# Memorandum of Understanding

Between



All India Council for Technical Education, New Delhi

And



Tata Institute of Social Sciences, Mumbai

# Memorandum of Understanding

This Memorandum of Understanding entered into on the 27<sup>th</sup> day of March 2012 at New

#### Between

All India Council for Technical Education, a statutory body of Ministry of Human Resource Development established under All India Council for Technical Education Act, 1987 through its Chairman, having its office at 7<sup>th</sup> Floor, Chanderlok Building, Janpath, New Delhi- 110 001 which includes its successor unless the context otherwise requires (hereinafter referred to as "AICTE")

And

Tata Institute of Social Sciences, Mumbai, an institution deemed to be university declared under section 3 of the UGC Act, 1956, a fully publicly funded institution, having its office at PO Box No: 8313, Deonar, Mumbai – 400088 which includes its successors and assigns unless the context otherwise requires (hereinafter referred to as "TISS")

AICTE and TISS are hereinafter referred individually as party and collectively as parties.

#### Whereas

A. TISS has set up a 'School of vocational education', housed in its Mumbai campus, with a vision of creating an ecosystem that would bring back the dignity of labour for blue collar streams of work, and create sustainable sources of income for the marginalized youth in the country

B. The All India Council for Technical Education is a statutory body established under AICTE Act 1987 with a view to the proper planning and coordinated development of the technical education system throughout the country, the promotion of the qualitative improvements of such education in relation to planned quantitative growth and the regulation and proper maintenance of norms and standards in the technical education system and for matters connected therewith.

C. The AICTE is also entrusted with the duty to take all such steps as it may think fit for ensuring coordinated and integrated development of technical and management education and maintenance of standards and for the purposes of performing its functions under the AICTE Act, the Council may promote an effective link between technical education system and other relevant systems including research and development organizations, industry and community.

D. The AICTE, through the National Vocational Educational Qualification Framework (NVEQF), is desirous of ensuring development and management of vocational education in the country and integrating it with academic streams of higher technical education.

E. The TISS approached AICTE with a proposal for Seed Capital for Pilot Project in some verticals and trades, to be utilized in setting up the project office, developing content, pedagogy, mobilization, implementation of training and towards technology and infrastructure for the same

- F. The objective of the pilot project, among others under NVEQF of MHRD / AICTE, is research into vocational education, studies on skill requirements and development in the country, building content for various sectors based on NVEQF, developing teaching methodologies and pedagogy, training the trainers, methodology for skill assessment and skill accreditation, creation of best practices document in vocational education viz-a-viz its relation to NVEOF
- G. Accordingly, AICTE has agreed to support the school of vocational education with financial assistance up to Rs 10 crore over a period of three years from the date of signing of the MoU.

Now, therefore, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby expressly acknowledged by the parties, the parties hereto, hereby agree as under:

# 1. Scope of the programme

- a) TISS proposes to incubate a national vocational training university, starting as a School of Vocational Education operating under the aegis of TISS in the first phase. This school will offer a 2 year certificate course where a student will pass out as 'Technician'. Policy changes permitting, advanced degree programmes certifying the worker as 'Master Technician' and 'Expert Technician' will be offered in course of time, with potential cross-transfers to the academic streams to pursue degree and diploma courses as per NVEQF.
- b) The project, among others under NVEQF of MHRD / AICTE, shall focus activities on research into vocational education, studies on skill requirements and development in the country, building content for various sectors based on NVEQF, developing teaching methodologies and pedagogy, training the trainers, methodology for skill assessment and skill accreditation, creation of best practices document in vocational education viz-a-viz its relation to NVEOF
- c) The TISS will mobilize large groups of candidates for training through an extensive network of NGOs, governmental bodies especially in rural areas, youth organizations and also existing subcontractors where a large pool of unskilled and semiskilled labourers are currently employed.
- d) A robust and validated 'differential aptitude test' will be developed in coordination with psychometrics experts and students will take the test and be counseled on the trade/s they have natural ability for. This test will be benchmarked against international testing modules.
- e) The training begins with basic orientation and job skill modules, covering aspects of the 'world of work' that the student is going to enter and make this transition seamless to reduce drop-outs.
- f) The TISS will bring together world-renowned trainers and industry experts to form core groups constituting 'Centers of Excellence', one per industry vertical, and this group will develop a standardized pedagogy for each trade. The content will be digital where possible, simulation-based, available in local languages, and continuously updated with international industry standards. The training delivery will be through a 'work-integrated' approach where the student learns at the shopfloor or industry/ project site or service location itself ('spoke') with periodic classroom ('hub') sessions to assimilate. The spoke partner will absorb only 5% of the batch size, thereby ensuring this is a continuous process, driven by the School's industry partner,

feeding the rest of the industry as well. This model is demand-derived and leads to assured employability.

g) The hubs would be for-profit franchisees which would enter into an affiliation agreement with the School and operate as per the School's policy and pedagogy and remit a fixed fee per trainee for use of the same. The trainee pays the School for the aptitude test and certification and the fees to the hub is 10% of his/her stipend, thereby reducing his/her one-time fee burden. The model ensures operating expenses are broadly met through operating revenues (fees, royalty, consultancy revenues) and funding is sought through grants for developing content and pedagogy at the Centers of Excellence.

## 2. Operational aspects

- a) The TISS agrees to create a fund for the programme / project which will be maintained by it.
- b) The AICTE will provide financial assistance of Rs. 10 Crores during a period spread over three years from the date of signing of the MoU.
- c) In the first year, the AICTE shall provide the financial assistance of Rs. 2 Crores divided into four quarters. In first quarter of the first year, the AICTE will release an amount of Rs. 50 lakhs and subject to submission of Utilization Certificate by TISS for each quarter, the AICTE may release an amount of Rs. 50 lakhs each in second, third and fourth quarters of the first year.
- d) Subject to submission of Utilization Certificate and satisfactory progress of the project, in the second year, the AICTE will provide financial assistance of Rs. 4 Crores divided into four quarters. In the first quarter of the second year, the AICTE will release an amount of Rs. 1 Crore and subject of submission of Utilization Certificate by TISS for each quarter, the AICTE may release an amount of Rs. 1 Crore each in second third and fourth quarters of the second year.
- e) Subject to submission of Utilization Certificate and satisfactory progress of the project, in the third year, the AICTE will provide financial assistance of Rs. 4 Crores divided into four quarters. In the first quarter of the second year, the AICTE will release an amount of Rs. 1 Crore and subject of submission of Utilization Certficate by TISS for each quarter, the AICTE may release an amount of Rs. 1 Crore each in second third and fourth quarters of the third year.
- f) In the event of any amount not utilized for the implementation of the programme, TISS shall return such unutilized amount to AICTE within one month of the date of expiry of the quarter or such extended period as agreed by both parties
- g) AICTE may at any time during the programme / project call for the accounts of the programme. In the event of misuse of assistance granted by AICTE or non-utilization, AICTE may call for return of the amount or stop further disbursements.
- h) TISS shall be responsible for supervision and conduct of the programme and shall ensure the programme runs along the lines envisaged. AICTE shall discharge its role in regard to funding the project as specified above and monitoring of the same.
- i) A joint working group shall be constituted with members from TISS and AICTE, which shall conduct a quarterly review of progress of the programme. The group shall comprise of at least 7 members, one coordinator/convenor, one representative from TISS and two from AICTE, and three independent members, drawn from industry and vocational training experts.
- j) One member from AICTE would be nominated to join the Steering committee of the school of vocational education that would meet once every six months and be

constituted as the apex body for the purpose of review of the programme and approval of the work plans of the school.

k) The steering committee may authorize any person to inspect, examine and audit the operations relating to the programme. If information is not readily available, TISS shall furnish the same in a reasonable period of time.

### 3. Funding

The programme funding beyond the 10 Crores after three years of the project may be reviewed / examined by AICTE, at the end of the two and half years of satisfactory completion of the project.

## 4. Validity and termination

The MoU shall remain in effect for a period of three years from the date of signing. The parties may extend the validity at their discretion with mutual consent.

AICTE may terminate the MoU with a written prior notice of one quarter if TISS fails in implementing the programme as per the MoU. The termination shall not affect the rights and obligations accruing prior to such termination. In case of termination of the MoU, the AICTE shall have exclusive charge on the properties which may have been created out of the funds of AICTE in the course of implementation of the project.

#### 5. Arbitration

In case any dispute arises between parties, an effort shall be made to settle the same amicably. However, if any dispute that remain unresolved, shall be referred to the Secretary, Higher Education, Government of India, who shall be sole arbitrator. The award of the arbitrator shall be final and binding on the parties and the arbitration proceedings shall be carried out as per the provisions of the Indian arbitration and conciliation act, 1996 as may be amended from time to time. Legal disputes shall be subject to the jurisdiction of the Courts at Delhi.

In witness whereof both the parties have hereunto set and subscribed their hands at the day and the year first herein above written

Date: 27 March 2012

Place: Delhi

TISS Dr. S. Panasuraman AICTE

Tata Institute of Social Sciences
Sion-Trombay Road, Deonar.

Name: Mumbai - 400 088.

Designation: 27 March 2012 Designation:

Signature:

प्रो. एस.एस. मंथा / Prof. S.S. MANTHA अध्यक्ष / Chairman अखिल भारतीय तकनीकी शिक्षा परिषद्

Name:

Signature: