



BUSINESS PLAN · INDIA

Vocational and Skill Institute

The real competitor is a job available today

SCHOOLS

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

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This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out a **Vocational & Skill Institute** in India — a six-lab training centre delivering three-to-six-month courses in welding and fabrication, machining, electrical work, beauty and wellness, IT support and hospitality service, to school-leavers and working adults, funded by a deliberately shifting mix of self-paid fees, government scheme funding and employer-paid customised training.

This sector's headline claim is "100% placement", and unpacking it explains most of what is wrong with the industry. The figure usually means placement OFFERED rather than accepted, to those who COMPLETED rather than those who enrolled, at any wage, for any duration. Reporting against completers is the second laundering: a cohort with 40% dropout has already removed its weakest outcomes from the denominator before the placement rate is calculated. And the number that most exposes the sector is never published at all — whether the trainee was still in the job ninety days later. A young man placed into work he leaves in three weeks was placed, the institute counted him, and the outcome was worth nothing to him. This plan reports the four figures that actually describe the result: placement against the ENROLLED cohort (38% rising to 57%, against the industry's completed-cohort framing of 62% to 73%), completion rate (61% to 78%), retention in the job at 90 and 180 days (54%/41% rising to 79%/68%), and the MEDIAN WAGE ACHIEVED. That last one moves in an unusual direction: the advertised wage falls from ₹18,000 to ₹15,500 while the achieved wage rises from ₹11,200 to ₹14,800 — the plan brings its claim DOWN to meet the truth rather than waiting for the truth to rise.

The second point is about who the customer is, and it is the reason this plan deliberately shrinks its largest revenue line. Government scheme funding pays per trainee, tranced against enrolment, certification and placement. That structure makes the government the customer and the trainee the unit of output — an institute paid on certification will enrol whoever can be certified, and one paid on placement will place whoever will accept anything. It is the medical-tourism problem in a different setting: the party paying is not the party being served, so the incentives point away from the person in the room. Scheme money is also slow, at 340 days outstanding, which is why the working-capital facility exists at all. This plan takes scheme-funded revenue from 57% to 22% of turnover while self-paid rises from 33% to 57% and employer-paid customised training from 4% to 17% — because a self-paying trainee is a customer and an employer-paying one aligns everybody, whereas a scheme-funded trainee is somebody else's target.

The third is the integrity failure specific to scheme-funded training, and it is fraud rather than exaggeration. When funding is paid per enrolled and certified trainee, there is a direct financial incentive to enrol people who never attend — names on a register, attendance proxied, certificates issued, money claimed. It pays immediately, it is invisible in a management-information system if the attendance data is entered by the party being paid, and it is discovered in an audit years later or not at all. This plan closes it structurally rather than by assurance: biometric attendance with a liveness check rising from 62% to 100% of sessions, enrolled trainees showing zero attendance falling from 41 to none, and attendance published against enrolment for every batch. The honest note is that a competitor doing this properly has a materially higher cost per certified trainee than one who does not — which is exactly why the practice persists.

And the fourth is the constraint that decides dropout: the institute's real competitor is a job available today at ₹9,000 a month. A nineteen-year-old spending four months in a classroom is not earning, and his family frequently cannot absorb that. When a job appears mid-course he takes it, and the institute records a dropout when what actually happened is that the opportunity cost of training exceeded its expected return. Any course

whose completed graduate earns less than a school-leaver could have earned by simply starting work four months earlier is not a training programme, it is a delay. This plan therefore designs around it: **evening and weekend batches for those already working, modular courses that can be paused and resumed, stipendiary employer placements during training, and course selection driven by the wage gap rather than by what the labs already contain.**

This plan models an institute requiring **₹3.50 crore** (₹1.50 crore promoter + ₹1.10 crore term loan + ₹90 lakh working-capital facility), moving from **620 trainees and a ₹36 lakh loss** to **1,380 trainees and ₹34 lakh profit** by Year 3, *with return on capital employed rising from (10.6%) to 8.3%. (Multi-trade vocational training institute — figures illustrative.)*

2. Business Description, Vision & Legal Structure

Concept: A multi-trade skill institute that reports its outcomes against the cohort it enrolled, verifies that its trainees were actually present, and moves deliberately from scheme funding toward customers who pay for themselves.

Vision: To be the institute whose ninety-day number is on the wall.

Mission: Publish placement against enrolment and the wage actually earned; verify attendance biometrically because the money depends on it; keep the labs matched to what employers run today; hire trainers who still work in the trade; and choose courses by the wage gap rather than by the equipment we happen to own.

Legal structure

- **Private Limited** — recommended and **permitted: unlike a K-12 school, a vocational institute is not a recognised school and is lawfully a for-profit business with distributable surplus.** Scheme empanelment and employer contracting both sit better in a company.
- **LLP** — workable for a small single-trade centre.
- **Section 8 or society** — used by some operators to access certain grant streams, and it forfeits distribution; **a promoter should choose it for grant access, not because he believes training must be non-profit.**

Regulatory anchor: a training-quality regime layered on a workshop-safety one, with a funding-audit regime on top. **NCVET-recognised awarding-body affiliation and NSQF alignment govern what may be taught and certified, with Sector Skill Council assessment conducted by third parties — and it matters that assessment is external, because an institute that assessed its own trainees would be marking its own funding claim. Scheme participation brings management-information reporting, Aadhaar-linked biometric attendance and audit exposure, and the audit looks precisely at whether the trainees claimed for actually attended. Workshop safety is the physical obligation and is underweighted across this sector: welding requires fume extraction, eye protection and screening; machining requires guards, emergency stops and the discipline that loose clothing is not a style question; electrical training requires isolation procedure taught before anything is energised.** Then: **GST treatment differs between scheme-funded and self-paid training, which is a genuine structuring point rather than a footnote and should be settled with an adviser before the fee schedule is printed;** the Apprentices Act where trainees are placed into apprenticeship; shops and establishment registration, fire NOC and building safety for premises with powered machinery and a hundred or more people; POSH obligations; and EPF and ESI across trainers and support staff.

3. Promoter & Ownership

Led by a promoter with vocational training, industrial or manpower background. Three competences decide outcomes. *Employer relationships that survive the placement season,* because an institute whose employer contact is a phone call in

month five is negotiating from nothing, while one whose employers audited the lab in month one is filling roles they helped specify. *The discipline to publish the ninety-day number*, which will be worse than every competitor's headline and is the only figure a serious employer or funder respects. And *willingness to close a course*, since a trade whose graduates cannot earn a premium over an unskilled wage should not be taught however good the lab looks. Ownership, equity & investor terms are editable inputs.

4. Market Analysis — India

India's skilling demand is enormous and its skilling market is difficult — a very large young workforce, employers reporting they cannot find trained people, and a training sector that has repeatedly struggled to convert enrolment into durable employment.

Demand drivers

- **A large cohort entering the workforce annually** with school completion but no employable trade.
- **Employer difficulty finding trained technicians** in welding, machining, electrical and service trades.
- **Manufacturing and infrastructure activity** creating technician demand outside metros.
- **Beauty, wellness, hospitality and retail service roles**, growing fast and accessible to those with limited formal education.
- **Government skilling programmes**, which fund training at scale and shape what gets delivered.
- **Upskilling by those already working**, an under-served segment that pays for itself and drops out less.

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Youth and workers seeking trade skills in the region	Demographically defined and very large
SAM	Those who can afford four months of not earning, OR are funded	Opportunity-cost bounded, not demand bounded
SOM (Yr 1-3)	Trainees x fee, weighted self-paid / scheme / employer	620 → 1,380; self-paid 33% → 57%

The gap between India's skilling demand and its skilling market is not a marketing problem, and a plan that treats it as one will spend money discovering otherwise. Employers genuinely cannot find trained welders; young people genuinely want better work; and yet vocational institutes across the country struggle with enrolment, dropout and placement simultaneously. The reason is opportunity cost. A nineteen-year-old can start unskilled work tomorrow at eight or nine thousand rupees a month. Four months of training costs him that income, plus a fee, plus his family's patience — so the course must deliver a wage premium large enough and soon enough to repay roughly forty thousand rupees of forgone earnings before it repays anything at all. Where it does, demand is real and dropout is low; where it does not, the institute is selling a delay, and the market knows it faster than the institute does. Three consequences shape this plan. Courses are chosen by measured wage gap rather than by which lab already exists — a trade whose graduates earn no premium is closed regardless of how the equipment looks on a tour. Formats are built around not losing income: evening and weekend batches, modular courses that can be paused and resumed, and stipendiary employer placements during training. And the already-working upskiller is pursued deliberately, because he pays for himself, does not forgo income, and completes at a far higher rate than the school-leaver the sector's marketing is aimed at.

5. Competition & Position

Landscape: government ITIs and polytechnics at negligible fee with long-established trades and variable equipment; **other scheme-empanelled private training partners, many competing purely on scheme targets and vanishing when a scheme ends;** employer in-house training, which takes the best candidates out of the market entirely; single-trade academies in beauty and IT with stronger brands in their niche; and informal apprenticeship under a working tradesman, which is free, effective and the sector's largest competitor. **Because every institute advertises placement and none publishes a denominator or a ninety-day figure, trainees and employers cannot compare outcomes at all.**

The institute's position

- **Placement against enrolment, with wage and ninety-day retention published,** which no competitor does.
- **Biometric attendance with liveness,** verifiable by any funder or auditor.
- **Labs audited by employers,** so equipment matches what a workplace actually runs.
- **Trainers still working in the trade,** not only teaching it.
- **Course selection by wage gap,** with unprofitable-for-the-trainee trades closed.
- **Formats that do not require giving up income,** addressing the real barrier.

The competitor this sector least likes to discuss is informal apprenticeship, and it deserves an honest comparison because it is very good at what it does. A young man who joins a working fabrication shop learns on the equipment the trade actually uses, is supervised by someone doing the job commercially, earns something from the first month, and acquires the tacit judgement that no curriculum transmits. He pays nothing and forgoes nothing. Against that, a four-month course costing a fee and four months of income has to justify itself, and "you get a certificate" is not by itself an answer — many employers in these trades hire on a practical test rather than on paper. Three genuine advantages exist and this plan builds on them rather than pretending the comparison is unfavourable to the shop. **Breadth and safety: an apprentice learns what his shop happens to do, in whatever way it happens to do it, including its bad habits — a structured course covers the trade, and teaches isolation procedure and personal protection before an accident does. Speed: four structured months can cover what unstructured exposure takes two years to reach, which matters when the wage curve is steep early. And portability: a certificate plus an assessment result travels to employers who never met the trainee, which an apprenticeship reputation inside one workshop does not. Where none of those three is worth forty thousand rupees of forgone income to a particular candidate, the honest advice is the workshop, and an institute that gives it occasionally is trusted when it does not.**

6. Trades, the Denominator & the Wage Actually Earned

Element	Character	Economics
Self-paid trainees	A customer — pays, chooses, complains	33% → 57% of revenue; completes far better
Scheme-funded trainees	The government is the customer; the trainee is the output	57% → 22%; 340 → 210 receivable days
Employer-paid customised training	The only arrangement that aligns everybody	4% → 17%; paid on time
Already-working upskillers (evening/weekend)	No income forgone; highest completion	Pursued deliberately; low dropout

Placement against ENROLLED / against completed	The second is the industry's number	38% → 57% / 62% → 73%
Still employed at 90 days / 180 days	The figure nobody publishes	54% / 41% → 79% / 68%
Median wage ACHIEVED vs ADVERTISED	The claim brought DOWN to the truth	₹11,200 vs ₹18,000 → ₹14,800 vs ₹15,500
Enrolled trainees with zero attendance	The ghost, and the audit exposure	41 → 12 → 0

The equipment in a vocational lab is the course, and it obsolesces against what employers run rather than against a depreciation schedule. A welding bay teaching processes a local fabricator retired five years ago produces certified people nobody wants; a beauty lab with superseded equipment trains for a salon that no longer exists; an IT support course built on an operating system out of support is a museum with a syllabus. The failure is quiet, because the trainee cannot evaluate the equipment and the certificate looks identical either way — he discovers it at the practical test in an employer's workshop, by which time his four months are spent. This plan therefore treats the lab as a live specification. Employers audit the labs formally, three times a year by Year 3 from none at the outset, and the audit output is a list rather than a compliment. Equipment matched to current employer specification rises from 51% to 88%, and the gap is closed by replacement rather than by explanation. Depreciation is run short and capital per training seat is tracked, because a lab funded once and never refreshed becomes unsellable within a single equipment cycle — which is the commonest way a well-intentioned skill centre becomes a poor one without anybody deciding to let it happen.

7. Mobilisation, Trainers & Placement That Sticks

Acquisition

- **Direct mobilisation** in the catchment — the sector's term for recruitment, and its largest operating cost after trainers.
- **Employer-referred candidates**, who arrive with a job in view and complete at a far higher rate.
- **Evening and weekend batches** for those already working, the segment that does not forgo income.
- **Alumni referral**, which becomes meaningful only once the ninety-day number is good.
- **Scheme mobilisation**, deliberately reduced as a share rather than grown.

Retention & completion

- **Modular structure**, so a trainee who must take work can pause rather than disappear.
- **Stipendiary placement during training**, which removes the income barrier directly.
- **Early practical work**, because a trade course that begins with six weeks of theory loses the people it was built for.
- **Placement support after the first job**, since the ninety-day number depends on what happens after the certificate.

The structural quality ceiling in vocational training is that a good tradesman earns more practising his trade than teaching it, and every institute in this sector is working within that constraint whether or not it admits it. An experienced welder or a senior beautician can earn substantially more doing the work than an institute can pay to have it taught — which means full-time vocational trainers tend to be the retired, the unsuccessful, or those who genuinely prefer teaching and accept less for it. The first two categories teach the trade as it was, and the trainee discovers the difference in an employer's workshop. This plan works around the constraint instead of denying it. Practitioner trainers engaged part-time — two days teaching, four days working — so the institute buys current practice rather than a full-time salary it cannot match. Employer secondments on customised

programmes, where the employer's own supervisor teaches the process his own line runs. A smaller salaried core paid above the sector norm rather than a larger one paid at it, since a mediocre trainer costs the same room and produces a trainee who fails the practical test. The measure is not qualification but currency: trainers who have actually worked in the trade within the last twenty-four months rise from 44% to 82% — a number this sector does not usually collect, and the one that most predicts whether a graduate can do the job.

8. Operations Plan (mobilise, verify, train, assess, place, follow)

- **Course selection:** trades chosen by measured wage gap against local unskilled wage, and closed where graduates earn no premium — however good the lab looks on a tour.
- **Attendance:** biometric with a liveness check on every session, published against enrolment by batch — because where funding follows the register, the register is what gets falsified.
- **Lab currency:** employer audits of every lab, with equipment matched to current employer specification and gaps closed by replacement.
- **Trainers:** practitioner-led delivery with currency tracked, **measuring who has actually worked in the trade recently rather than who holds a certificate to teach it.**
- **Safety:** fume extraction, guarding, isolation procedure and personal protection taught and enforced before any machine is energised — and lab incidents logged as a number expected to RISE.
- **Assessment:** third-party Sector Skill Council assessment, **which matters because an institute assessing its own trainees would be marking its own funding claim.**
- **Placement:** employer relationships built at lab-audit stage rather than at course end; **candidate matched to role rather than to whichever vacancy closes the target.**
- **Follow-up:** contact at 30, 90 and 180 days after placement, with outcomes recorded whether or not they are good — the ninety-day number is the institute's real product and cannot be collected retrospectively.
- **Modularity:** courses structured so a trainee who takes work mid-course can pause and resume rather than being written off.
- **Scheme administration:** MIS maintained to audit standard, **with the reasonable expectation that the audit will come and will look at attendance first.**

Control points

Area	Activity	Control point
The denominator	Placement against ENROLLED (industry reports against completed)	38% → 57% (vs 62% → 73%)
The figure nobody publishes	Still employed at 90 days / 180 days	54%/41% → 79%/68%
The claim brought down to the truth	Median wage achieved vs advertised	₹11,200 vs ₹18,000 → ₹14,800 vs ₹15,500
The ghost trainee	Biometric attendance with liveness / enrolled with zero attendance	62% → 100% / 41 → 0
Who the customer is	Scheme-funded / self-paid / employer-paid share of revenue	57% → 22% / 33% → 57% / 4% → 17%
The lab is the course	Equipment matched to current employer spec / employer lab audits per year	51% → 88% / 0 → 3

Currency, not qualification	Trainers who worked in the trade within 24 months	44% → 82%
Completion, safety & cash	Completion rate · lab incidents logged (should rise) · scheme receivable days	61% → 78% · 5 → 22 · 340 → 210

The ghost trainee is this vertical's integrity pattern in its most straightforwardly fraudulent form, and it is worth describing exactly because it is structural rather than exceptional. Where funding is paid per enrolled and certified trainee, the institute's revenue depends on names on a register rather than on people in a room. A candidate is enrolled, never attends, is marked present by whoever maintains the attendance data, is assessed leniently or not at all, and generates a claim. The party entering the attendance is the party being paid for it — which is the whole vulnerability, and no amount of policy fixes a control held by the person it constrains. It pays immediately, it is invisible in a management-information system built from the same data, and it surfaces in an audit years later or never. The controls are physical and independent. Biometric attendance with a liveness check on every session, so presence is recorded by the trainee rather than asserted about him — 62% of sessions at the outset, 100% by Year 3. Enrolled trainees showing zero attendance reported as a standing metric and driven from 41 to none, because that single figure is what an auditor will compute first and an institute that does not know its own number will be told it. Attendance published against enrolment by batch, so a discrepancy is visible internally before it is visible externally. And the honest acknowledgement: an institute doing this properly has a materially higher cost per certified trainee than one that does not, which is precisely why the practice persists and why the plan's scheme-funded share falls rather than grows.

9. Certification, Scheme & Workshop-Safety Compliance (India)

- **NCVET-recognised awarding-body affiliation and NSQF alignment** governing what may be taught and certified, with **third-party Sector Skill Council assessment — external by design, because an institute assessing its own trainees would be marking its own funding claim.**
- **Scheme MIS reporting and Aadhaar-linked biometric attendance**, with **audit exposure that looks first at whether the trainees claimed for actually attended.**
- **Workshop safety, underweighted across this sector — fume extraction and screening for welding; guarding, emergency stops and clothing discipline for machining; isolation procedure taught before anything is energised in electrical training;** personal protective equipment issued and enforced rather than stocked.
- **GST treatment differing between scheme-funded and self-paid training — a genuine structuring point to settle with an adviser before the fee schedule is printed, not a footnote.**
- Apprentices Act obligations where trainees are placed into apprenticeship arrangements.
- Shops & establishment registration, fire NOC and building safety for premises with powered machinery and a hundred or more people present.
- POSH obligations with a constituted committee; EPF and ESI across trainers and support staff.
- **Lawfully for-profit**, unlike a K-12 school — though some grant streams require a Section 8 or society form, **which should be chosen for grant access rather than from a belief that training must be non-profit.**

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Trainers (full-time)	12	20	30

Mobilisation & counselling	5	8	11
Placement & employer relations	4	7	11
Practitioner trainers (part-time, FTE)	4	7	11
Lab technicians & maintenance	3	5	8
Support & housekeeping	3	4	6
MIS, compliance & scheme reporting	2	3	5
Accounts & administration	2	3	5
Institute head	1	1	2
Total	36	58	89

Two allocations carry the plan. Placement and employer relations grows from four to eleven and is engaged from before the course starts — an institute whose employer contact begins in month five is negotiating from nothing, while one whose employers audited the lab in month one is filling roles they helped specify. **And MIS, compliance and scheme reporting is a named function reporting to the institute head rather than to mobilisation or placement** — the rule this library applies everywhere: **a control that reports to the party it constrains is not a control**, and here the constrained party is the one whose target is met by the enrolment number and whose funding depends on the attendance record.

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0–6	Premises with adequate power and extraction secured, six labs equipped against a specification agreed with employers rather than a supplier's catalogue, awarding-body affiliation and NSQF alignment obtained, biometric attendance with liveness configured before the first batch, employer panel constituted and first lab audit conducted pre-launch, trainers recruited on trade currency
Year 1	Year 1	620 trainees; ₹1.33cr revenue, ₹36L loss; scheme 57% of revenue; completion 61%; placement against enrolled 38%; 90-day retention 54%; achieved wage ₹11,200; 41 zero-attendance enrolments identified and closed out; ROCE (10.6%)
Year 2	Year 2	980 trainees; scheme down to 38%; employer-paid 7%; completion 70%; 90-day retention 68%; equipment currency 72%; biometric coverage 88%; ₹2.52cr revenue, ₹29L loss
Year 3	Year 3	1,380 trainees; ₹4.64cr revenue, ₹34L profit; ROCE 8.3%; scheme 22% and self-paid 57%; completion 78%; placement against enrolled 57%; 90-day retention 79%; achieved wage ₹14,800 against an advertised ₹15,500; zero-attendance enrolments nil; trainer currency 82%

12. Financial Plan (Illustrative)

*All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. **Funding mix, completion and equipment currency are the levers. Enrolment alone is not one — a scheme-funded enrolment that does not complete, place and stay placed is a claim rather than an outcome.***

12.1 Project cost & means of finance

Capital requirement	₹
Trade lab equipment (welding, machining, electrical, beauty, IT, hospitality)	1,08,00,000
Launch & initial operating losses	62,00,000
Premises fit-out (labs, classrooms, power infrastructure, extraction, safety)	52,00,000
Working capital (scheme receivable is the largest single reason)	48,00,000
Premises deposit	24,00,000
Curriculum, content & affiliation	16,00,000
Launch marketing & mobilisation	14,00,000
Trainer recruitment & pre-launch	12,00,000
Technology (LMS, MIS, scheme reporting, biometric attendance)	10,00,000
Licences, legal & registrations	4,00,000
Total project cost	3,50,00,000
Promoter contribution	1,50,00,000
Term loan (labs, fit-out & equipment)	1,10,00,000
Working-capital facility	90,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
TRAINEES ENROLLED — self-paid / scheme-funded	620 — 200 / 420	980 — 480 / 500	1,380 — 880 / 500
Self-paid course fees (₹22,000 → ₹30,000)	44,00,000	1,24,80,000	2,64,00,000
Scheme-funded training revenue (₹18,000 → ₹20,000)	75,60,000	95,00,000	1,00,00,000
Employer-paid customised training	5,00,000	18,00,000	78,00,000
Assessment, certification, kits & tools	8,00,000	14,00,000	22,00,000
TOTAL REVENUE	1,33,00,000	2,52,00,000	4,64,00,000
Trainer salaries & practitioner fees	42,00,000	84,00,000	1,42,00,000
Premises rent & CAM	22,00,000	26,00,000	32,00,000
Consumables & raw material (rod, metal, products, components)	16,00,000	30,00,000	52,00,000
Non-trainer salaries (placement, mobilisation, MIS, admin)	16,00,000	28,00,000	42,00,000
Depreciation (lab equipment, run short against obsolescence)	16,00,000	22,00,000	28,00,000
Placement & employer engagement	10,00,000	18,00,000	30,00,000

Marketing & mobilisation	10,00,000	18,00,000	26,00,000
Finance cost (driven by the scheme receivable)	9,00,000	11,00,000	12,00,000
Utilities, power & maintenance	8,00,000	12,00,000	18,00,000
Assessment, certification & affiliation fees	6,00,000	10,00,000	15,00,000
Trainee kits, uniforms & safety equipment	5,00,000	9,00,000	14,00,000
Administration, compliance, audit & insurance	5,00,000	8,00,000	12,00,000
Technology (LMS, MIS, biometric, scheme reporting)	4,00,000	5,00,000	7,00,000
Total expenses	1,69,00,000	2,81,00,000	4,30,00,000
Net profit / (loss) before tax	(36,00,000)	(29,00,000)	34,00,000
Net margin	(27.1%)	(11.5%)	7.3%
AVERAGE CAPITAL EMPLOYED / RETURN ON CAPITAL EMPLOYED	₹3.40cr / (10.6%)	₹3.70cr / (7.8%)	₹4.10cr / 8.3%
FUNDING MIX — scheme / self-paid / employer-paid	57% / 33% / 4%	38% / 50% / 7%	22% / 57% / 17%
Scheme receivable days	340	260	210
COMPLETION RATE	61%	70%	78%
PLACEMENT AGAINST ENROLLED / against completed (the industry's number)	38% / 62%	48% / 69%	57% / 73%
STILL EMPLOYED AT 90 DAYS / AT 180 DAYS	54% / 41%	68% / 55%	79% / 68%
MEDIAN MONTHLY WAGE ACHIEVED / ADVERTISED	₹11,200 / ₹18,000	₹13,100 / ₹16,000	₹14,800 / ₹15,500
Biometric attendance with liveness / enrolled trainees with ZERO attendance	62% / 41	88% / 12	100% / 0
Equipment matched to current employer spec / employer lab audits per year	51% / 0	72% / 2	88% / 3
Trainers who worked in the trade within 24 months	44%	64%	82%
Lab safety incidents logged (should rise) · cost per placed trainee · capital per training seat	5 · ₹56,400 · ₹38,900	13 · ₹45,100 · ₹32,600	22 · ₹36,700 · ₹29,700

12.3 Unit economics & break-even

- **Cost per PLACED trainee is the only unit economic that matters, and it falls from ₹56,400 to ₹36,700. Cost per enrolled trainee would look far better and would be measuring the wrong thing — an enrolment that does not complete, place and stay placed is a claim rather than an outcome, and the whole sector's reporting confusion follows from picking the flattering denominator.**
- **The funding shift is the business case. Scheme revenue falls from 57% to 22% of turnover while total revenue more than triples — the institute is not abandoning scheme work, it is refusing to depend on it, and the ₹90 lakh working-capital facility exists almost entirely because scheme money takes 340 days to arrive.**

- **Consumables run at 11-12% of revenue and cannot be cut without cutting the training. A welding course whose trainees strike fewer arcs because rod is expensive produces a certificate and not a welder — this is the line where under-investment is invisible on the day and decisive at the practical test.**
- **Capital per training seat falls from ₹38,900 to ₹29,700 through utilisation rather than through cheaper equipment**, since evening and weekend batches use the same lab twice.
- **Break-even: Year 3, and the two prior years lose ₹65 lakh between them. A vocational-institute projection showing Year-1 profit is almost always one that has counted scheme revenue on enrolment rather than on receipt, and the difference is 340 days.**

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2	Q3	Q4
Opening balance	62,00,000	44,00,000	30,00,000	19,00,000
Collections — self-paid fees, employer contracts, scheme tranches	22,00,000	26,00,000	31,00,000	34,00,000
Trainers, rent, consumables, mobilisation, interest & overheads	40,00,000	40,00,000	42,00,000	43,00,000
Closing balance	44,00,000	30,00,000	19,00,000	10,00,000

The cash problem in scheme-funded training is severe, specific and the reason a great many training partners have failed while reporting profits. Scheme money is tranced — part on enrolment, part on assessment, part on placement verification — and each tranche waits on documentation, verification and a payment cycle that is not the institute's to manage. At 340 days outstanding, an institute delivering a four-month course is funding trainers, consumables and rent for the better part of a year before the first rupee arrives, and it is doing so at a scale set by the scheme's targets rather than by its own balance sheet. An institute that accepts a target it cannot fund has borrowed against a government receivable at a training partner's cost of capital, which is a bad trade whoever is offering it. Three disciplines follow. Scheme intake is capped against funded capacity rather than against available targets — the plan holds scheme trainees flat at 500 while total enrolment more than doubles, which is a deliberate refusal to grow the line that pays last. Revenue is recognised on tranche entitlement with the receivable aged and reported separately, so nobody confuses a target achieved with money received. And the working-capital facility is sized on the receivable rather than on turnover, which is why it is ₹90 lakh against ₹1.33 crore of Year-1 revenue — a ratio that looks excessive until the 340 days is understood, and is the single most common under-provision in this sector's business plans.

12.5 Key Performance Indicators to Monitor

- **Honesty of the outcome:** placement against ENROLLED with the completed-cohort figure shown alongside; retention at 30, 90 and 180 days; median wage achieved against advertised; completion rate.
- **The ghost:** biometric attendance coverage with liveness; enrolled trainees with zero attendance; attendance published against enrolment by batch; audit-readiness of the MIS.
- **The lab is the course:** equipment matched to current employer specification; employer lab audits conducted and gaps closed; consumables per trainee; capital per training seat.
- **People:** trainer currency (worked in the trade within 24 months); practitioner-delivered hours; trainer retention.
- **Funding & cash:** scheme / self-paid / employer-paid mix; scheme receivable days and ageing by tranche; cost per placed trainee; lab safety incidents logged.

13. Funding Requirement & Bankability

Total ask: **₹1.10 crore term loan plus a ₹90 lakh working-capital facility** against ₹1.50 crore promoter contribution. Four points. **First, the facility is unusually large relative to turnover and that is deliberate: it funds a government receivable running at 340 days, and a lender sizing it on revenue rather than on the receivable will under-provide the business into exactly the behaviour this plan is designed to prevent. Second, the security position is mixed — lab equipment is standard, identifiable and resaleable, which is genuinely good, while fit-out, power infrastructure and extraction have no realisable value. Third, the diagnostic questions are cost per PLACED trainee and the funding mix, not enrolment. A promoter who can state his placement against enrolled, his ninety-day retention and his scheme receivable days is running the institute; one who quotes enrolment numbers and a placement percentage without a denominator is quoting a scheme report. Fourth, and specific to this sector: ask to see the zero-attendance figure. An institute that does not compute how many of its enrolled trainees never attended either has nothing to report or has not looked — and in scheme-funded training that is the number an auditor computes first, with recovery and debarment consequences that would remove the revenue line entirely.**

13.1 Funding utilisation

Use of funds	₹	% of total
Trade lab equipment (welding, machining, electrical, beauty, IT, hospitality)	1,08,00,000	30.9%
Launch & initial operating losses	62,00,000	17.7%
Premises fit-out (labs, classrooms, power, extraction, safety)	52,00,000	14.9%
Working capital (scheme receivable)	48,00,000	13.7%
Premises deposit	24,00,000	6.9%
Curriculum, content & affiliation	16,00,000	4.6%
Launch marketing & mobilisation	14,00,000	4.0%
Trainer recruitment & pre-launch	12,00,000	3.4%
Technology (LMS, MIS, scheme reporting, biometric attendance)	10,00,000	2.9%
Licences, legal & registrations	4,00,000	1.0%
Total	3,50,00,000	100%

14. Risk Analysis & Mitigation

Risk	Mitigation
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"100% placement" and the two launderings inside it	THE FIGURE USUALLY MEANS PLACEMENT OFFERED RATHER THAN ACCEPTED, TO THOSE WHO COMPLETED RATHER THAN THOSE WHO ENROLLED, AT ANY WAGE, FOR ANY DURATION. REPORTING AGAINST COMPLETERS IS THE SECOND LAUNDERING — A COHORT WITH 40% DROPOUT HAS ALREADY REMOVED ITS WEAKEST OUTCOMES FROM THE DENOMINATOR BEFORE THE RATE IS CALCULATED. AND THE NUMBER THAT MOST EXPOSES THE SECTOR IS NEVER PUBLISHED AT ALL: WHETHER THE TRAINEE WAS STILL IN THE JOB NINETY DAYS LATER. A YOUNG MAN PLACED INTO WORK HE LEAVES IN THREE WEEKS WAS PLACED, THE INSTITUTE COUNTED HIM, AND THE OUTCOME WAS WORTH NOTHING TO HIM → four figures published instead of one: placement against ENROLLED (38%→57%, with the industry's completed-cohort framing of 62%→73% shown alongside), completion (61%→78%), retention at 90 and 180 days (54%/41%→79%/68%), and the MEDIAN WAGE ACHIEVED — WITH THE ADVERTISED WAGE BROUGHT DOWN FROM ₹18,000 TO ₹15,500 WHILE THE ACHIEVED WAGE RISES FROM ₹11,200 TO ₹14,800, SO THE CLAIM MOVES TOWARD THE TRUTH RATHER THAN WAITING FOR THE TRUTH TO RISE; and follow-up conducted at 30, 90 and 180 days with outcomes recorded WHETHER OR NOT THEY ARE GOOD, since THE NINETY-DAY NUMBER IS THE INSTITUTE'S REAL PRODUCT AND CANNOT BE COLLECTED RETROSPECTIVELY
The government is the customer and the trainee is the output	SCHEME FUNDING PAYS PER TRAINEE, TRANCED AGAINST ENROLMENT, CERTIFICATION AND PLACEMENT — WHICH MEANS AN INSTITUTE PAID ON CERTIFICATION WILL ENROL WHOEVER CAN BE CERTIFIED, AND ONE PAID ON PLACEMENT WILL PLACE WHOEVER WILL ACCEPT ANYTHING. IT IS THE MEDICAL-TOURISM PROBLEM IN A DIFFERENT SETTING: THE PARTY PAYING IS NOT THE PARTY BEING SERVED, SO THE INCENTIVES POINT AWAY FROM THE PERSON IN THE ROOM. A SELF-PAYING TRAINEE IS A CUSTOMER; A SCHEME-FUNDED TRAINEE IS SOMEBODY ELSE'S TARGET → the mix shifted deliberately (scheme 57%→22%, self-paid 33%→57%, employer-paid 4%→17%), with SCHEME TRAINEES HELD FLAT AT 500 WHILE TOTAL ENROLMENT MORE THAN DOUBLES — A DELIBERATE REFUSAL TO GROW THE LINE THAT PAYS LAST; employer-paid customised training pursued as THE ONLY ARRANGEMENT THAT ALIGNS EVERYBODY; and the institute not abandoning scheme work but REFUSING TO DEPEND ON IT
The ghost trainee	WHERE FUNDING IS PAID PER ENROLLED AND CERTIFIED TRAINEE, REVENUE DEPENDS ON NAMES ON A REGISTER RATHER THAN PEOPLE IN A ROOM. A CANDIDATE IS ENROLLED, NEVER ATTENDS, IS MARKED PRESENT BY WHOEVER MAINTAINS THE ATTENDANCE DATA, IS ASSESSED LENIENTLY OR NOT AT ALL, AND GENERATES A CLAIM. THE PARTY ENTERING THE ATTENDANCE IS THE PARTY BEING PAID FOR IT — WHICH IS THE WHOLE VULNERABILITY, AND NO AMOUNT OF POLICY FIXES A CONTROL HELD BY THE PERSON IT CONSTRAINS. IT PAYS IMMEDIATELY, IT IS INVISIBLE IN AN MIS BUILT FROM THE SAME DATA, AND IT SURFACES IN AN AUDIT YEARS LATER OR NEVER → controls that are physical and independent: BIOMETRIC ATTENDANCE WITH A LIVENESS CHECK ON EVERY SESSION (62%→100%) SO PRESENCE IS RECORDED BY THE TRAINEE RATHER THAN ASSERTED ABOUT HIM; zero-attendance enrolments reported as a standing metric and driven 41→0, BECAUSE THAT SINGLE FIGURE IS WHAT AN AUDITOR WILL COMPUTE FIRST AND AN INSTITUTE THAT DOES NOT KNOW ITS OWN NUMBER WILL BE TOLD IT; attendance published against enrolment by batch; third-party SSC assessment, WHICH MATTERS BECAUSE AN INSTITUTE ASSESSING ITS OWN TRAINEES WOULD BE MARKING ITS OWN FUNDING CLAIM; MIS and compliance reporting to the institute head rather than to mobilisation or placement. Cost stated: AN INSTITUTE DOING THIS PROPERLY HAS A MATERIALLY HIGHER COST PER CERTIFIED TRAINEE THAN ONE THAT DOES NOT, WHICH IS PRECISELY WHY THE PRACTICE PERSISTS

The real competitor is a job available today at ₹9,000	A NINETEEN-YEAR-OLD SPENDING FOUR MONTHS IN A CLASSROOM IS NOT EARNING, AND HIS FAMILY FREQUENTLY CANNOT ABSORB THAT — SO THE COURSE MUST DELIVER A WAGE PREMIUM LARGE ENOUGH AND SOON ENOUGH TO REPAY ROUGHLY FORTY THOUSAND RUPEES OF FORGONE EARNINGS BEFORE IT REPAYS ANYTHING AT ALL. WHEN A JOB APPEARS MID-COURSE HE TAKES IT, AND THE INSTITUTE RECORDS A DROPOUT WHEN WHAT ACTUALLY HAPPENED IS THAT THE OPPORTUNITY COST OF TRAINING EXCEEDED ITS EXPECTED RETURN. ANY COURSE WHOSE COMPLETED GRADUATE EARNS LESS THAN A SCHOOL-LEAVER COULD HAVE EARNED BY SIMPLY STARTING WORK FOUR MONTHS EARLIER IS NOT A TRAINING PROGRAMME, IT IS A DELAY → courses chosen by MEASURED WAGE GAP against the local unskilled wage and CLOSED where graduates earn no premium, however good the lab looks on a tour; formats built around not losing income — evening and weekend batches, MODULAR COURSES THAT CAN BE PAUSED AND RESUMED RATHER THAN A TRAINEE BEING WRITTEN OFF, and stipendiary employer placements during training; early practical work, since A TRADE COURSE THAT BEGINS WITH SIX WEEKS OF THEORY LOSES THE PEOPLE IT WAS BUILT FOR; and the already-working upskiller pursued deliberately BECAUSE HE PAYS FOR HIMSELF, FORGOES NO INCOME AND COMPLETES AT A FAR HIGHER RATE THAN THE SCHOOL-LEAVER THE SECTOR'S MARKETING IS AIMED AT (completion 61%→78%)
The lab is the course, and it obsolesces against employers	A WELDING BAY TEACHING PROCESSES A LOCAL FABRICATOR RETIRED FIVE YEARS AGO PRODUCES CERTIFIED PEOPLE NOBODY WANTS; A BEAUTY LAB WITH SUPERSEDED EQUIPMENT TRAINS FOR A SALON THAT NO LONGER EXISTS; AN IT COURSE BUILT ON AN OPERATING SYSTEM OUT OF SUPPORT IS A MUSEUM WITH A SYLLABUS. THE FAILURE IS QUIET, BECAUSE THE TRAINEE CANNOT EVALUATE THE EQUIPMENT AND THE CERTIFICATE LOOKS IDENTICAL EITHER WAY — HE DISCOVERS IT AT THE PRACTICAL TEST IN AN EMPLOYER'S WORKSHOP, BY WHICH TIME HIS FOUR MONTHS ARE SPENT → the lab treated as a LIVE SPECIFICATION: employers audit every lab formally (0→3 times a year) WITH THE AUDIT OUTPUT A LIST RATHER THAN A COMPLIMENT; equipment matched to current employer specification 51%→88% with gaps closed BY REPLACEMENT RATHER THAN BY EXPLANATION; depreciation run short and capital per training seat tracked, since A LAB FUNDED ONCE AND NEVER REFRESHED BECOMES UNSELLABLE WITHIN A SINGLE EQUIPMENT CYCLE — THE COMMONEST WAY A WELL-INTENTIONED SKILL CENTRE BECOMES A POOR ONE WITHOUT ANYBODY DECIDING TO LET IT HAPPEN. Also: consumables at 11–12% of revenue CANNOT BE CUT WITHOUT CUTTING THE TRAINING, since A WELDING COURSE WHOSE TRAINEES STRIKE FEWER ARCS BECAUSE ROD IS EXPENSIVE PRODUCES A CERTIFICATE AND NOT A WELDER
A good tradesman earns more practising than teaching	AN EXPERIENCED WELDER OR SENIOR BEAUTICIAN EARNS SUBSTANTIALLY MORE DOING THE WORK THAN AN INSTITUTE CAN PAY TO HAVE IT TAUGHT — SO FULL-TIME VOCATIONAL TRAINERS TEND TO BE THE RETIRED, THE UNSUCCESSFUL, OR THOSE WHO GENUINELY PREFER TEACHING AND ACCEPT LESS FOR IT. THE FIRST TWO CATEGORIES TEACH THE TRADE AS IT WAS, AND THE TRAINEE DISCOVERS THE DIFFERENCE IN AN EMPLOYER'S WORKSHOP. THIS IS THE SECTOR'S STRUCTURAL QUALITY CEILING → the constraint worked around rather than denied: practitioner trainers engaged PART-TIME — two days teaching, four days working — SO THE INSTITUTE BUYS CURRENT PRACTICE RATHER THAN A FULL-TIME SALARY IT CANNOT MATCH; employer secondments on customised programmes where the employer's own supervisor teaches the process his own line runs; a SMALLER SALARIED CORE PAID ABOVE THE SECTOR NORM rather than a larger one paid at it, since A MEDIOCRE TRAINER COSTS THE SAME ROOM AND PRODUCES A TRAINEE WHO FAILS THE PRACTICAL TEST; and the measure taken as CURRENCY RATHER THAN QUALIFICATION — trainers who worked in the trade within twenty-four months, 44%→82%, A NUMBER THIS SECTOR DOES NOT USUALLY COLLECT AND THE ONE THAT MOST PREDICTS WHETHER A GRADUATE CAN DO THE JOB

Informal apprenticeship is free, effective and the largest competitor	A YOUNG MAN WHO JOINS A WORKING FABRICATION SHOP LEARNS ON THE EQUIPMENT THE TRADE ACTUALLY USES, IS SUPERVISED BY SOMEONE DOING THE JOB COMMERCIALY, EARNS SOMETHING FROM THE FIRST MONTH AND ACQUIRES THE TACIT JUDGEMENT NO CURRICULUM TRANSMITS. HE PAYS NOTHING AND FORGOES NOTHING — AND "YOU GET A CERTIFICATE" IS NOT BY ITSELF AN ANSWER, SINCE MANY EMPLOYERS IN THESE TRADES HIRE ON A PRACTICAL TEST RATHER THAN ON PAPER → three genuine advantages built on rather than asserted: BREADTH AND SAFETY (an apprentice learns what his shop happens to do, INCLUDING ITS BAD HABITS, while a structured course covers the trade and teaches isolation procedure and protection BEFORE AN ACCIDENT DOES); SPEED (four structured months can cover what unstructured exposure takes two years to reach, which matters when the wage curve is steep early); and PORTABILITY (a certificate plus an assessment result travels to employers who never met the trainee). AND WHERE NONE OF THE THREE IS WORTH FORTY THOUSAND RUPEES OF FORGONE INCOME TO A PARTICULAR CANDIDATE, THE HONEST ADVICE IS THE WORKSHOP — AND AN INSTITUTE THAT GIVES IT OCCASIONALLY IS TRUSTED WHEN IT DOES NOT
Scheme cash, workshop safety & compliance	SCHEME MONEY IS TRANCHED AND AT 340 DAYS OUTSTANDING AN INSTITUTE DELIVERING A FOUR-MONTH COURSE FUNDS TRAINERS, CONSUMABLES AND RENT FOR THE BETTER PART OF A YEAR BEFORE THE FIRST RUPEE ARRIVES — AT A SCALE SET BY THE SCHEME'S TARGETS RATHER THAN BY ITS OWN BALANCE SHEET. AN INSTITUTE THAT ACCEPTS A TARGET IT CANNOT FUND HAS BORROWED AGAINST A GOVERNMENT RECEIVABLE AT A TRAINING PARTNER'S COST OF CAPITAL, WHICH IS A BAD TRADE WHOEVER IS OFFERING IT → scheme intake CAPPED AGAINST FUNDED CAPACITY rather than available targets; revenue recognised on tranche entitlement with the receivable aged separately SO NOBODY CONFUSES A TARGET ACHIEVED WITH MONEY RECEIVED; and the facility sized on the RECEIVABLE rather than on turnover — ₹90 LAKH AGAINST ₹1.33 CRORE OF YEAR-1 REVENUE, A RATIO THAT LOOKS EXCESSIVE UNTIL THE 340 DAYS IS UNDERSTOOD AND IS THE SINGLE MOST COMMON UNDER-PROVISION IN THIS SECTOR'S BUSINESS PLANS (receivable days 340→210). Safety: WORKSHOP OBLIGATIONS ARE UNDERWEIGHTED ACROSS THIS SECTOR — FUME EXTRACTION AND SCREENING FOR WELDING, GUARDING AND EMERGENCY STOPS FOR MACHINING, ISOLATION PROCEDURE TAUGHT BEFORE ANYTHING IS ENERGISED, with PPE issued and enforced rather than stocked and lab incidents logged as a number expected to RISE (5→22). Plus NCVET affiliation and NSQF alignment; GST TREATMENT DIFFERING BETWEEN SCHEME-FUNDED AND SELF-PAID TRAINING, A GENUINE STRUCTURING POINT TO SETTLE BEFORE THE FEE SCHEDULE IS PRINTED; Apprentices Act where applicable; fire NOC and building safety; POSH; EPF/ESI

15. SWOT Analysis

Strengths Four outcome figures published where the sector publishes one, including the ninety-day retention nobody reports; the advertised wage brought DOWN to meet the achieved wage; biometric attendance with liveness, verifiable by any funder; labs audited by employers rather than described to them; trainers measured on trade currency rather than teaching qualification; a funding mix deliberately shifted toward customers who pay for themselves.	Weaknesses Break-even only in Year 3, with ₹65 lakh of losses first; a ₹90 lakh facility funding a 340-day government receivable; lab equipment that obsolesces against employer practice rather than a depreciation schedule; a structural quality ceiling on trainers; consumables that cannot be economised without degrading the training; and an honest placement number that reads worse than every competitor's.
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Opportunities Employers who genuinely cannot find trained technicians and will pay for customised training; the already-working upskiller, who pays for himself, forgoes no income and completes far better; evening and weekend formats reaching people the sector's marketing ignores; employer-referred candidates who arrive with a job in view; scheme work taken selectively rather than as a dependency.	Threats Informal apprenticeship — free, effective and the sector's largest competitor; a scheme changing or ending, which removes a revenue line at short notice; audit recovery or debarment arising from attendance that was never verified; government ITIs at negligible fee; equipment obsolescence discovered by a trainee at an employer's practical test; a lab accident in a workshop where safety was treated as paperwork.
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16. Recommended AiSevak Tools for This Business

This institute would use AiSevak's Schools vertical tools in operations:

- **Honesty of the outcome: placement computed against ENROLLED with the completed-cohort figure shown alongside, 30/90/180-day follow-up scheduler with outcomes recorded regardless, wage-achieved register against advertised claim, completion tracking by batch and trade.**
- **The ghost: biometric attendance with liveness by session, zero-attendance exception report, attendance-versus-enrolment publication by batch, MIS audit-readiness checklist.**
- **The lab:** employer lab-audit scheduler with gap register, equipment-currency tracking against employer specification, consumables per trainee, capital per training seat.
- **People:** trainer currency register (worked in trade within 24 months), practitioner-delivered hour tracking, trainer retention.
- **Funding & cash:** scheme tranche entitlement ledger with ageing by tranche, funding-mix monitor, scheme-intake cap against funded capacity, cost per placed trainee, lab safety incident log.

17. Key Assumptions & Notes

- Vocational & skill institute: six-lab centre delivering three-to-six-month courses in welding and fabrication, machining, electrical work, beauty and wellness, IT support and hospitality service, funded by a deliberately shifting mix of self-paid fees, government scheme funding and employer-paid customised training. **Fifth plan in the schools vertical; the OUTCOME-FUNDED sub-model.**
- **⚠ CONVENTIONS SET HERE: (a) "100% PLACEMENT" CONTAINS TWO LAUNDERINGS — placement OFFERED rather than accepted, and reported against COMPLETERS rather than enrolled, which removes the weakest outcomes from the denominator before the rate is computed. PUBLISH FOUR FIGURES: PLACEMENT AGAINST ENROLLED, COMPLETION, RETENTION AT 90 AND 180 DAYS, AND THE MEDIAN WAGE ACHIEVED — and BRING THE ADVERTISED WAGE DOWN TO MEET THE TRUTH rather than waiting for the truth to rise. (b) THE GOVERNMENT IS THE CUSTOMER AND THE TRAINEE IS THE OUTPUT — scheme funding paid per trainee makes the payer someone other than the person served, the medical-tourism problem in a new setting; A SELF-PAYING TRAINEE IS A CUSTOMER AND A SCHEME-FUNDED ONE IS SOMEBODY ELSE'S TARGET. (c) THE GHOST TRAINEE IS THE INTEGRITY PATTERN'S TWELFTH INSTANCE AND ITS MOST STRAIGHTFORWARDLY FRAUDULENT — the party entering the attendance is the party being paid for it, so the control must be PHYSICAL AND INDEPENDENT: biometric with liveness, zero-attendance as a standing metric, and third-party assessment BECAUSE AN INSTITUTE ASSESSING ITS OWN TRAINEES WOULD BE MARKING ITS OWN FUNDING CLAIM. (d) THE REAL COMPETITOR IS A JOB AVAILABLE TODAY AT ₹9,000 — four months of training costs ~₹40,000 of forgone earnings, so ANY COURSE WHOSE GRADUATE EARNS LESS THAN A**

SCHOOL-LEAVER WHO SIMPLY STARTED WORK IS A DELAY, NOT A TRAINING PROGRAMME; choose courses by WAGE GAP and build formats that do not require giving up income. (e) THE LAB IS THE COURSE AND IT OBSOLESCE AGAINST EMPLOYERS, NOT AGAINST A DEPRECIATION SCHEDULE — employers audit it, and the audit output is a list rather than a compliment. (f) A GOOD TRADESMAN EARNS MORE PRACTISING THAN TEACHING — the sector's structural quality ceiling, worked around with part-time practitioners and employer secondments, and measured as CURRENCY (worked in the trade within 24 months) RATHER THAN QUALIFICATION. (g) INFORMAL APPRENTICESHIP IS FREE, EFFECTIVE AND THE LARGEST COMPETITOR, and where the course cannot beat it for a particular candidate THE HONEST ADVICE IS THE WORKSHOP.

- Economics & cash — **COST PER PLACED TRAINEE IS THE ONLY UNIT ECONOMIC THAT MATTERS (₹56,400→₹36,700); COST PER ENROLLED WOULD LOOK FAR BETTER AND WOULD BE MEASURING THE WRONG THING, AND THE WHOLE SECTOR'S REPORTING CONFUSION FOLLOWS FROM PICKING THE FLATTERING DENOMINATOR** (Y1 —₹36L, Y2 —₹29L → Y3 ₹34L; revenue ₹1.33cr→₹4.64cr; trainees 620→1,380; funding mix scheme 57%→22%, self-paid 33%→57%, employer 4%→17%; completion 61%→78%; placement against enrolled 38%→57%; 90-day retention 54%→79%; ROCE (10.6%)→8.3%; capital per training seat ₹38,900→₹29,700 THROUGH UTILISATION RATHER THAN CHEAPER EQUIPMENT; **BREAK-EVEN YEAR 3, AND A VOCATIONAL PROJECTION SHOWING YEAR-1 PROFIT IS ALMOST ALWAYS ONE THAT HAS COUNTED SCHEME REVENUE ON ENROLMENT RATHER THAN ON RECEIPT — AND THE DIFFERENCE IS 340 DAYS**). Regulatory (section 9): NCVET affiliation and NSQF alignment with THIRD-PARTY SSC ASSESSMENT; scheme MIS and Aadhaar-linked biometric attendance with **AUDIT EXPOSURE THAT LOOKS FIRST AT WHETHER THE TRAINEES CLAIMED FOR ACTUALLY ATTENDED; WORKSHOP SAFETY, UNDERWEIGHTED ACROSS THIS SECTOR — EXTRACTION, GUARDING, ISOLATION PROCEDURE TAUGHT BEFORE ANYTHING IS ENERGISED; GST TREATMENT DIFFERING BETWEEN SCHEME-FUNDED AND SELF-PAID TRAINING, A GENUINE STRUCTURING POINT**; Apprentices Act; fire NOC and building safety; POSH; EPF/ESI; lawfully for-profit, though some grant streams require a Section 8 form **WHICH SHOULD BE CHOSEN FOR GRANT ACCESS RATHER THAN FROM A BELIEF THAT TRAINING MUST BE NON-PROFIT**. Lender note (section 13): **THE FACILITY IS LARGE RELATIVE TO TURNOVER DELIBERATELY, BECAUSE IT FUNDS A 340-DAY GOVERNMENT RECEIVABLE — A LENDER SIZING IT ON REVENUE WILL UNDER-PROVIDE THE BUSINESS INTO EXACTLY THE BEHAVIOUR THIS PLAN IS DESIGNED TO PREVENT**; security is mixed (lab equipment standard and resaleable; fit-out, power and extraction worthless); **THE DIAGNOSTICS ARE COST PER PLACED TRAINEE AND FUNDING MIX, NOT ENROLMENT**; and **ASK TO SEE THE ZERO-ATTENDANCE FIGURE, BECAUSE AN INSTITUTE THAT DOES NOT COMPUTE HOW MANY ENROLLED TRAINEES NEVER ATTENDED EITHER HAS NOTHING TO REPORT OR HAS NOT LOOKED — AND IN SCHEME-FUNDED TRAINING THAT IS THE NUMBER AN AUDITOR COMPUTES FIRST, WITH RECOVERY AND DEBARMENT CONSEQUENCES THAT WOULD REMOVE THE REVENUE LINE ENTIRELY**. ₹3.50cr; trainees 620→1,380; revenue ₹1.33→4.64cr; 36→89 staff; scheme share 57%→22%; ROCE (10.6%)→8.3%. Figures illustrative, exclude GST.

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