital through equity, debt, or units similar to mutual fund.

What Is the Social Stock Exchange (SSE)?



The SSE is a distinct segment within the existing stock exchange framework. Its purpose is to enable social enterprises to access funds from the public through the mechanisms of a stock exchange. The SSE acts as an intermediary connecting social enterprises with potential fund providers who are interested in supporting initiatives with tangible social impact. Not-for-profit organizations (NPOs) that meet certain registration criteria can also participate in the SSE.

The Social Stock Exchange serves as a regulated platform that brings together social enterprises and donors, fostering collaboration and investment in social initiatives. It enables these enterprises to raise capital through various financial instruments while ensuring donors can confidently support organizations making a measurable social impact. The SSE establishes mechanisms to ensure robust standards of social impact and financial reporting. This creates transparency and accountability, crucial for the credibility and trustworthiness of social enterprises in the eyes of potential donors.

Challenges and Benefits of Registering as an NPO on SSE

One significant challenge faced by organizations seeking registration on the Social Stock Exchange is the compliance with specific income tax certifications. Some organizations may have surrendered their 12A and 80G certifications, but they may have been awarded a 10(46) certification. This situation required approval to register on the SSE without 12A and 80G, and it was

accepted by the Bombay Stock Exchange (BSE), enabling them to participate in the SSE as a Not-For-Profit Organization.

Benefits of Fundraising Through the Social Stock Exchange

Not-for-profit organizations, once registered with the SSE, can raise funds through various means, including:

- 1. Issuance of Zero Coupon Zero Principal Instruments:** These can be issued through private placements or public offerings.
- 2. Donations Through Mutual Fund Schemes:** Specific mutual fund schemes designated by SEBI can be used to channel donations to be registered NPOs.
- 3. Any Other Means Specified by SEBI:** As the platform evolves, SEBI may introduce additional fundraising methods that NPOs can utilize.

Program for Social Stock Exchange

To bring piece rate workers under an organized umbrella, it is proposed to mobilize funds for establishing MICRO UNICORNS by creating 100 Entrepreneurs by Empowering Women in Rural & Semi urban Areas and the unit will be registered under MSME and achieve the following objects:

- i. Entrepreneur vs Employee
- ii. Enhanced social status
- iii. Job Security through Equity Holding
- iv. Ability to liquidate part or complete equity holding based on need
- v. Reduced need for Migration

Under the project following is envisaged:

- Helping each SHG / Unit to become a MICRO UNICORN.
- Parallel Setup of skilling ecosystem (or leverage existing) and production unit in Target area.
- Assessment and absorption of skilled manpower according to capability and industry requirements.
- Each skilled individual absorbed becomes a part owner - EQUITY HOLDER - of the Production Unit based on the position absorbed.
- Apart from Equity a standard piece rate will be paid to the individual at best-in-class industry rates.
- Each individual will have an opportunity to learn, grow and enhance their equity share.



Sarita Bhatia

Sarita is the General Manager for CSR vertical within NSDC. She has 20+ years of experience in the areas of Education, Skill Development, CSR, & Non-profit Organization Management.

CREDIT FINANCING IN THE PM VISHWAKARMA SCHEME: A CATALYST FOR ENTREPRENEURIAL GROWTH



In a rapidly evolving global economy, entrepreneurship plays a pivotal role in driving economic growth, generating employment, and fostering innovation. Recognizing the significance of entrepreneurship, governments around the globe have initiated various schemes and programs to promote and support budding entrepreneurs. In India, the PM Vishwakarma stands as a shining example of a government-led initiative aimed at empowering artisans and traditional workers through skill upgradation and credit financing.

PM Vishwakarma Scheme launched by the Hon'ble Prime Minister of India, is a comprehensive program designed to promote entrepreneurship among traditional workers like Carpenter (Suthar), Blacksmith (Lohar), Washerman (Dhobi), Tailor (Darzi), to name a few who largely belong to marginalized communities. Named after Lord Vishwakarma, the divine architect and craftsman in Hindu mythology, the scheme aims to unleash the creative potential and skill sets of the age-old craftsmen.

PM Vishwakarma will be implemented as a Central Sector Scheme, fully funded by the Government of India. The Scheme will be conjointly implemented by the Ministry of Micro, Small and Medium Enterprises (M/o MSME), the Ministry of Skill Development and Entrepreneurship (MSDE) and the Department

of Financial Services (DFS), Ministry of Finance (MoF), Government of India. PM Vishwakarma will be implemented PAN India with a budget outlay of INR 13,000 Cr for five years up to 2027-28, for 30 Lakh Vishwakarmas with 6 Lakhs in the current financial year 2023-24. The Scheme aims at providing several benefits to the Vishwakarma, who are either self-employed or intend to set up their own small-scale ventures. The support provided through this Scheme to such beneficiaries will not only contribute to the preservation of cultural practices, generational skills and 'Guru-Shishya Parampara' but will also provide an identity and recognition to the Vishwakarma.

Ministry of Skill Development and Entrepreneurship as a Catalyst

Skill upgradation is the key component of the scheme. MSDE/NSDC has ensured that the skill development and training on modern tools and techniques are imparted so that the Vishwakarma make the most efficient use of the financial support being provided. To equip artisans with the necessary skills and knowledge, the scheme offers training programs in areas such as business management, financial literacy, and technical skills. The skilling intervention under PM

Vishwakarma is aimed at enhancing the capabilities of traditional workers, who have been working with hands or traditional tools for generations. This intervention consists of three components: Skill Assessment, Basic Skilling, and Advanced Skilling.

The skill upgradation would cover aspects which shall enable the registered Vishwakarmas to learn the usage of Toolkits worth INR 15,000, marketing support, enterprise creation and expansion through credit and benefits of digital transactions. Boarding and lodging during the training shall be provided free of cost and wage compensation support shall also be provided

Credit Support: The Cornerstone of Empowerment

The government of India has some of the finest credit support schemes like MUDRA Yojana which aims to provide loans to small and micro enterprises. Mudra focuses on providing financial assistance to micro and small enterprises. It offers loans at different stages of business growth, categorized into three segments: Shishu (up to ₹50,000), Kishor (₹50,001 to ₹5,00,000), and Tarun (₹5,00,001 to ₹10,00,000). The scheme aims to promote self-employment and boost micro-enterprises by providing them with access to credit.

Swanidhi is a scheme designed to support street vendors, who are a vital part of the informal sector. It provides working capital loans to street vendors to help them resume their businesses, recover from the economic impact of the COVID-19 pandemic, and reduce their dependency on informal moneylenders. This initiative empowers street vendors to become self-reliant and financially stable.



PMEGP provides credit-linked subsidies and financial assistance to help individuals set up new micro-enterprises or expand existing ones. PMEGP combines credit and subsidy to

facilitate the establishment of viable small businesses, which, in turn, creates job opportunities and fosters economic growth.



Among all the schemes PM Vishwakarma has become a ray of hope for artisans and traditional workers across the country. One of the critical components of this scheme is credit financing, which plays a pivotal role in empowering skilled workers and facilitating their financial independence. Artisans can avail collateral free loan at subsidized interest rates making it more accessible for individuals who might face barriers to conventional financing.

The beneficiary having successfully completed Basic Skill training will be eligible to avail first tranche of credit support of upto INR 1 lakh under the PM Vishwakarma. The total quantum of loan assistance would be INR. 3,00,000 wherein, the beneficiaries can avail second loan tranche upto INR 2,00,000.

The second loan tranche will be available to skilled beneficiaries who maintain a standard loan account and have adopted digital transactions in their business or have taken Advanced Skill Training. The concessional rate of interest chargeable from beneficiaries for loans will be fixed at 5%. The interest subvention by Government of India will be to the extent of 8% and provided upfront to the banks.

PM Vishwakarma with its focus on skill upgradation and credit financing, has emerged as a game-changer for artisans and traditional workers in India. It not only empowers artisans and craftsmen but also preserves and promotes our rich cultural heritage. By addressing financial constraints and providing access to credit, the scheme paves the way for a brighter future for artisans, fostering their economic growth and employment opportunities across the nation. As the scheme continues to evolve, it is essential to ensure that it reaches its intended beneficiaries, making India's traditional craftsmen more vibrant and competitive on the global stage.



Aakarshan Chauhan

Aakarshan is working as Deputy General Manager, Government Programs, National Skill Development Corporation. He has Ph.D (Coursework), Masters from TISS Mumbai and has been with NSDC for over 5 years now. He has written papers for International Journals on youth and adolescent issues. This article was guided by Col. Mahendra Singh Paya, Chief Program Officer, NSDC.



NEWS BITES



PRIME MINISTER SHRI NARENDRA MODI ADDRESSES STUDENTS AT THE SECOND 'KAUSHAL DEEKSHANT SAMAROH'

Hon'ble Prime Minister, Shri Narendra Modi, addressed students live at the second 'Kaushal Deekshant Samaroh' annual skill convocation ceremony on 12th October, 2023 organized by the Ministry of Skill Development and Entrepreneurship. The Prime Minister drew attention to the growing opportunities in both traditional and emerging sectors, including areas like goods exports, mobile exports, startup ventures, drone technology, electric vehicles, and semiconductor manufacturing; all of which open numerous possibilities for India's youth. During the event, all India toppers and high achievers from ITI/NSTI, PMKVY, NIESBUD, IIE, JSS, and apprentices of Skill India International across various skill initiatives of MSDE were felicitated.

LAUNCH OF INDIASKILLS 2023 AND FELICITATION OF WORLDSKILLS 2022 WINNERS

The Union Minister for Education and Skill Development & Entrepreneurship, Shri Dharmendra Pradhan launched the IndiaSkills 2023-24 and felicitated the World Skills 2022. IndiaSkills is India's largest national-level skill competition. The registration process for this event was facilitated via Skill India Digital platform. During the event, winners of WorldSkills 2022 and experts who trained participants were felicitated and awarded prize money. India participated in 50 skills and excelled in various categories. India secured 11th position with 2 Silver medals, 3 Bronze medals, and 13 Medallions for Excellence.



UNION MINISTER SHRI DHARMENDRA PRADHAN'S 3-DAY VISIT TO UAE

Union Minister for Education and Skill Development & Entrepreneurship Shri Dharmendra Pradhan on his 3-day visit to United Arab Emirates (UAE) between 1st-3rd November, 2023 stressed on the importance of enhancing institutional mechanisms for student and workforce mobility. He commented- "UAE being a Global Economic hotspot and India being a Global Talent hotspot, both sides should work together to build a knowledge bridge to cement our civilizational connect".



GOVERNMENT OF INDIA GEARS UP TO LAUNCH INDIA AI PROGRAMME

During the NASSCOM Future Forge event 2023, the Union Minister of State for Ministry of Skill Development & Entrepreneurship and Ministry of Electronics and Information Technology disclosed the imminent launch of the India AI Programme by the Government of India. This forthcoming initiative aims to redirect the startup ecosystem's focus towards practical implementations in governance, security, and agriculture. The minister's recent attendance at the AI Safety Summit 2023, attended by representatives from 28 countries, resulted in the endorsement of "The Bletchley Declaration". This pivotal document emphasizes the need for a comprehensive exploration of AI's capabilities and highlights the significance of aligning AI systems with human intentions. India's emergence as a leader in AI skill penetration, as per the Stanford University AI Index Report, emphasizes the substantial contribution of Indian software developers on a global scale, constituting around 24.2% of AI projects on GitHub.

MSDE ORGANIZED A ONE-DAY WORKSHOP ON THE IMPLEMENTATION OF SKILL DEVELOPMENT AND LAUNCHED TRAINING OF MASTER TRAINERS & ASSESSORS PROGRAM UNDER THE PM VISHWAKARMA YOJANA

A workshop was organized with the aim to streamline and accelerate the process of identifying and enlisting training institutions responsible for delivering skill training under the scheme. Further, the emphasis would be to engage experienced and respected artisans from SAMAJ to become master trainers and trainers. The Training of Master Trainers & Assessors Program under the PM Vishwakarma scheme was inaugurated by Shri Atul Kumar Tiwari, Secretary, MSDE on 6th Nov. It aims to equip 41 master trainers hailing from 10 distinct states across India. The inaugural batch is focusing on honing skills within specific trades, namely hairdresser (Naai), tailor (Darzi), mason (Rajmistri), carpenter (Suthar/Badhai), doll & toy maker (Traditional), and blacksmith (Lohar).



SHRI DHARMENDRA PRADHAN ANNOUNCES CREDITS FOR MAHATMA GANDHI NATIONAL FELLOWS

Nine IIMs hosted the joint convocation of Mahatma Gandhi National Fellows (MGNFs) across the country, concluding two years of leadership training in rural development geared towards sustainable development. During the convocation celebration of Mahatma Gandhi National Fellowship, the Hon'ble Minister of Education and Skill Development & Entrepreneurship, Shri Dharmendra Pradhan made a significant announcement of granting credits with their certificates in Public Policy and Management officially recorded in the academic bank of Credit.

DAY-NRLM AND SIDBI INK A PARTNERSHIP TO TRANSFORM THE JOURNEY OF WOMEN-LED ENTERPRISES

Deendayal Antyodaya Yojana - National Rural Livelihood Mission (DAY-NRLM) and the Small Industries Development Bank of India (SIDBI) signed a transformative Memorandum of Understanding (MoU) on 9th November, 2023, spanning 2 years to demonstrate on-the-ground activities that establish reliable and sensitive support structures for capacity enhancement of women entrepreneurs, specifically targeting the graduation of seasoned Self-Help Group (SHG) members into micro-entrepreneurs.

UGC CONSTITUTES SEVEN-MEMBER COMMITTEE TO REDRAFT GUIDELINES FOR VOCATIONAL COURSES

The University Grants Commission (UGC) has taken a significant step by forming a prominent seven-member committee tasked with revising the guidelines governing vocational courses at a national level. The committee's primary objective revolves around redefining various aspects of vocational course curricula. This includes focusing on assessment standards, the credit system within the National Skills Qualification Framework (NSQF).

WORLD BANK'S SKILL INDIA MISSION OPERATION TRANSFORMING INDIA'S WORKFORCE

World Bank released a brief on the progress of Skill India Mission Operation (SIMO) between 2018 and 2022. SIMO has provided \$ 250 million to back initiatives by the Ministry of Skill Development & Entrepreneurship (MSDE) and has so far set up District Skill Committees across the country and trained almost 6 million young people, 34% of them women, and 40% of all those trained, were wage employed within six months.

MOU BRINGS TOGETHER INDUSTRY, SKILLING AND EDUCATION TO EMPOWER INDIA'S YOUTH

Indian Institute of Technology (IIT)-Kanpur, Indian Institute of Skills (IIS)- Kanpur, Hindustan Aeronautics Limited (HAL), Dassault Aircraft Services India, exchanged MoUs on 9th November, 2023 to synergize efforts to future-proof youth. The collaboration furthers the mandate of the National Education Policy 2020 by leveraging a strategic partnership between education, skilling and leading industries.

INDIA'S PIVOT TOWARDS GREEN SKILLS

India's impressive 5th rank in green skill intensity, as reported by TeamLease Digital's Green Industry Outlook for 2022, showcases a promising shift towards sustainability. The revealed surge of 12.3% in green talent within the workforce between 2022-23 signals a growing emphasis on eco-consciousness. This commendable increase mirrors a simultaneous rise in demand for job roles geared towards environmental responsibility, marking a positive stride towards a greener future.



IMPACT STORIES



FOSTERING TRIBAL ENTREPRENEURSHIP



and policy recommendations were shared with officials from the Ministry of Skill Development and Entrepreneurship (MSDE) and NSDC, resulting in the signing of a Memorandum of Understanding (MoU) between the two institutions.

The core focus of this joint effort is to bolster critical sectors such as medicinal plants, horticulture, and aromatic essential oils, capitalizing on the region's local resources and cultural context. IIM Ranchi plays a crucial role as the knowledge partner for the Van Vigyan Kendra, which is dedicated to equipping the tribal population, particularly women, with essential skills, entrepreneurial training, market access, and technological support. This initiative is designed to amplify livelihood opportunities for tribal communities.

National Skill Development Corporation (NSDC) partnered with IIM Ranchi to steer tribal entrepreneurship in Jharkhand. The collaboration involved students enrolled in the Integrated Program in Management (IPM) at IIM Ranchi who presented their findings from a social internship. Their insights

Under the project, students develop an industry-market linkage plan, with the most promising proposal chosen for implementation at the NSDC-funded multi-skill development cum women empowerment Centre in Balatu, Jharkhand.

Case study



The tribal population, comprising 8.6% of India's population, faces numerous challenges like poverty and lack of access to services. Tribal women comprise 47% of this population and possess valuable knowledge about their ecosystem.

Sangita Devi, a 42-year-old Chameli Self Help Group member in Gumla District, faced economic struggles due to a lack of technical knowledge in her mushroom cultivation business, earning only 40K/year. In 2021, after receiving training under NSDC's skill development initiative, she increased her production to 500 bundles, making about INR 50,000/season. This empowered her to provide her children with better education and health services and inspired other women to join her enterprise, fostering women's empowerment in the community.

The initiative focuses on economic empowerment and skill development for tribal women. It aims to transition them from daily-wage farmers to entrepreneurs. Gumla, a district rich in natural resources, is the backdrop for this transformation. NSDC, in collaboration with IIM Ranchi, established a Center of Excellence for Aromatic and Medicinal Plants to train women in various agricultural skills, spanning animal husbandry, farming, processing, logistics, and more.

The initiative addresses challenges like lack of market knowledge, technical skills, and technology access through tailored interventions. It provides end-to-end assistance, production planning, pricing strategies, and community engagement to uplift the tribal community. The program's impact extends beyond Gumla, influencing IIM Ranchi's curriculum by introducing courses on tribal communities.

SPECIFIED SKILLED WORKER PROGRAM



India's pursuit of international collaboration is driven by the recognition that today's global challenges and opportunities require collective efforts. By engaging with the international community in various sectors, India aims to not only address its own developmental needs but also contribute positively to global progress and cooperation.

India and Japan's relationship is characterized by a "Special Strategic and Global Partnership" rooted in deep spiritual and cultural connections. Dating back to the establishment of the Japan-India Association in 1903, this enduring friendship has flourished over the years.

In January 2021, a significant Memorandum of Cooperation (MoC) was inked between the Indian and Japanese governments. This MoC laid the foundation for a groundbreaking collaboration, addressing Japan's pressing issue of labor shortages through the introduction of the "Specified Skilled Worker" (SSW) program. Launched in April 2019, SSW aimed to harness foreign expertise and skills to mitigate an anticipated labor shortage crisis in Japan by 2030, projected to reach a staggering 6.44 million workers.

Case study

Zoi is a 24-year-old Mizoram native from the Mizo tribe, who grew up facing economic hardships. Her father's annual income of less than 3 lakhs had to provide for a family of five. Witnessing these struggles throughout her childhood fueled Zoi's determination to improve her family's financial situation. Eight months ago, she embarked on a journey with the NSDC program, driven by the goal of sending money back home after completing her course. Thanks to the NSDC nursing program, Zoi now can secure an aspirational job in Japan, a prospect that holds the promise of supporting her family and funding her siblings' education, turning her vision into a reality.



Japan's high demand for skilled Nursing Care (Care Workers) candidates, driven by its aging population, has created a niche opportunity for Indian professionals to serve in Japanese Elderly Care facilities, hospitals, and esteemed healthcare institutions, benefiting from up to 5 years of employment under Japanese labor laws in a favorable working environment. NSDC has mobilized women from North-eastern states including Arunachal Pradesh, Assam, Mizoram, Meghalaya, Manipur & Tripura for the Nursing Program.

Another bold step was the launch of a residential Japanese language training program in Gurugram, Haryana. This initiative aims to train and place 50 nursing care candidates in Japan under the project "International Mobility." This partnership promises to bring economic benefits to women from Northeastern villages, offering attractive compensation, exposure to Japanese work culture, quality management techniques, and innovative practices, while also enhancing their personal development through interactions with individuals from diverse nationalities.



NEW INITIATIVES



NSDC forges partnership with Australian university for job readiness

NSDC and Deakin University announced the launch of the Global Job Readiness Program (GJRP) to deliver targeted programmes that enhance capabilities of Indian youth in 6 critical areas namely- communication, collaboration, problem solving, innovation, digital literacy, and financial literacy for better employment outcomes.

NSDC and Mondelez India enter a partnership to train youth

NSDC and Mondelez India inked a formal collaboration to empower 660 young individuals in districts of Madhya Pradesh and Pune across select job roles in the sectors of IT-ITes, Management, Logistics, and Tourism and Hospitality. The partnership aims at context-sensitive training in essential soft skills, job-specific skill orientation, tools and work methodologies, followed by assessments, certification, and facilitation of employment opportunities.



NSDC partners with Coca-Cola India to launch the Super Power Retailer Program under the Skill India Mission

To empower the retailer community in the states of Odisha and Uttar Pradesh, National Skill Development Corporation (NSDC) collaborated with Coca-Cola to launch the Super Power Retailer Program. The program will facilitate skill development and empowerment of retailers by focusing on building their capacity in today's modern retail market. As a part of the program, the participants will undergo a 14-hour training session featuring 2 hours of classroom sessions and 12 hours of digital training. Participants will receive a certificate upon completion of the training and assessment.

NSDC Launches "Kaushal Rath" a Unique Initiative for Automotive Sector

To make future ready workforce that can meet global standards, the National Skill Development Corporation (NSDC) in collaboration with Automotive Skills Development Council (ASDC), recently inaugurated the "Kaushal Rath" initiative as part of its "Skill Ko Samman" campaign. Specialized mobile vans, roving across Odisha's districts, offering on-the-go training and certification to 3000 independent mechanics and garage owners.



Skills on Wheel- an initiative to promote skilling in rural areas focusing youth

Hon'ble Union Minister for Education and Skill Development & Entrepreneurship, Shri Dharmendra Pradhan and Hon'ble Speaker, Lok Sabha, Shri Om Birla today launched 'Skills on Wheels' initiative with NSDC and IndusInd Bank with a flagging off ceremony. By providing essential skills to the young population of rural areas, this training is designed to enhance both their theoretical understanding and practical skills, ultimately leading to improved livelihoods. Over a period of 5 years, it is aimed at empowering 60000 youth. 'Skills on Wheels' uses a customized bus equipped with digital infrastructure to promote 'Skill India Mission' by taking skills to the aspirational and backwards districts to different corners of India. It aims to spread awareness at grass root level about free skill training enabling youth to lead a decent life.

OUTCOME-BASED SKILLING - THE INTERNSHALA MODEL

Being one of the youngest countries in the world, India certainly has immense potential to foster innovation and become globally competitive thereby strengthening the economy of the country. Moving a step ahead from merely skilling, the strategic and more pragmatic approach is to encourage outcome-based skilling. Outcome-based skilling is a practical approach to skilling which enables the learners to skill up towards specific and measurable goals. This approach to skilling is dynamic, relevant, and in tandem with the industry requirements.



In recent times, outcome based skilling has grown popular amongst the young learners of India who wish to build a career in specific fields and young professionals who are looking for growth opportunities or even switch to a new field. Owing to this trend, Internshala offers skilling opportunities which are in alignment with the real-time industry needs. Internshala has been revolutionising the internship landscape in India for the past 13 years.

We are a full-stack career tech platform and have been on a mission to enable practical-based learning and ultimately make the Indian youth career-ready. Our skilling engine, Internshala Trainings, bridges the gap between the skill requirements of the industry and the aspiring internship and job seekers.

Recognising the skill gaps, Internshala offers placement guarantee courses in 8 high in-demand industry skills in the fields of technology, management, and design.

Benefits of Outcome-Based Skilling: Employability and Lifelong Learning

Employability is a key challenge for the Indian economy wherein we have millions of students graduating every year however, only a fraction of them are able to find employment or end up being underemployed. An outcome based approach to skilling helps matching students skills' to industry expectations. In today's digital age when the world is transitioning

technologically and socially, there is a dire need for professionals to inculcate lifelong learning practices in order to adapt and succeed in the professional world. For instance, the Electric Vehicle (EV) industry has seen a boom and is only going to grow in the upcoming years, a great deal of technology professionals as well as students are actively skilling up in this field to gear up for the thriving industry.

How is Internshala enabling outcome-based skilling?

1 . Through real-time access to industry needs — Internshala is trusted by 3 lakh+ employers for their intern and fresher hiring requirements. On average, 1000+ internships are being listed on Internshala every day and over 3.6 lac internships were posted in the past year. This information plays a key role in our planning for new course launches, and designing and enhancement of the curriculum of each course in congruence with the real-world demands.

2 . By building a scalable placement engine for the trained students — After training our learners to be placement-ready, based on the current job market needs, we provide access to a large pool of recruiters from all sectors, with assured jobs for our specialised placement guarantee courses.

3 . Keeping the training programs affordable — Internshala is a full stack career-tech platform wherein we aim to handhold aspiring students through their career journey right from their skill development needs to finding internships and job opportunities. Our internship platform is absolutely free of cost for students seeking internships and jobs. We offer opportunities in all sectors including technology, management, design, and media. In addition to this, designing our courses in a results-oriented manner has helped us build trust in the student community. This has played a key role in keeping our customer acquisition cost to a minimum and thereby enabling us to offer the most sought-after skill courses at affordable prices.

Conclusion

The strategic shift towards outcome-based skilling reflects India's potential for innovation and global competitiveness, vital for economic growth. Internshala's approach, aligning skills with industry needs, empowers learners and bridges the employability gap. By offering placement guarantee courses and fostering lifelong learning, it not only addresses industry demands but also enables affordable and industry-relevant skill acquisition. This inclusive approach propels India's youth towards career readiness and sustainable growth in a rapidly evolving professional landscape.



Sarvesh Agrawal

Sarvesh is the founder and CEO of Internshala. He is on a mission to provide 45m+ college students in India with the best career start with his full-stack career platform, with its skilling engine Internshala Trainings and a wide offering of internships and job opportunities in all fields.

POWERING THE SKILL IMPACT BOND



The partnerships that form the core basis of the Skill Impact Bond, are alliances forged and cemented in the face of the unprecedented crisis that was the onset of the COVID-19 pandemic. This coalition of mission-driven organisations came together with a strong desire to mitigate the social and economic crisis unfolding in the country. As the full weight of the emergency measures ran roughshod over India's most vulnerable, unwinding decades of poverty alleviation efforts at warp speed – we began actioning our mission to unlock the power of skill training for employment outcomes and unlock the potential of India's youth. This common goal attracted the time, attention, and problem-solving skills of the country's strongest innovators in the skilling ecosystem, who each participated in a creative and collaborative design process that led to the creation of the Skill Impact Bond.

A landmark initiative for India's skilling sector

In NSDC, we found a mission-aligned champion, with the mandate and expertise to promote skill development by catalysing financing and enabling support system, which focuses on quality assurance, information systems and partnerships. Additionally, the consortium benefitted from each organization's core strength and complemented each other, such that the whole is greater than the sum of its parts. As a co-investor with NSDC, the Michael & Susan Dell Foundation brought a strong focus on innovation in livelihoods space, experience of blended financing and portfolio management. The Children's Investment Fund Foundation (CIFF) strengthened the gender lens in the initiative. Both JSW Foundation and HSBC India, leading CSR donors with significant prior experience of skilling initiatives, brought to bear deep insights into operations and verification processes. Dubai Cares' focus on youth and education helped to adopt a system lens. USAID's focus and understanding of health programming allowed SIB to showcase and prove the link between economic empowerment and improved health. Similarly, the Performance Management Unit

(PMU) under NSDC combined NSDC's domain expertise in running large scale skilling projects with Dalberg's expertise in data analytics and innovation strategy to ensure that all implementation partners received best-in-class capacity building support. The outcomes were to be assessed by an independent evaluator, Oxford Policy Management, with extensive and robust experience in research and surveys and women-centric methodologies. As the Transaction and Evaluation Manager, we at the British Asian Trust tightly facilitated the workings of the consortium with sound stakeholder management, governance and trust-building. Finally, four of India's leading skilling organisations – Magic Bus, PanIIT, Learnet Skills Limited, and the Indian Institute of Skill Development leveraged different but complementary strengths in how they approach the common aims of the Skill Impact Bond.

Since the design of our initiative is based off the Development Impact Bond (DIB) model, we are able to leverage the benefits that DIBs offer – innovation, cost effectiveness, incentive alignment, and more. DIBs also draw in private sector capital and expertise, with a focus on achieving results. This approach applies discipline to development funding, brings an entrepreneurial mentality to development challenges, and ultimately transforms these development challenge into investable opportunities rather than problems. Additionally, participation in an impact bond, with its razor-sharp focus on data and outcomes, can demonstrate what it takes to deliver life-changing impact at scale, while also helping the sector understand what the true price for these outcomes are.

As we continue our journey of supporting young Indians, particularly women, enter the workforce, we aim to showcase and mainstream our insights to India's wider skilling ecosystem. Specifically, we hope to share learnings and best practices with government, CSR funders, and philanthropic institutions to outline how strategic collaborations that apply the principles of outcome-based finance can help transform India's future!



Bharath Visweswariah

Bharath is the British Asian Trust's Executive Director India. Bharath has 20 years of experience in development and management consulting. He has worked for several organisations including the University of Chicago's Center in Delhi, the Antara Foundation, Omidyar and McKinsey & Co. Most recently he was running a start-up he co-founded to increase the employability of students and recent graduates.

DRIVING TRANSFORMATION THROUGH NO-COST EMI ASSISTANCE FOR SKILLING

As industries evolve at an unprecedented pace and job requirements shift, individuals must adapt to this changing landscape to stay competitive and succeed in their careers. It's in this context that outcome-based skilling, a revolutionary approach that places a premium on measurable results and practical skills, has emerged as a game-changer. Additionally, the availability of No-Cost EMI (Equated Monthly Instalment) assistance is playing a pivotal role in democratizing access to skilling programs, making it easier for learners to acquire new skills and qualifications.

Outcome-Based Skilling: A Paradigm Shift for Careers

Outcome-based skilling represents a significant departure from the conventional model of education, which often places undue emphasis on qualifications and degrees rather than practical, industry-relevant skills. Under this new approach, individuals shift their focus towards achieving specific, measurable outcomes and mastering skills directly applicable in the workplace.

The Role of No-Cost EMI Assistance in Access to Skilling Programs



While outcome-based skilling offers a promising new direction for career development, the cost of education and skilling programs can be a significant barrier for many learners. No-Cost EMI assistance, however, addresses this issue by providing financial support that allows individuals to access skilling programs without a significant upfront investment.

It is a financing option that enables learners to spread the cost of skilling programs over several months, often without incurring any

interest or additional charges. This makes education and skilling more accessible to a wider range of people, especially young learners who may not have significant savings or income. No-Cost EMI assistance makes skilling programs more affordable for young people, removing the financial burden of a lump-sum payment. It lowers the entry barrier to skill development, enabling a more diverse group of learners to participate.

Such plans often offer flexible repayment terms. This allows learners to choose a plan that aligns with their financial capabilities and career goals. The ability to spread payments over time makes skilling programs a realistic option for those who may be working part-time or freelancing.

With outcome-based skilling, learners acquire practical skills that can be put to use immediately. This leads to a faster return on investment, as graduates can secure better-paying jobs or freelance opportunities sooner, helping them pay off their EMI plans and build their careers more effectively.

Traditional education financing often leads to significant student loan debt, which can cause financial stress for years. No-Cost EMI assistance, on the other hand, reduces this stress by offering more manageable, interest-free payment options. Learners can embark on their careers with a clearer financial outlook.

The availability of No-Cost EMI assistance also aligns with the concept of lifelong learning, crucial for career success in the 21st century. Young people can acquire new skills as they progress in their careers without worrying about exorbitant educational debts.

In summary, outcome-based skilling revolutionizes careers by prioritizing practical skills and tangible achievements, boosting employability and industry relevance. No-Cost EMI support is pivotal, making skilling accessible and affordable. This dynamic partnership fosters an inclusive, flexible, and economically sustainable approach to career development, offering individuals a direct route to professional success while bolstering industries and economies in a perpetually changing job market. In this ever-evolving professional landscape, it provides hope and promise for those navigating the hyper-dynamic world of work.



Varun Chopra

Varun is the co-founder and CEO of Eduvanz. He has over 15 years of experience in edtech and fintech industries.

Varun worked as an investment banker at Nomura and was also the business manager for Global Credit Products at Deutsche Bank, India. He was selected to join the prestigious "Champions of Change" committee initiated by PMO and Niti Ayog and was honoured as one of the brightest young entrepreneurs, innovators, and achievers by Business World in "BW 40 Under 40".

IMPACT INVESTING IN EDUCATION: CATALYZING TRANSFORMATION IN INDIA



The pursuit of providing accessible, quality education still seems far from attainable in the present scenario in India. India grapples with the paradox of high enrolment but poor quality of education. A significant portion of the population lacks access to quality education due to diverse demographics and infrastructural disparities. Bridging this gap necessitates innovative solutions, and one powerful approach is impact investing. This is an investment approach that emphasizes placing financial returns and positive societal & environmental impact at an equal footing.

Importance of Impact Investing in Skilling and Education:

1. Bridging Education Disparities:

Impact investments serve as catalysts, channeling resources into underserved communities and fortifying educational infrastructure. By focusing on marginalized sections, these investments create a ripple effect, ensuring no one is left behind. This inclusivity in education is vital for sustainable progress.

2. Fostering Skill Development:

Strategic investments enhance skill development programs, equipping individuals with skills demanded by the evolving job market. By nurturing talent, impact investing not only fuels economic growth but also fosters innovation, creating a workforce prepared for the future.

3. Long-Term Social Impact:

Beyond immediate gains, impact investing yields enduring societal

benefits. It reduces poverty rates, enhances employability, and catalyzes economic growth, transforming communities and nations. The focus on long-term impact ensures sustainable development.

4. Fostering Skill Development and Gender Equity:

Impact investments can empower women-led social enterprises that are focused on educational initiatives, creating a double impact by promoting gender equity within the workforce and addressing educational disparities.

In today's landscape, visionaries are not just infusing capital; they are pioneering a paradigm shift. Some investors strategically allocate resources to attract commercial capital, ensuring that the impact reverberates far beyond the initial investment. This deliberate approach amplifies the reach of patient capital and signifies a fundamental truth: less capital can indeed yield more impact. As we journey through the realms of impact investing in education, we delve into the nuanced strategies that are reshaping the educational narrative from the ground up.

Investment Models Approaches:

1. Development Impact Bonds (DIBs):

DIBs involve outcome-based contracts where investors provide upfront funding for education projects in underserved regions. Investors are repaid by outcome funders based on specific educational goals.

E.g. Educate Girls Development Impact Bond (DIB) - This was the world's first DIB in education. The DIB was implemented by Educate Girls in partnership with UBS Optimus Foundation (investor) and the Children's Investment Fund Foundation (CIFF; outcome payer). The DIB was launched with the intention to scale Educate Girls' impact, with a target to enroll and improve the quality of education for 15,000 girls in Rajasthan. The targeted outcomes were surpassed.

2. Guarantee or Risk Insurance:

Third-party protection against capital losses or credit enhancement. These instruments enhance investor confidence, promoting investments in emerging sectors and innovative educational projects.

E.g. IIX - Women's Livelihood Bond (WLB): This is the world's first gender-lens impact investment security listed on a stock exchange. This innovative instrument mobilizes private capital from all over the world for financing financial institutions (FIs) and impact enterprises focused on creating sustainable livelihoods for women.

The WLB bond series pool high-impact women-focused enterprises to create a multi-country, multi-sector, and multi-stakeholder portfolio and issue bonds through a special purpose vehicle (SPV) based in Singapore. These bonds are sold via IIX's investment banking partners to international accredited and institutional investors, and the proceeds are lent to underlying entities. In India, IIX has partnered with Kinara and Centrum. The loan proceeds will be onward lent to finance and support 2,500+ women-owned small businesses.

3. Grants and Technical Assistance:

Financial contributions with no repayment expectations, supporting capacity building and providing strategic/technical assistance. This tool attracts private capital to development projects, fostering innovation and addressing knowledge gaps.

E.g. Varthana Non- Convertible Debenture (NCD) Excellence Project: The Michael & Susan Dell Foundation designed and developed a pay-for-performance instrument with Varthana, to lend to the affordable private school (APS) segment and drive learning outcomes. The objective was to use financial incentives to nudge school owners to prioritize quality learning.

The Dell Foundation offered Varthana an NCD with a mix of commercial and concessional capital. Varthana then mobilized smaller loans to 337 schools across 11 cities in India. The foundation further incentivized the schools with a rebate on

interest rate linked to improvement in learning outcomes. A TA was also provided to Varthana to build capacity in these schools to understand and assess learning outcomes.

Development Impact Bonds, Concessional Capital, Guarantee or Risk Insurance, and Technical Assistance or Grants are not just financial tools; they are the building blocks of a future where quality education is accessible for everyone. The QEI DIB and similar endeavors stand as testaments to the power of collaboration and strategic investment. They showcase how, when stakeholders come together with a shared purpose, barriers crumble, opportunities flourish, and education becomes a beacon lighting the way for generations to come.

By understanding these models and embracing the spirit of collaboration, we pave the way for a revolution in education, empowering individuals and entire communities. Each investment made is not just a transaction; it's a commitment to a future where education is not a privilege but a fundamental right, accessible to all.



Conclusion

The pursuit of quality education in India encounters obstacles despite high enrolment rates, necessitating innovative solutions like impact investing. These investments bridge education gaps, empower marginalized communities, and cultivate a skilled workforce. Through strategic models like Development Impact Bonds and Grants, investors drive societal impact, creating a future where education is not just a privilege but a universally accessible right, fostering a transformative journey for individuals and communities alike.



Girish Aivalli

Chief Executive Officer, Impact Investors Council

Girish is a well recognized professional in the AgriBusiness industry with an excellent mix of operational, consulting and policy experience – and relationships within the industry and government.

Girish has been in leadership roles heading Cargill's India Supply Chain and ADM's Indian Grains business, as well as being the Founding Group MD & CEO for a Yes Bank Family Office Company, focused on New Age Businesses of Solar, Logistics and Feed.



#COMMUNITY CHRONICLES

READERS
SHARE THEIR
EXPERIENCE

**TRANSFORMATIVE
CAREER JOURNEY**



Indrajit

Visiting Delhi for the Kaushal Dikshant Samaroh was a dream. My first airplane ride was made even more special by a fellow passenger's kindness in giving me their window seat. The journey to Prajnan Bhavan was a thrilling prelude to the incredible honor awaiting me. Before I tell you everything that happened at the Prajnan Bhavan let me tell you, my story. Here it goes -

My story began in the humble streets of Kolkata, selling my late father's books, wearing hand-me-downs, and struggling alongside my mother and sister. Books donated by kind souls offered me an escape from our hardships. Through unwavering determination and hard work, I transcended my circumstances to become a software developer at ALYF in Mumbai. At Prajnan Bhavan, India's Education Minister, Hon'ble Union Minister Sri Dharmendra Pradhan, recognized my transformation with an award. His interest in my journey added to the emotion of the moment. This achievement was a promise fulfilled to my late mother, and I owe my gratitude to Masai, Prateek Shukla, NSDC, Tanya Goyal, Honey Pamna, my family, and well-wishers.

Masai and similar institutions are beacons of hope, empowering families to break free from poverty through skill development. My story is a testament to what determination can achieve.

Sharmistha Dutta

Myself, Sharmistha Dutta! I was born in 2003 was brought up by a single mother, Bandana Dutta who is a Tailor by profession. I also have one younger sister. Because of the financial and societal challenges, I never really knew what it meant to be a kid.

Growing up, I felt accustomed to my own self. I was always more mature than the other children around me. I started taking on responsibilities at a very early age. I always wanted to become an air hostess. However, due to financial difficulties, it seemed to be impossible. But my mother stood like a rock and was always willing to support me in my dreams in spite of the various challenges.

I got selected by Air India as a Cabin Crew on the 9th of Jan 2023. I travelled all the way to Delhi to attend the campus drive held in one of Frankfinn's centers. That is when I witnessed that how my fortune changed overnight because of Frankfinn.

I really thank my mother and Frankfinn from the bottom of my heart which have made my dreams come true. Today I am flying across the world, meeting celebrities and staying at 5-star hotels. Thank you Frankfinn!





#COMMUNITY CHRONICLES

READERS
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TRANSFORMATIVE
CAREER JOURNEY



Shраван्थी

Coming from a remote village in Telangana, I Shраван्थी Kannuri achieved the success many can only dream of. My journey to career success began long after I left college. Even though I worked as a lecturer after completing my education, after my marriage I had to make the difficult choice of prioritizing my family over my career. In the next four years, as my family grew with two children, I devoted myself entirely to them. But, I reached a point in my life where I yearned for something more, a desire to be more than just a homemaker and to build a professional identity.

The path to reestablish my career was far from easy. Fear and self-doubt cast large shadows on my own dreams. It was the support of my husband and mother-in-law that became my guiding light. In search of professional growth, I joined NxtWave. The program's flexibility allowed me to balance my household responsibilities while acquiring the industry-ready skills I needed. With complete determination and hard work, I worked on myself for the next few months. Today, I proudly stands as a UI/UX Developer at Motivity Labs, a testament to my relentless commitment to my aspirations.

Shраван्थी's story is a testament to the power of determination, the importance of support networks, and the transformative capacity of individuals who rise above challenges to achieve their dreams.

Vishal Singh

My name is Vishal Singh Solanke, I hail from Ranchi, Jharkhand. I find myself in a pivotal role as a Cyber Security Analyst at Orange Business Services. My journey is marked by gratitude towards the MentorKart, Skill India Mission and NSDC (National Skill Development Corporation), recognizing the invaluable platform they have provided.

In today's world, where skills are the differentiating factor, my pursuit of acquiring and leveraging my abilities was primary focus. It is MentorKart that guided me not only in becoming skillful but also in forging a thriving career path.

In the grand scheme of things, I believe that possessing the right skills empowers individuals to confront life's challenges head-on.

It is a mantra that I live by, and I owe my deep reservoir of knowledge to my academic journey, culminating with a master's degree from JECRC University.

My story is a testament to the transformative power of skills, exemplifying how they can shape one's career and life's trajectory.



FINANCIAL LITERACY

Financial literacy noun | [fi-nan-shul] | [lit-er-uh-see]

वित्तीय साक्षरता / धन का सही उपयोग

Definition: **Financial literacy** means having the knowledge, skills, values, and habits needed to successfully manage money at the personal and family level. It includes earning, spending, saving, borrowing, and investing responsibly. If we are financially empowered and capable, we are better equipped to realize our full potential.

Financial literacy helps us build on prior learning and life experiences to use and apply knowledge and skills in a variety of contexts – at home, at work, in education and training. This is an imperative skill to survive and adapt to a constantly changing world.



Financial Literacy is more than a buzzword; it's an essential life skill in today's intricate economic landscape. While money weaves through almost every aspect of our lives, a glaring gap persists in our understanding of it. True financial independence isn't just about earning, but discerning: distinguishing needs from wants, planning for unforeseen challenges, and growing wealth wisely. The current knowledge chasm isn't merely personal; it's a societal concern. Without this critical education, we risk debt traps, missed financial opportunities, and overall economic stagnation. As the world evolves, understanding money becomes not just a tool for prosperity but a necessity for resilience and self-sufficiency.

Meet Lata & Subbu, classmates excited about their school's upcoming "**Local Crafts Mela**" event.

Lata makes very nice bracelets but does not know how to price them. Subbu, having worked at his father's shop, is well-versed in costing. **He knows how to break down expenses, from the cost of raw materials to overheads labor.** Lata understands the basics of costing from Subbu & sets up a stall to ensure she can make some profit.

On the day of the event, the stall showcases Lata's **bracelets** & Subbu's **budgeting insights**. It's a hit! Not only do they recover costs, but they also make a profit!

Lata & Subbu's venture underscores the power of **financial literacy** as a life skill. Let's learn from their journey & **explore more about vital skills on our website!**



1 You just got your first paycheck. What's the best way to manage it?

- A Spend it all on a shopping spree to celebrate.
- B Deposit it all into your checking account and figure it out later.
- C Create a budget to allocate money for needs, wants, and savings.



2 You're considering taking out a student loan for college. What should you do before making a decision?

- A Take out the maximum loan amount available to enjoy college without worries.
- B Research different loan options, consider interest rates, and only borrow what you need.
- C Avoid student loans altogether; they seem too complicated.

3 You have some extra money after paying the bills. What's a smart way to use it?

- A Invest everything in risky stocks.
- B Splurge on a luxury item you've been eyeing.
- C Save for emergency funds.



4 You want to start building credit. What's a responsible way to do it?

- A Avoid credit cards altogether; they're too risky.
- B Get a credit card, use it responsibly, and pay the full balance each month.
- C Apply for multiple credit cards to have more spending power.

5 You want to start investing but are unsure where to begin. What's your first step?

- A Invest all your savings in a single, trending stock.
- B Seek advice from a financial advisor and diversify your investments.
- C Keep all your money in a savings account for safety.



6 Your credit card bill is higher than expected. What should you do?

- A Pay only the minimum amount due to have more cash on hand.
- B Pay the full statement balance to avoid interest charges.
- C Ignore it; credit card bills will sort themselves out.



7 You're considering renting your first apartment. What's a crucial factor to include in your budget?

- A Only consider rent and utilities; the rest will work out.
- B Factor in additional expenses like groceries, transportation, and emergency savings.
- C Don't bother budgeting; it's too time-consuming.



8 You've been offered a new job with a higher salary but fewer benefits. What factors do you consider?

- A Accept the job immediately for the increased pay.
- B Weigh the overall compensation package, including benefits and salary.
- C Decline the offer; benefits aren't essential.

9 You want to improve your credit score. What's a good practice?

- A Avoid using credit cards altogether.
- B Regularly check your credit report for errors.
- C Max out your credit cards to show you can handle large amounts of debt.



10 You're planning a big purchase like a car or a laptop. What should you do before buying?

- A Make an impulse purchase; it's more exciting.
- B Research and compare prices, read reviews, and consider financing options.
- C Skip the research; all products are the same.

Scoring

- Give 1 point for each correct answer.

Interpretation

- 0-4 points: Keep learning! Consider further research on personal finance topics.
- 5-7 points: Well done! You have a good foundation in financial literacy.
- 8-10 points: Excellent! Your financial knowledge is impressive for a young adult.



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