

Client Evaluation Detail Report

Evaluation ID	6292059
Full Business Name	National Skill Development Corporation
Local Client Name	National Skill Development Corporation
CEAC Lead Partner	Ramaswamy, Narayanan

Client Evaluation

Questionnaire Name	Client
Final Risk Grade	Medium
Evaluation Type	Continuance-ReEvaluation
Evaluation Status	Approved
Evaluation Status Date	12/10/2015 18:18:26
Client Risk Group ID	

Function of Service of CEAC Lead Partner

Primary KPMG Function	Advisory
Function of Service (second level)	Advisory
Function of Service (lowest level)	IGS

Office

Office(top level)	India
Office(middle level)	India
Office(lowest level)	Chennai

CEAC Evaluation Details

User that created the Evaluation	Thacker, Narayan
Requestor	Thacker, Narayan
Sentinel Entity ID	3453384
IBS Client ID	
Entity Clearance Status	Entity Added to Tree
Entity Onboarded Status	OnBoarded
Evaluation Reason	- Annual continuance with revaluation

Attachments

Type of Documentation	Attachment File Name
Background Check	_National Skill development Corporation_ fraud, default, penalty, police,imprisonment, corruption, CBI, misconduct, vigilance, arbitration, legal,litigation, money laundering - Google Search_files - Google Search.html

Risk Summary

Recommended Risk Grade Medium

Final Risk Grade Medium

Previous Final Grade Medium

Risk Grade Details

Business Case

Approvers

Role of Approver	User Name	User Email	Approver/Notified Party	Date Approver Initiated On	Approver Action	Date Approver Action Taken
Owner	Ramaswamy, Narayanan	narayananr@kpmg.com			SubmitForApproval	08/10/2015 12:19:20
Approver Action Comment						
Business Unit Partner - Advisory	Mahajan, Arvind	arvindmahajan@kpmg.com	Approver	30/09/2015 19:46:11	Approved	01/10/2015 11:54:57
Approver Action Comment						
Functional Risk Partner - Advisory - IGS	Ramaswamy, Narayanan	narayananr@kpmg.com	Approver	08/10/2015 12:19:20	Approved	12/10/2015 18:18:26
Approver Action Comment						

Team Members

Team Member Role	Team Member User	User Email	Office	User Country
Requestor	Thacker, Narayan	narayanthacker@kpmg.com	New Delhi	IN
Owner	Ramaswamy, Narayanan	narayananr@kpmg.com	KPMG House	IN

Questions

1 Reputation Risks (auto answered)

Does the prospective client present increased reputational risks to KPMG by being the firm's client?

Yes

No

2 Financial Risks (auto answered)

Does the prospective client face financial or other problems that are likely to affect its continued existence or ability to pay our fees?

No

Yes

1.000 Association Risks >>> 1.020 Background Information

1.020.020 Client business

Please provide details regarding the entity's background information including main business

NSDC is a Public private partnership that is focused on promoting skill development by creation of large, quality, for-profit vocational institutions, providing funding to build scalable, for-profit vocational training initiatives and facilitating the creation of support systems required for skill development. NSDC is focused on equipping the local demographic with suitable skills to improve their chances of employability within businesses and sectors within their state

1.020.030 Client business has changed

Have there been any changes to the client's business?

Yes

No

1.000 Association Risks >>> 1.040 Identity Checks

1.040.020 Management changes

Have there been any key management or ownership changes since the last evaluation which increase reputational risks from the prospective client?

Yes

No

1.000 Association Risks >>> 1.060 Client Integrity

1.060.010 Client Integrity

Based on the background checks and our current knowledge of the prospective or current client are there doubts regarding the integrity of the client, its management, its audit committee (if any) or its major shareholders/ owners or its board or other governing body?

These may include, known or alleged breaches of law, current or past investigation by or litigation with the authorities, potential money laundering, fraud or any improper diverting of funds, questionable business ethics etc.

Yes

No

1.000 Association Risks >>> 1.080 Nature and Approach to Business

1.080.010 Increased risk - Nature of Business

Are there any concerns arising from the nature of the client's business or their approach to business?

Examples are history of litigation, disputes with advisers and/ or other parties, significant lack of corporate governance in large or public interest entities, involvement in contentious political issues, otherwise critically in the news as a result of its ownership or activities etc.

Yes

No

1.000 Association Risks >>> 1.080 Nature and Approach to Business

1.080.080 Increased Risk - Approach to business

Is the business/industry in which the entity operates considered potentially unethical or classified as higher risk? Examples are Gambling (including Internet gaming), biotech companies, real estate, construction and property development, weapons-manufacturing and sale, any business that is primarily cash-based.

Yes

No

1.080.095 Indicators of Increased Risk

Please confirm if any of the below are true:

1) Is the prospective client (hereafter defined as meaning both the legal entity itself plus any of its foreign branches) physically located in a sanctioned country?

2) Is the prospective client itself on any "prohibited party" list for trade sanctions purposes?

3) Is the prospective client registered for legal or regulatory purposes in a sanctioned country?

4) Does the prospective client undertake any kind of business activity in a sanctioned country that could be relevant for the purpose of the proposed Member Firm engagement?

5) Does the prospective client trade in goods or services which can be the subject of international trade sanctions (e.g. armaments, transportation, shipping, nuclear materials, financial services)?

6) Are the goods or services in which the prospective client trades manufactured or performed in a sanctioned country?

7) Are there any indications that the prospective client receives funding from an entity or an individual based in a sanctioned country?

8) Are any of the prospective client's owners (whether a sole proprietor or a partner or shareholder with a holding of 10% or more), or any of its officers or directors, citizens of a sanctioned country?

9) Are any of the prospective client's owners (whether a sole proprietor or a partner or shareholder with a holding of 10% or more), or any of its officers or directors, residents of a sanctioned country?

10) Are any of the prospective client's owners (whether a sole proprietor or a partner or shareholder with a holding of 10% or more), or any of its officers or directors, on any "prohibited party list" for trade sanctions purposes?

True

False

1.080.100 Nature of or approach to business

Does the nature of the current or prospective client's business (if any) or their management's/ promoter's approach to business increase KPMG's risk, whether by way of risk of adverse publicity or by actions which impact KPMG?

Yes

No

1.000 Association Risks >>> 1.100 Relationship with KPMG

1.100.010 Relationship with KPMG Firms

Is the prospective client (or its parent entity a client of another KPMG firm)?

Yes, entity/ individual is a client of another Firm

Yes, parent entity is a client of another Firm

Yes, parent entity is client of Indian firm

No

Unknown

1.100.020 Increased Reputational Risks

Are there reputational concerns arising from the prospective or current client's relationship with the firm or other KPMG Firms ?

Yes

No

1.000 Association Risks >>> 1.120 Other Reputational Risks

1.120.020 Other reputational risks

Are there any other increased reputational risks from this prospective client?

Yes

No

2.000 Financial Risks >>> 2.020 Financial Risk Indicators

2.020.010 Financial risks

Does the prospective or current client face financial or other problems like covenant defaults, failure to pay suppliers/ advisers, filing for bankruptcy etc, that are likely to affect its continued existence or ability to pay our fees?

Yes

No

3.000 Background Check and Findings

3.010 Background Check/ Adverse Findings

Confirm that appropriate background checks have been carried out & documented as per firm policy, on the Owners (in case of owner managed business), Individual, Entity and its Principal Officers.

Relevant key words for background search must include fraud, default, penalty, police, imprisonment, corruption, CBI, misconduct, vigilance, arbitration, legal, litigation, money laundering. A copy of the background search evidencing search must be attached to the form.

True

Questions

3.000 Background Check and Findings

3.020 Adverse findings

Were there any adverse findings as a result of background check other than those already covered in the above section 1 - Association Risks and section 2 - Financial Risks ?

Yes

No

4.000 Subsidiary Information

4.010 Holding Company / Subsidiary Company / Fellow-Subsidiary Company

Is the Entity's holding company/ subsidiary company/ subsidiary of the holding company (fellow subsidiary) listed on any stock exchange in India?

Yes

No

Not Applicable (Incase of individuals)

Entity Information

Full Business Name National Skill Development Corporation

Local Client Name National Skill Development Corporation

Trade Name

Second Trade Name

Entity DUNS Number XX1450836

Local Client Number or Code

Registration Code

KPMG Previously Declined No

Previously Declined Details

Existing Client of Another KPMG Firm

Services to Existing Client

Type of KPMG Client IGS

Referred to Firm No

Country of Referral Source

Referred By

Year of Introduction

Entity is Listed No

Stock Exchange **Stock Exchange Other** **Ticker Symbol**

Entity is Planning to List No

Stock Exchange (Planning to List) **Stock Exchange Other (Planning to List)** **Date Entity is Planning to list**

Shareholder **Shareholder Name** **Shareholder Ownership**

Principal Officer **Officer Name** **Officer Title** **Officer Title Other**

S Ramadorai Chairman of the Board

Manish Kumar Chief Executive Officer

Jayant Krishna

Chief Operating Officer

Gopal Sharma

Chief Financial Officer

Affiliate Type Code CS
Entity is Ultimate Parent No
Global Ultimate Parent Name Government of India
Global Ultimate Parent DUNS Number 862172751
Global Ultimate Parent Entity ID 1464116
Global Ultimate Parent Registration Country India (IN)
Service Line (LOB) Infrastructure, Government & Healthcare
Global Industry
Local Industry Government
Entity Main Business
Entity Type Entity - Other
Entity Type Other
Entity Fiscal Year End JANUARY
Public Interest Entity Yes
Public Interest Entity Details NSDC is a PPP with GOI having a 49% stake and has the objective to train 150 Mn people by 2022
Public Interest Entity Jurisdiction
Entity is SEC Issuer No
Entity is SEC Affiliate No

Entity Address

Entity Address Street Clarion Collection, (Qutab Hotel), Shaheed Jeet Singh Marg
Entity Address City New Delhi
Entity Address State
Entity Address Country India (IN)
Entity Telephone 911147451600