



Karnataka Skill Development Corporation  
Department of Skill Development, Entrepreneurship and Livelihood (SDEL)  
Government of Karnataka

## **Request for Expression of Interest (REOI)**

**FOR**

**Funding from Nationalized/Scheduled Banks for Transformation of  
Government owned Industrial Training Institutes (ITIs)**

**Issued on: 17.12.2020**

## SECTION-1: INTRODUCTION

### Background

Department of Industrial Training and Employment (DITE) is functioning under the Skill Development, Entrepreneurship and Livelihood (SDEL), Govt. Of Karnataka. It is the State level agency for implementing various skill development activities of Director General of Training (DGT), Ministry of Skill Development and Entrepreneurship, Govt. Of India. The department is implementing the major two schemes introduced by the Director General of Training, namely Craftsman Training Scheme and Apprenticeship Training Scheme through various Governments and Private Institutes scattered in urban, semi urban and rural areas of the state. By using the latest technologies in imparting training, the department enhances the employability of the trainees.

While the industrial growth scenario looks bright, there are challenges when it comes to relevant employment opportunities for the people of the state. On considering this aspect, it is very evident that there is a need to bridge this gap through concerted efforts in a more structured and concise manner. Keeping this in mind, the state desires to work towards improving the ITI ecosystem, creating a workforce that will be address the manpower needs of the industries.

### About the Project: Transforming ITIs into Technology Hubs

On 6th November 2020, Government of Karnataka (through the Department of Skill Development, Entrepreneurship and Livelihood (DITE)) entered into a Memorandum of Agreement with Tata Technologies Ltd., a global engineering and product development digital services company to technologically upgrade and modernize 150 Government owned Industrial Training Institutes (ITIs) across the State with an investment of INR 4,636 crore. This project is to improve the availability of people with the advanced skills required for smart manufacturing in all districts of the state and help the industry embrace industry 4.0 technologies very smoothly. After the upgradation, these ITIs will cater to the advanced skill requirements of students and prospective employers. It will also act as technology hubs and skill centres for large industries and MSMEs.

Upgradation of ITIs at this scale is first of its kind initiative taken up in India and is envisioned to benefit either directly or indirectly approximately 90,000 students studying annually in 1,713 ITIs under the umbrella of DITE, GoK by re-orienting the technical institutions, to enable them to impart skill training in emerging areas and narrow down the skill gap with respect to market requirements and ensure consistent supply of highly skilled technical manpower for various sectors of the economy.

Tata Technologies along with the support of 20 global industry partners will implement this project. It will upgrade the overall facilities, develop an ITI course curriculum leveraging its manufacturing domain knowledge around advanced areas of technology, conduct training programmes, and provide equipment and software support at the ITI centres.

The upgraded centres will facilitate upskilling in sectors related to Industry 4.0, product design and development, product verification and virtual analysis, design for artisans and handicrafts, additive manufacturing (3D printing), modern automotive maintenance repair and overhaul, battery electric vehicle training, to name a few.

The project cost will include investment from the state government as well as from a consortium of 20 companies led by Tata Technologies. Tata Technologies will contribute 88% of the cost with a total of Rs. 4,080 crores for 150 ITIs. The government will provide total funds of Rs. 657 crores for upgradation of 150 ITIs.

This EoI invites the proposals from the nationalized/scheduled banks to provide funding of INR 657 crores as per the terms & conditions as detailed in the Expression of Interest (EOI).

## SECTION 2: INSTRUCTIONS FOR ENTITIES

### 1. Availability of EOI Document:

Expression of Interest (EOI) is invited for shortlisting of nationalized/scheduled banks (referred as 'Entities' hereinafter) for providing funding to KSDC (SDEL) for the implementation of the Project: Transformation of ITIs into Technology Hubs. The EOI document may be downloaded from the website [www.kaushalkar.com](http://www.kaushalkar.com).

### 2. Submission of application:

Interested entities may submit their proposal along with necessary documents by 08<sup>th</sup> January 2021 to the address below:

To  
The Managing Director  
Karnataka Skill Development Corporation (KSDC)  
3<sup>rd</sup> Floor, Kaushalya Bhawan  
Near Dairy Circle, Bennerghatta Road,  
Bangalore – 560029

The Entities would provide all the information in terms of this EOI Document. Only those proposals shall be evaluated that are received in the prescribed format and are complete in all respects.

Important Dates for this EOI process are detailed below:

S. No.	Event Description	Dates
1	Date of Issue of EOI	17.12.2020
2	Last Date of Submission of EOI by Entities	08.01.2021

### 3. Clarifications

Entities requiring any clarification on the EOI document may request KSDC (SDEL) online through E-mail at [skilldev.2017@gmail.com](mailto:skilldev.2017@gmail.com).

### 4. General Conditions

1.	Amount Required	Rs.657 Crore
2.	Period of loan	Tenure of the Loan shall be seven (7) years
3.	Mode of Repayment	Principle & interest will be repaid in quarterly instalment.
4.	Security	The loan will be guaranteed and repaid by Government of Karnataka.
5.	Stamp duty and other charges like processing fee, Service charges, application fee, agreement fee, Upfront fee, inspection Charge, Legal Charges, Hidden Charges, Renewal Charges, Loan review charges, Insurance and etc.	Not Payable by KSDC
6.	Pre closure	Option to KSDC without any payment

### **SECTION-3: TERMS OF REFERENCE**

KSDC (SDEL) now proposes to select a Bank for debt financing the Project and only the Bank, which offers the most competitive terms will be selected. Entities is requested to submit their Proposal/Expression of Interest (EOI) quoting the most competitive interest rate, fees, charges, etc.

Borrower: KSDC (SDEL)

Facility Required: Rupee Terms Loan

Loan Tenor: 7 (seven) years

Repayment Schedule: The loan is proposed to be repaid over 28 structured quarterly instalments.

### **SECTION-4: LIST OF DOCUMENTS TO BE SUBMITTED WITH EOI**

- Cover Letter
- Proposal/Expression of Interest quoting the interest rate, fees, charges etc.