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**STANDING COMMITTEE ON LABOUR, TEXTILES AND
SKILL DEVELOPMENT**

(2021-22)

(SEVENTEENTH LOK SABHA)

**MINISTRY OF SKILL DEVELOPMENT &
ENTREPRENEURSHIP**

**[IMPLEMENTATION OF NATIONAL APPRENTICESHIP
PROMOTION SCHEME (NAPS)/NATIONAL APPRENTICESHIP
TRAINING SCHEME (NATS)]**

THIRTY-THIRD REPORT



LOK SABHA SECRETARIAT

NEW DELHI

April, 2022/ Chaitra, 1944 (Saka)

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PROMOTION SCHEME (NAPS)/NATIONAL APPRENTICESHIP
TRAINING SCHEME (NATS)]**

Presented to Lok Sabha on 05.04.2022

Laid in Rajya Sabha on 05.04.2022



LOK SABHA SECRETARIAT

NEW DELHI

April, 2022/ Chaitra, 1944 (Saka)

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*Not appended with this cyclostyled copy.

COMPOSITION OF THE STANDING COMMITTEE ON LABOUR

(2020-21)

Shri Bhartruhari Mahtab - Chairperson

MEMBERS

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Shri Pallab Lochan Das
4. Shri Pasunoori Dayakar
5. Shri Feroze Varun Gandhi
6. Shri Satish Kumar Gautam
7. Shri B.N. Bache Gowda
8. Dr. Umesh G. Jadhav
9. Shri Dharmendra Kumar Kashyap
10. Adv. Dean Kuriakose
11. Shri Sanjay Sadashivrao Mandlik
12. Shri Khalilur Rahaman
13. Shri D. Ravikumar
14. Shri Nayab Singh Saini
15. Shri Naba Kumar Sarania
16. Shri Ganesh Singh
17. Shri Bhola Singh
18. Shri K. Subbarayan
19. @ *Vacant*
20. # *Vacant*
21. \$ *Vacant*

RAJYA SABHA

22. Shri Dushyant Gautam
23. Shri Neeraj Dangi
24. Shri Oscar Fernandes
25. Shri Elamaram Kareem
26. ^ Shri Mahesh Jethmalani
27. Dr. Banda Prakash
28. * Shri Naresh Bansal
29. Ms. Dola Sen
30. Shri M. Shanmugam
31. Shri Vivek Thakur

-
- @ Vacancy occurred *vice* Shri P.K. Kunhalikutty resigned w.e.f . 3rd February, 2021.
Shri John Barla ceased to be Member of the Committee w.e.f. 07.07.2021 *vice* he was appointed as Union Minister.
\$ Dr. Virendra Kumar ceased to be Member of the Committee w.e.f. 07.07.2021 *vice* he was appointed as Union Minister.
^ Nominated w.e.f 11th June, 2021 *vice* Dr. Raghunath Mohapatra expired.
* Nominated w.e.f. 23rd December, 2020 *vice* Shri Rajaram retired.

**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR, TEXTILES AND
SKILL DEVELOPMENT (2021-22)**

Shri Bhartruhari Mahtab - Chairperson

MEMBERS

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Kunwar Pushpendra Singh Chandel
4. Shri Ravikumar D.
5. Shri Pallab Lochan Das
6. Shri Pasunoori Dayakar
7. Shri Feroze Varun Gandhi
8. Shri Satish Kumar Gautam
9. Shri B.N. Bache Gowda
10. Dr. Umesh G. Jadhav
11. Shri Dharmendra Kashyap
12. Shri Pakauri Lal Kol
13. Adv. Dean Kuriakose
14. Shri Sanjay Sadashiv Rao Mandlik
15. Shri Khalilur Rahaman
16. Shri Naba Kumar Sarania
17. Shri Bholu Singh
18. Shri Ganesh Singh
19. Shri Nayab Singh
20. Shri K. Subbarayan
21. Shri Giridhari Yadav

RAJYA SABHA

22. Shri Naresh Bansal
23. Shri Neeraj Dangi
24. Shri Dushyant Gautam
25. Shri Elamaram Kareem
26. Ms. Dola Sen
27. Shri M. Shanmugam
28. Shri Vivek Thakur
29. Shri Vijay Pal Singh Tomar
30. Vacant
31. * *Vacant*

SECRETARIAT

1. Shri T.G. Chandrasekhar - Joint Secretary
2. Shri D.R. Mohanty - Director
3. Shri K.G. Sidhartha - Deputy Secretary

* Vacancy occurred *vice* Dr. Banda Prakash resigned *w.e.f* 04.12.2021.

INTRODUCTION

I, the Chairperson, Standing Committee on Labour, Textiles and Skill Development (2021-22) having been authorized by the Committee do present on their behalf this Thirty-Third Report on 'Implementation of National Apprenticeship Promotion Scheme (NAPS)/National Apprenticeship Training Scheme (NATS)' relating to the Ministry of Skill Development & Entrepreneurship.

2. The Committee (2020-21) took oral evidence of the representatives of the Ministry of Skill Development & Entrepreneurship on 12.11.2020 and Ministry of Education (Department of Higher Education) on 09.12.2020 and 02.03.2021. The Committee (2021-22) took oral evidence of the Ministry of Skill Development & Entrepreneurship on 09.11.2021. The Committee considered and adopted this Report during the sitting held on 4th April, 2022.

3. The Committee wish to express their thanks to the representatives of the Ministry of Skill Development & Entrepreneurship and Ministry of Education (Department of Higher Education) for tendering evidence and placing before the Committee all the requisite information sought for in connection with the examination of the subject.

4. For ease of reference and convenience, the Observations/ Recommendations of the Committee have been printed in thick type in the body of the Report.

New Delhi;
04 April, 2022
14 Chaitra, 1944 (Saka)

BHARTRUHARI MAHTAB
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR,
TEXTILES AND SKILL DEVELOPMENT

REPORT
PART-I

I. INTRODUCTORY

1.1 Soon after Independence, the importance of industrialization was realised as an essential barometer for the progress of our Nation. Accordingly, it was resolved to embark on industrialization and thus the need for trained labour for the purpose of Industrialisation gained momentum. It was decided to utilize the facilities of Industries for skill training purposes which sowed the seeds of Apprentice training leading up to the formalisation of Apprentices Act in Parliament.

1.2. India is one of the fastest developing economies in the world with a rising labour force. Its demographic dividend provides for an expanding working population and an opportunity to enhance productivity by investing on job creating skills for the workforce to meet the Industry requirements. The system of Apprenticeship envisages enabling the youth with requisite skills as required by Industry and address the demand and supply mismatch by imparting on-the-job vocational training where youth can acquire skills by working at actual work place and earn some stipend. Globally, this has been a widely practiced model for skill acquisition leading to higher employability. The apprenticeship training is one of the most efficient ways to develop skilled manpower for Industry by using training facilities available in the establishments without putting any extra burden on exchequer to set up separate training infrastructure.

1.3. In other words, the vision of Apprenticeship is to create skilled technical manpower by utilizing the training facilities available in industries/organizations to the maximum possible extent for imparting quality training to the apprentices and help them to realize their aspirations by imparting them high quality 'on the job' training.

1.4. Further, there is a growing consensus among policymakers and industry observers on the need to shift from the traditional approach to teaching skills in educational institutions so as to integrate training courses with apprenticeship. With a view to foster apprenticeship and address the inadequacies of on-the-job training imparted in institutions and to enhance employability of skilled manpower at workplace across the country, Apprentices Act, 1961 (amended in 1973, 1986, 1997, 2007 and 2014) and Apprenticeship Rules 1992 (amended in 2015 and 2019) were enacted with the objective of regulating the program of apprenticeship *inter*

alia policy effectiveness and operational/structural challenges in apprentice framework.

1.5. In 2015, Apprenticeship was transferred from Ministry of Labour and Employment (MoLE) to Ministry of Skill Development and Entrepreneurship (MSDE). Since then, MSDE has taken the following major initiatives for the promotion and expansion of apprenticeship:-

- Amendment in Apprentices Act, 1961 to make it industry friendly in 2014
- Apprenticeship Rules amendment in 2015
- Launch of National Apprenticeship Promotion Scheme (NAPS) to incentivize establishments for engaging apprentices
- Launch of Apprenticeship portal for ease of doing business
- Reforms in Apprenticeship Rules, 1992 in 2019.

1.6 A meeting was convened on 17th August, 2021 under the Chairmanship of the Minister of Education and Skill Development and Entrepreneurship to discuss the amendments in the “Apprentices Act, 1961” proposed by Ministry of Skill Development and Entrepreneurship and the Draft Cabinet Note of Department of Higher Education, Ministry of Education on extension of NATS. In the meeting a clear demarcation on the administration of apprenticeship programme between MSDE and MoE was made. The decision made was that the Department of Higher Education (DHE), MoE shall continue to administer apprenticeship programme in respect of freshly pass out engineering graduates, diploma holders, those students who are studying degree and diploma level courses in sandwich programme of engineering and General stream graduates i.e B.A, B.Com and B.Sc. graduates; MSDE shall continue to administer apprenticeship programme for the rest of the categories of apprentices.

1.7 Thus, the Government of India is implementing two Schemes i.e National Apprenticeship Promotion Scheme (NAPS) and National Apprenticeship Training Scheme (NATS). NAPS is administered by Ministry of Skill Development and Entrepreneurship (MSDE) in respect of designated and optional trades for the categories of Designated Trade Apprentices, Optional Trade Apprentices, Fresher Apprentices, Technician (Vocational) Apprentices. National Apprenticeship Training Scheme (NATS) is administered by Department of Higher Education (DHE) through Board of Apprenticeship Training (BOAT) to deliver apprenticeship to engineering

pass-outs (diploma and degree students) for the categories of Graduate Apprentices and Technician Apprentices.

1.8 Against the above backdrop and with a view to appraise the role and performance of both the Ministries in creating skilled manpower and enhancing the skill capabilities of apprentices as well as to assess the support required from the Government in this regard, the Committee took up the Subject for examination and report. In the process, the Committee obtained background materials and post evidence written replies from the Ministry of Skill Development and Entrepreneurship and Ministry of Education (Department of Higher Education) besides taking their oral evidence. Based on the written and oral depositions of both the Ministries, the Committee have analysed various issues pertaining to the subject matter as enumerated in the succeeding paragraphs followed by the Committee's considered Observations/ Recommendations.

II. SIMILARITIES AND DIFFERENCES BETWEEN NAPS AND NATS

2.1 The Committee have been informed that although both NATS and NAPS have similar objective to make youth industry-ready and are incentives schemes to promote apprenticeship training under the "Apprentices Act, 1961"; there is, however, a clear-cut demarcation in administration and jurisdiction of these schemes between the Ministry of Education (MoE) and the Ministry of Skill Development and Entrepreneurship (MSDE). NATS is being implemented by the Department of Higher Education, Ministry of Education and it covers two categories of apprenticeship, namely, "Graduate apprentices" and "Technician apprentices". The rest of the categories of apprentices are covered under NAPS, which is being implemented by MSDE.

2.2. Asked to specify the similarities between NAPS and NATS, the Ministry submitted as under:-

"Both NATS and NAPS are incentive based schemes wherein Government shares a certain percentage of financial burden of stipend borne by the employers/establishments.

In case of NATS, the Government reimburses 50 percent of the minimum amount stipulated under the Apprentices Act, 1961 to the training establishments through the four regional Boards.

In case of NAPS, the government shares 25 percent of prescribed stipend subject to a maximum of INR 1,500 per month per apprentice with the employers. Further, under NAPS, basic training cost is shared by the government in respect of 20 percent - 30 percent of apprentices who come directly to apprenticeship training without any formal trade training.”

2.3 As regards the differences between NATS and NAPS, the following information in a tabular format was furnished to the Committee:

S. No.	Parameter	National Apprenticeship Training Scheme (NATS)	National Apprenticeship Promotion Scheme (NAPS)
1	Custodian Ministry	Department of Higher Education, Ministry of Education	Ministry of Skill Development and Entrepreneurship (MSDE)
2	Legal framework	The legal framework in NATS emanate from the Apprentices Act, 1961 particularly with reference to Section 9(8)(c) which enjoins the Government to bear the cost of stipend by the employer “in equal shares up to such limit as may be laid down by the Central government and beyond that limit, by the employer alone.”	The legal framework in NAPS do not emanate from the Apprentices Act, 1961.
3	Year of inception	1973	2016
4	Eligibility	Graduate in engineering/technology/ (all 4 year professional courses) Diploma in engineering/ technology (all 3 year professional courses)	School drop outs (Class 5 th to class 9 th) School pass-outs (10 th /12 th) National or State Technical Certificate Holder (ITI) Technician (vocational) apprentice (12 th vocational)
5	Deliverable	Only for on the job training (work experience)	Qualification
6	Training Content	Industry based training module but not mapped with course curriculum	Training is implemented as per the approved curriculum mapped to some course
7	Duration of Eligibility post qualification	A candidate can apply upto 3 years of eligible qualification	No such time bar
8	Certifying agency	Certificate of proficiency issued by Ministry of Education, GoI through Boards of Apprenticeship Training (BOAT)	For designated trades: National Apprenticeship Certificate (NAC) issued by DGT under MSDE for designated trades

			For optional trades: Joint certification by National Skill Development Corporation (NSDC) & Sector Skill Council (SSC)
9	Assessment agency	Employer does the assessment	For designated trade: Assessment by DGT For optional trade: possible assessment cases Employer alone Employer + Sector Skill Council (SSC)
10	Placement tracking mechanism	Well defined online mechanism of placement tracking	No such tracking
11	Stipend reimbursement mechanism	Online mode	Offline and online mode
12	Trades	163 trades	Designated Trades: 266 trades Optional Trades: 400 + trades
13	Portal	http://portal.mhrdnats.gov.in	www.apprenticeshipindia.gov.in
14	Apprentices engaged	FY 2018-19...1.3 Lac FY 2019-20...1.25 Lac	FY2018-19...1.99 Lac FY2019-20...3.18 Lac

2.4 As regards the various categories / trades of Apprenticeship training on the basis of courses opted by them, the Committee were informed as under:-

- Designated trade apprentices - It implies apprentices pursuing any trade or occupation as has been notified by the Government.
- Optional trade apprentices – It implies apprentices pursuing any trade or occupation as may be determined by the industry.
- Degree apprenticeship apprentices - It implies apprentices pursuing a degree course under any recognized institution or university and undergoing apprenticeship training as an integrated and embedded component of the curriculum.

2.5 The Committee then desired to be apprised of the specific amendments carried in the Apprentices Act, 2014. In response, the Ministry furnished the following comparative data:

Provisions	Amendments
Introduction of new category of trade	Introduction of optional trade category in apprenticeship.
Empowering establishments	Establishment can conduct Basic Training in-house, file for reimbursements online.
Flexibility in apprenticeship opportunities for apprentices	Allowing engagement of apprentices from other States.
Ease of doing apprenticeship for establishments	Establishments operating in 4 or more states are allowed to work with one Government (Central Govt.) instead of four State Governments.
Enhancing public-private participation in apprenticeship	SSC CEO's are delegated the powers as Joint Apprenticeship Advisers (JAA).
Decentralization of assessment and certification	Establishments empowered to conduct examinations and issue certificates.
Removal of penal provisions	Provision of Imprisonment deleted and fines introduced.

2.6 Asked to state the improvements brought in the Apprenticeship Rules, 2019, the Ministry apprised as under:

Provisions	Amendments
Augmenting the engagement of Apprentices	Bandwidth for engagement for apprentices raised from 2.5 percent -10 percent to 2.5 percent to 15 percent of total manpower in the establishments.
Bringing additional establishment under the mandatory category	Mandatory category- lowered from 40 to 30 manpower strength
Lowering the size limit of establishment	Optional category - lowered from 6 to 4 manpower strength
Rationalization of stipend	Stipend to be paid from Rs.5,000 to Rs.9,000 per month to each apprentice based on Educational Qualifications (Delinked from Minimum Wages).
Rationalization of the stipend to Fresher Apprentices during Basic Training	50 percent of stipend during Basic training
Introduction of degree Apprenticeship	To facilitate apprenticeship embedded degree courses allowing Non Engineering degree holders to undertake apprenticeship training for upskilling.

III. FEATURES, OBJECTIVES AND PROVISIONS OF THE NATIONAL APPRENTICESHIP PROMOTION SCHEME (NAPS)

3.1. As regards the distinct features and objectives of the NAPS, the Ministry of Skill Development and Entrepreneurship apprised as under:-

“The National Apprenticeship Promotion Scheme (NAPS) was launched by Ministry of Skill Development and Entrepreneurship (MSDE) to promote apprenticeship training in the Country, in accordance with the amendments carried in Apprentice Act in 2014 and the apprenticeship rules in 2015 and to increase the engagement of apprentices from 2.3 lakh during August 2016 to 50 lakh apprentices cumulatively by FY 2019-20.

The scheme has the following two components:

- a. Government to share 25% of prescribed stipend subject to a maximum of Rs. 1,500 per month per apprentice with the employers.
- b. Government to share the basic training cost to the registered Basic training provider(BTP) institute, in respect of 20% apprentices who come directly to apprenticeship training without any formal trade training. Basic training cost will be limited to Rs. 7,500 for a maximum of 500 hours calculated @ Rs. 15 per hour (50% of Rs. 30 per hour).”

3.2 Highlighting the intent of the Scheme, the Ministry submitted as under:

- Incentivise employers to on board Apprentices by offering subsidized stipends and training cost
- Online and transparent system of operations
- Integration with short term skill development programs
- Better communication and outreach strategy

3.3. Asked to state the eligibility criteria of the apprentices, the Ministry submitted as under:-

“Apprentice must be minimum of 14 years age and possess educational and physical qualifications as prescribed for the trade and other requirements of the Apprentices Act, 1961. For trades in hazardous areas, the minimum age is 18 years. Qualifications vary from class V pass to XII class pass under 10+2 system of education depending upon the entry level qualification required for the trades.”

3.4. On the structure of training of apprentices, the Ministry apprised as under:-

“Apprenticeship Training consists of Basic Training and On-the-Job-Training (OJT)/Practical Training at workplace in the industry. Basic training is an essential component of apprenticeship training for those who have not undergone any institutional training/skill training before taking up on-the-job-training/practical training. Apart from basic training, there is a component of on-the-job training which is performed in the establishments and undertaken by the establishment itself. Basic Training usually accounts for 20-25% of the duration of the overall apprenticeship programme but can vary depending on the specific requirement of the curriculum. The basic training and on-the-job training component can run simultaneously or sequentially one after the other, in accordance with the arrangement between employer and SSC/ training partner.”

3.5 When asked about the testing and certification procedures followed, the Ministry stated as under:-

“After completion of apprenticeship training, apprentices will need to go through an assessment to be conducted by the DGT/SSC/ Establishment, as the case may be. Certificates will be awarded to apprentices on the basis of mark secured by the apprentice in theory, practical and sessional. In case of DGT/SSC exam, practical shall be conducted by the establishments engaging the apprentices and theory paper shall be conducted by DGT/SSC as per the norms prescribed by them.”

3.6. The Ministry further apprised that as the NAPS was launched immediately after introduction of industry friendly “Optional Trades” by bringing Amendment in “Apprentices Act,1961” in year 2014, it helped in significant growth in engagement of apprentices in “Optional Trades” by the establishments.

i. Web Portal

3.7. As regards the establishment and functioning of the NAPS web portal in the overall management of Apprenticeship training, the Ministry submitted as under:-

“MSDE is administering a national portal namely ‘apprenticeshipindia.gov.in’ for management of Apprenticeship training. The portal allows seamless interaction between various stakeholders to

ease the implementation of Apprenticeship Training as well as implementation of National Apprenticeship Promotion Scheme (NAPS). The portal has been developed to manage all the processes of the Apprenticeship lifecycle covering registration of establishment and candidate, selection of establishment by Apprentices and vice versa, all approval process and online reimbursement of fund under NAPS to establishment”.

3.8. Asked to highlight the various aspects of Apprenticeship training that were captured and monitored on regular basis through the portal, the Ministry submitted that the following data were being regularly updated on the portal:-

- i. Number of establishment registered on portal
- ii. Vacancy created by establishments for Apprenticeship.
- iii. Number of Apprentices registered on portal
- iv. Number of Apprentices ongoing training in establishments
- v. Examination and Certification
- vi. Expenditure under NAPS

3.9. In evidence, the Ministry submitted that they were in the process of thorough review of the guidelines, portals, procedures etc. It was also mentioned that the Ministry proposed to align/integrate NAPS and NATS portals to make things easier for the users *viz.* Establishments and Apprentices. In this regard, the Committee desired to know the status of proposed integration of the two separate portals into a unified web portal to avoid overlapping of registration of establishments individually on the NAPS and NATS platforms respectively. In reply, the Ministry stated as follows:

“MSDE have started the action for thorough review of the guidelines, portals, procedures etc. Consultation with stakeholders has been initiated and one such workshop was conducted on 24.11.2021 under the Chairmanship of Secretary, MSDE. Suggestions received from various stakeholders were deliberated and areas for simplification of processes in portal have been identified. Action has been initiated to complete the task in a time bound manner.”

3.10. The Committee then desired to know whether any timeline had been fixed to complete the exercise with regard to review and also integration of portals. In reply, the Ministry submitted that action plan to integrate NATS and NAPS portals had been initiated with a target to finish integration of two portals by 31st March, 2022.

3.11. On being enquired as to whether the proposed unified portal for NAPS would include the use of the Artificial Intelligence (AI), placement tracking system and other advanced systems, the Ministry submitted that the advanced features like AI based Chatbot, Placement Tracking System were being proposed to be integrated in the next version of the portal.

3.12 Asked to state the steps taken to popularize “Aatmanirbhar Skilled Employee-Employer Mapping (ASEEM) portal, the Ministry responded as under:

“Various initiatives have been planned to increase the outreach of the Aatamanirbhar Skilled Employee-Employer Mapping (ASEEM) portal including a targeted industry reach out through the Sector Skill Councils (SSCs) as well as engaging directly with various industry associations, State Skill Development Missions, and various line ministries. Additionally, Confederation of Indian Industry’s (CII) Model Career Centers have been on-boarded to ASEEM to aggregate demand through the platform.

On the candidate side, National Skill development Corporation (NSDC) has planned a second level of the media campaigns to popularize the ASEEM initiative and its benefits to the job seekers. Also, under PMKVY 3.0 guidelines, all certified candidates have been mandated to be on-boarded onto ASEEM portal seamlessly to make them available to potential employers at click of a mouse. Active Training center engagement has also been planned to onboard candidates to the portal.”

ii. Stipend Support

3.13 Highlighting the revision of stipends payable to the Apprentices, the Ministry furnished the following details:

“Rates of stipend payable per month to the trade/optional trade apprentices have been revised vide gazette notification dated 25th September 2019. The minimum rate of stipend per month under various categories is as under:-

Category	Prescribed minimum stipend amount (Rs. per month)
School pass-outs (class 5 th - class 9 th)	5,000
School pass-outs (class 10 th)	6,000
School pass-outs (class 12 th)	7,000
National or State Certificate holder	7,000

Technician (vocational) apprentice or Vocational Certificate holder or Sandwich Course (Students from Diploma Institutions)	7,000
Technician apprentices or diploma holder in any stream or sandwich course (students from degree institutions)	8,000
Graduate apprentices or degree apprentices or degree in any stream	9,000

- Skill certificate holder to get stipend as per her/his educational qualification.
- 10% & 15% hike in 2nd and 3rd year respectively for apprenticeship training.

3.14 The Committee desired to know the measure proposed to leverage the stipend support to small scale Industries and women apprentices. In reply, the Ministry stated as under:

“At present, reimbursement of stipend to Micro, Small and Medium Enterprises (MSMEs) and stipend rates for women candidates are uniform. However, MSMEs can join together as a cluster and impart apprenticeship training under the STRIVE project where incentive is given to each cluster for their strengthening.”

3.15 On being enquired about the proposal to expand the digital/online disbursement of stipend reimbursement under NAPS, the Ministry stated as follows:

“Apprenticeship portal facilitates online claim generation by establishments and reimbursement to them using digital/online mode. In case of optional trade category, all reimbursement process is through portal only through payment gateway. Re-imbursement of government share of stipend to the establishments are made using PFMS platform.”

3.16 When asked about the aspect of timely and regular payments of stipend to the Apprentices and the efforts made to monitor the same, the Ministry deposed as under:

“All apprentices get their stipend as per the salary cycle of the establishment they are working for. Establishments are instructed to strictly pay the due stipend on time. Stipend payment is directly deposited to the bank account of an apprentice.”

3.17 Asked to state the measures taken to ensure the linkage of the bank accounts of apprentices with Direct Benefit Transfer and AADHAAR seeding, the Ministry submitted as under:

“Aadhaar verification (online through UIDAI) is mandatory while signing the apprenticeship contract. All apprentices are advised to seed their bank account with their Aadhaar Number.”

3.18 The Committee then desired to know the specific steps taken to ensure parity in stipend reimbursement to Apprentices in addressing the variance in disbursement of reimbursement under NAPS and NATS, by the two respective Ministries. In reply, the Ministry stated as under:

“Apprenticeship Rules, 1992 have been amended in 2019 to address this issue. Now the stipend is paid based on the entry level qualification required to undergo training in specific course / trade.

Stipend rates for various categories of apprentices are decided by Central Apprenticeship Council (CAC). Both NATS and NAPS follow the stipend rates as prescribed by the CAC. Hence, there is no disparity in the stipend rates.”

3.19 On being asked about the steps taken by the Ministry to extend reimbursement facility to general courses as was being done for technical courses, the Ministry submitted that reimbursement of stipend to establishments engaging apprentices in general courses was available under optional trades.

3.20 In response to a specific query on the complaints regarding non-payment or delayed payment of stipend in contravention to Rule 11 of Apprentices Act, 1961 and the grievance redressal mechanism available, the Ministry stated as under:-

“Very few complaints have been received and same were resolved with the intervention of enforcing authorities. During last one year, MSDE has received only four complaints regarding non-payment / delay in payment of stipend that too during prevailing COVID situation. These complaints have been referred to concerned Apprenticeship advisers for taking appropriate action. The respective Apprenticeship advisers are the competent authority to address all grievances including stipend related and they are doing so effectively. Also, the helpdesk (Apprenticeship@nsdcindia.org) is operating daily and confirmations of received requests are sent to all parties. NSDC also has a grievance cell (grievance@nsdcindia.org) to which concerned parties can write directly. The concerned subject matter expert is consulted for each query and they aim to address all queries within 48 hours of receiving them”.

3.21 In response to a specific query regarding prescribing a uniform lumpsum stipend rate and linking it to the consumer price inflation, the Ministry apprised as under:-

“Before 25th September, 2019, the stipulated minimum stipend per month for the graduate Apprentices was 4984/- per month, for the technician Apprentices was 3542/- per month and that for technician (vocational) Apprentices was 2890/- per month, which fall short of the minimum stipend per month for the trade Apprentices in the first year of training (which was 70percent of minimum wage of semi-skilled workers notified by the respective State or Union Territory). As per earlier provisions, few situations had arisen in which a degree /diploma/certificate holder undergoing Apprenticeship was paid less than a 5th class pass Apprentice. Moreover, in the case of trade Apprentices, calculation of stipend was a complicated process and employers, Apprenticeship advisors and IT/portal management systems were required to keep a track of the changes in the minimum wages in their respective State/UT, as computation of maximum possible reimbursements was done based on updating of this data on the portal. Trainee pass-outs from Industrial Training Institutes (ITIs) affiliated by National Council for Vocational Training (NCVT) were enjoying certain preference in terms of payments of stipend. ITIs pass-outs were given stipend payable for 2nd/3rd year depending upon trade. These benefits were not available for trainee pass-outs from other government approved courses. Taking cognizance of the above scenario, the Expenditure Finance Committee (EFC), recommended that the MSDE will place before the Central Apprenticeship Council, a proposal to fix uniform lump-sum stipend rates for Apprenticeship training that may be suitably linked to consumer price inflation. Further, it was recommended that the stipend for Apprentices be fixed rather than linking them to the minimum wages for semi-skilled workers, especially since Apprentices are not to be treated as workers under the Act. The same was deliberated and recommended by CAC in its meeting held on 10th July, 2019.”

3.22 On the perceived hesitancy on the part of employers in training of Apprentices and payment of stipend, the representative of the Ministry submitted in evidence as under:-

“There is a cost involved for them in keeping Apprenticeship because they have to give them stipends. There is a cost involved in it. Most of them do not see a return on investment on Apprenticeship by giving a stipend from Rs.5,000 to Rs. 9,000”.

iii. Expansion in Trade Categories

3.23 The Committee desired to know whether any proposal was under consideration to expand the ambit of designated and optional trades under NAPS to include trades from hospitality, tourism, agriculture and allied sectors into its fold. In reply, the Ministry submitted as under:

“Trades from hospitality, tourism, agriculture and allied sectors are already covered under both designated and optional trades categories and NAPS benefit is being extended to all trades. Also, new courses are designed continuously based on the skill-gap analysis of each sector of economy and training programmes under apprenticeship training are added in both the categories of trades.”

3.24 On being asked about the steps proposed to provide apprenticeship to professionals in streams like Petroleum Engineering, Dentists and Pharmacists etc, so as to equip them as apprentices, the Ministry responded as under:

“At present three trades namely “Dental Laboratory Technician”, “Health Sanitary Inspector” and “Hospital Waste Management Assistant” are covered under Designated trade category to provide apprenticeship training to youth in healthcare sector. Also, Optional trades are also available in Health Care Sector managed by Health Care Sector Skill Council. A total of 2,498 apprentices are engaged since FY2019 till 28th November 2021.

Under Petroleum engineering stream, apprenticeship training is being imparted under Optional Trades through Hydrocarbon Sector Skill Council. A total of 261 apprentices are engaged by Hydrocarbon sector skill council since FY2019 till 28th November 2021.”

iv. Industry Interface

3.25 Asked to state the measures taken to sensitise Establishments/ Industries of their social obligations vis-à-vis apprenticeships, the Ministry submitted as follows:

“MSDE launched Apprenticeship Pakhwara which was celebrated from 30th September 2019 to 16th October, 2019 with an aim to bring all the stakeholders together in the initiative of making apprenticeship aspirational. State’s Skill Ministers conclave was organized by MSDE on 30th September, 2019 as a part of Apprenticeship Pakhwara. The conclave was chaired by Hon’ble Union Minister for Skill Development and

Entrepreneurship. Hon'ble Minister of State for Power and New & Renewable Energy (IC) and Skill Development and Entrepreneurship also graced the occasion.

An industry interaction and closing ceremony of Apprenticeship Pakhwara was held on 16th October, 2019. The ceremony was chaired by Hon'ble Union Minister for Skill Development and Entrepreneurship (MSDE). Hon'ble Union Minister of Road Transport & Highway and Micro, Small and Medium Enterprises graced the occasion as Chief Guest.

Periodic seminars / workshops are being held to popularize the NAPS scheme. Office Memorandum (OM) was issued to all the Chairman/ CMDs of Public Sector Units (PSU) to book the expenditure incurred (beyond mandatory 2.5%) under the Corporate Social Responsibility (CSR) head. Webinars/ workshops with Sector Skill Councils (SSCs), Third Party Aggregators (TPAs), Industry Associations and Industry Clusters to disseminate information about NAPS which include social obligations of the industries.”

3.26 The Committee then desired to know the mechanism put in place to ensure effective monitoring of skill training to apprentices. In reply, the Ministry stated as under:

“Section 2 (d), clearly defines the “Appropriate Government” for exercise of control of Central and State Governments over various establishments for providing apprenticeship training. Establishments coming under the central government’s jurisdiction, responsibility for monitoring of the implementation of designated trades has been given to the Directorate General of Training (DGT) and its 22 Regional Directorates of Skill Development and Entrepreneurship (RDSDE) and the responsibility for monitoring of the implementation of optional trades has been given to National Skill Development Corporation (NSDC) and Sector Skill Councils (SSCs). Accordingly, Chief Executive Officer (CEO) of all the SSCs has been nominated as Joint Apprenticeship Advisors (JAA). For all establishments coming under the state government’s jurisdiction, the State Apprenticeship Advisers (SAA), the State Skill Development Missions (SSDMs) are responsible for implementation of both designated and optional trades. These officials are responsible for proper implementation and monitoring of the scheme under their jurisdiction. They have rights to inspect any establishment and verify the records pertaining to the apprenticeship training.”

3.27 Further asked to state the steps taken to improve industry clusters so as to strengthen students-apprenticeship-industry interface, the Ministry deposed as follows:

“With an aim to improve the industry clusters participation in apprenticeship training, MSDE is implementing the Skills Strengthening for Industrial Value Enhancement (STRIVE) project. This is World Bank assisted five (5) Year project that extends till November, 2022. Result Area 4 of the project lays stress on Industry Apprenticeship Initiative (IAI). Main objectives of the project are:

- Encouraging Small and Medium Enterprises (SMEs) to engage in Apprenticeship Training.
- The IAI grant incentivizes Industry Clusters (ICs) / Industry Associations to promote apprenticeship within its Member Business Organizations (MBOs).
- Total of 100 ICs will be covered pan India.
- A maximum allocation of Rs. 1 Crore will be available per Industry Cluster (IC).

At present 35 ICs have been selected and funds amounting Rs. 11.60 crore has been released to 29 ICs.”

3.28 In response to another query regarding locally available training opportunities for the apprentices and scope for industry clusters to source apprentices locally, the Ministry submitted as under:

“From the analysis of data, it has been found that candidates mostly prefer the apprenticeship opportunities available locally. As the engagement of apprentices is managed through portal, facility has been provided on portal for potential apprentices and they can search for local vacant position in local establishments and can be engaged by them. Third Party Aggregators (TPAs) also assist in mobilizing the local apprentices as per the skill needs of the establishments. Under the World Bank-assisted Skill Strengthening for Industrial Value Enhancement (STRIVE) project also, there is enough scope for industry clusters to source apprentices locally.”

3.29 As regards the specific steps taken to include Apprenticeship as an essential component after the completion of short term training so as to enable the apprentices to acquire practical industrial experience, the Ministry apprised as under:

“Progression pathways have been created for candidates certified under various short term skilling programs like Prime Minister Kaushal Vikas Yojana (PMKVY), Deen Dayal Upadhyay Grameen Kaushal Yojana (DDU-GKY) to take up the apprenticeship. They can undertake apprenticeship without going for the basic training. Here scheme recognizes their prior learning and such candidates receive exemption from the mandatory basic training which is required component of training for the fresher candidates.

In this regard, a notification was issued under PMKVY which states that apprenticeship is considered as placement. Further, NAPS guidelines also give scope for exemption from basic training if candidate is PMKVY certified.”

3.30 Asked to state the establishments under the control of the Central Government and the State Governments respectively providing apprenticeship trainings, the representative of the Ministry submitted in evidence:

“We have 972 Central Government establishments and 949 Central Government PSUs. Around 2000 establishments are under the control of the Central Government. Under the control of the State Government, there are almost 67,000 establishments out of which, 60,000 are private and around 8000 are the State Government PSUs and other establishments. So, maximum numbers of establishments are under the State Government but if we see the number of Apprentices, their number is more skewed compared to the Central Government.”

3.31 The Committee desired to know the details of private companies working under Corporate Social Responsibility (CSR) for Skill development and the status of skill development training administered by them. In response, the Ministry furnished the following information:

“There are total 30 Memorandum of Understanding (MoUs) signed with private companies under CSR for skill development programs. Status of training with these 30 private companies is mentioned below:

S. No.	Project Name	Trained	Assessed	Certified	Placed
1	Avery Dennision	561	561	511	374
2	Balrampur Chini Mill	720	662	609	272
3	CAMS	472	472	200	330

4	Caterpillar India Pvt. Ltd.	0	0	0	0
5	CIFCL	447	395	253	223
6	GE Alstom-I	363	363	308	286
7	GE Alstom-II	244	201	137	154
8	GE Grid	112	112	112	93
9	GE India Business	125	125	95	112
10	GE Power	500	496	482	408
11	GE T&D	270	270	264	231
12	HERO MotoCorp	1181	942	719	645
13	Hitachi	326	265	170	198
14	HPCL Mittal Foundation	1230	870	870	119
15	Ingersoll Rand-II	431	430	374	335
16	Ingersoll Rand-III	422	367	323	310
17	Ingersoll Rand-IV	145	141	121	78
18	Ingersoll-I	245	245	133	180
19	L&T	282	245	242	235
20	PJCF	non operational			
21	Powerlink Bihar	180	171	140	146
22	Powerlink LKO	200	182	132	143
23	Powerlinks (AA)	104	97	86	10
24	Powerlinks- Lucknow & Bareilly	214	-	-	-
25	Powerlinks Transmission Ltd.	210	210	210	144
26	RKMF	264	258	228	199
27	SBI Cards - III	0	0	0	0
28	SBI Cards-I	1000	946	634	712
29	SBI Cards-II	1023	1015	878	731
30	Simon	167	166	161	86
	TOTAL	11438	10207	8392	6754

3.32 Specifically asked to state the status of Apprentice Engagement by Establishments registered on portal, the Ministry furnished the following information:

Sl. No	Particular	Count
1	No. of establishments registered on the apprenticeship portal	119168
3	No. of establishments that are currently engaging apprentices	24603
4*	No. of establishments that are engaging up to 2.5percent	4211

	apprentices	
5*	No. of establishments engaging 2.5percent to 10percent apprentices	9741
6*	No. of establishments engaging 10percent to 15percent apprentices	5168
7*	No. of establishments engaging more than 15percent apprentices	5483

*Based on cumulative no. of apprentices engaged from 2016 to 2020

3.33 As regards the achievement in apprentice engagement of designated and optional trades under NAPS, the following information was furnished to the Committee:

Duration	Establishment Registered on portal	Cumulative engaged (Designated Trades)	Apprentices Count + Optional
2015-16	5657		
2016-17	17608	2,22,449	
2017-18	40018	3,95,483	
2018-19	60590	5,95,518	
2019-20	74598	8,59,753	
2020-21(till 13 th October)	119168	10,34,970	

3.34 In response to a specific query regarding lowering the strength size of the establishments from 40 to 30 under mandatory category and from 6 to 4 for optional category, to mandatorily engage Apprentices between 2.5 percent to 15 percent, the Ministry submitted as under:

“The Committee on Innovation and Promotion of Apprenticeship in Informal and Formal Economy constituted by Ministry of Skill Development and Entrepreneurship in April 2019 deliberated on this scenario and recommended that the upper limit of engagement of Apprentices may be raised from the existing 10 percent of total strength of establishment to 15 percent, subject to a minimum of 5 percent of the total being reserved for fresher Apprentices and skill certificate holders. The Expert committee also recommended to lower down the Strength Size for establishment having to mandatorily engage Apprentices in 2.5 percent to 15 percent category from 40 to 30 and that for optional category was lowered from 6 to 4. The Central Apprenticeship Council (CAC) approved the recommendation of Expert committee to lower down the Strength Size for establishment having to mandatorily engage Apprentices in 2.5 percent to 15percent category from 40 to 30 and that for optional category was lowered from 6 to 4.”

3.35 The Committee then desired to be apprised of the total number of establishments having manpower between 4-29 and engaging Apprentices in 2.5percent – 15 percent category. In reply, the Ministry submitted as follows:

“As per data available on ‘apprenticeshipindia.gov.in’ portal, there are around 15651 establishments having manpower between 4-29 and only 2517 of these establishments are engaging Apprentices within the band of 2.5percent to 15percent of their total manpower strength.”

3.36 Asked to state the justifications for prescribing engagement of Apprentices between 2.5 percent to 15 percent and penal provisions prescribed for non-compliance, the representative of the Ministry submitted in evidence as under:-

“An issue was raised as to why this range is given from 2.5 per cent to 15 per cent and not fixed at eight or nine per cent. The rate in the previous law was 2.5 percent to 10 percent. By revising it, we increased it from 10 percent to 15 percent, which is a little bit more. The other thing is that if we force people to take 2.5 percent, we can make 2 million people into Apprentice. Here we doing 2 lakhs every year. When we are not able to do the minimum, we will only increase it theoretically. Our problem is that our enforcement mechanism is almost nil. Right now, if someone does not have an Apprentice for three months, there is a fine of Rs. 500, followed by a monthly fee of Rs.1000. Some Apprentices will be scared of this, it is not easy because they will have to pay Rs. 9,000 for the Apprentice while the fine for it is only Rs.1000 per month. So we have to go to court to enforce it because we will give notice first. There is a penalty after giving notice. Prior to this, there was a provision to send to jail. However, the motive behind the business should not be criminalized, so the prison sentence was removed in 2014.”

3.37 As regards the constraints faced by the small establishments in imparting training to the Apprentices, the Ministry submitted as follows:

“Through Apprenticeship training, an Apprentice acquire skill sets through on the job training. The Apprentices engaged in the small establishments are expected to acquire hands on experience through experiential learning and are not directly contributing in the industrial and economic activities of the establishments. Further, the small establishments in India mostly operate as the part of unorganised markets. Small establishments

do not have enough infrastructure and resources for training and development. The minimum and maximum percentage limit for engaging Apprentices is kept keeping in mind the availability of infrastructure and other training resources like master trainers etc. so that Apprentice can acquire meaning-ful training as per curricula without imposing too much burden on establishments”.

3.38 The progress made under the Scheme since its inception was stated to be as under:

Year	Apprentices enrolled during the year (In lakh)	Establishments registered on the portal
2016-17	1.11	17,608
2017-18	1.61	40,018
2018-19	2.00	60,590
2019-20	2.54	74,598
2020-21	2.90	1,26,054
2021-22 (30 th Nov 2021)	2.87	1,40,720

3.39. In response to the issue of absorption post Apprenticeship training and subsequent retention in the same Industry/establishment, the Ministry submitted as under:-

“The legal position is that he is not bound to provide any employment to the Apprenticeship unless at the time of signing of contract, he has mentioned that he will provide a job. Suppose some industry has put that in the contract while taking the Apprenticeship, then he will have to take that Apprenticeship under that contract”.

3.40. The Ministry supplemented as under:-

“Employment data is not captured in Apprenticeship portal. However, as per a joint survey conducted by National Skill Development Corporation (NSDC) and Foreign, Commonwealth & Development Office, (FCDO) (previously Department for International Development, DFID) with over 100 companies, it was observed that across sectors 20 to 50 percent of Apprentices are absorbed”.

3.41 Asked about steps taken to enhance public private partnership in Apprenticeship, the Ministry submitted as under:

“Third Party Aggregators (TPA) are public/private bodies which handhold the establishments in their day-to-day apprentice related tasks. They act as a link between the candidates and the establishments to aggregate the apprentices and place them for apprenticeship in required establishments. Public Private Partnerships (PPP) is one of the core pillar of NAPS. The establishment/ industry where an apprentice is engaged and is being trained anywhere between 6 months to 3 years. In addition, 25% of the prescribed stipend (maximum of Rs. 1,500 per month per apprentice) is provided by NAPS. Sharing of Basic Training Cost (maximum Rs. 7,500 for a maximum of 500 hours of training) is also provisioned under the NAPS.”

v. Achievements, Monitoring and Assessment

3.42 Citing the objective of providing Apprenticeship training to 50 lakh youth cumulatively between 2016 and 2020 as originally envisioned under NAPS, the Committee desired to be apprised of the achievements made in that direction. In response, the representative of the Ministry submitted in evidence:

"A target of 50 lakhs was set in NAPS, however, we have managed to reach a target of 10 lakhs. Why? The assumption was that many establishments would come forward after seeing the benefits of the scheme. But they did not actually translate this on the ground. Sir, now it will be seen that the budget estimate given for the first year was Rs.500 crore, but the previous expenditure of that Rs.500 crore was about Rs.40 or 50 crore. After that, the budget estimate was also reduced, because the type of ambition that was done in the program, did not happen and for the same reason, after the constraints, we have studied or found based on feedback, he is also judging the change. For example, in an act of change, the establishment will sign a contract with the Apprentice. Here, people sign with the labor contractor, do not sign themselves and the contract will be approved. All of these compliance burdens are too much to bear. That is the reason why we could not reach that ambitious figure when it was launched."

3.43 Asked to state the details of fund allocation/expenditure under NAPS since its inception, the Ministry submitted as under:

Financial Year	Budgetary Estimate (BE)(Rs. in Crore)	Revised Estimates (RE) (Rs. in Crore)	Expenditure (Rs. in Crore)
2016-17	-	101.00	69.50
2017-18	500.00	38.85	38.58
2018-19	90.00	39.76	41.62
2019-20	61.25	50.98	47.61
2020-21	73.02	120.00	108.27
2021-22	120.00	-	52 (till October 2021)

3.44 On being asked about the specific measures taken to strengthen coordination with the States and Establishments/Industries so as to ensure availability of funds for implementation of NAPS and their subsequent monitoring, the Ministry, responded as under:

“Regular interaction with the States is made to follow-up the utilization of NAPS funds. Any proposal received for additional fund is being promptly acted upon. District Skill Committee (DSC) are formed at district level where participation from Central Govt. member is ensured. Any issues reported are resolved promptly”.

3.45 Asked to state the monitoring mechanism evolved for supervision of NAPS at State Level, the Ministry submitted as under:-

“Under Central Sector, Ministry of Skill Development and Entrepreneurship (MSDE) coordinates the implementation of Apprenticeship including National Apprenticeship Promotion Scheme (NAPS) across the country through the Directorate General of Training (DGT) and its Regional Directorates of Skill Development and Entrepreneurship (RDSDEs), National Skill Development Corporation (NSDC) and Sector Skill Councils (SSCs). Directors of RDSDEs have been appointed as Regional Apprenticeship Advisers and CEOs of Sector Skill Councils are appointed as Joint Apprenticeship Advisers. Further, the respective Directorates dealing with Apprenticeship appoints State Apprenticeship Advisers (SAAs) who shall be responsible for monitoring at the State level.”

3.46 In response to a pointed query on overlapping of jurisdiction among multiple agencies and proposal to strengthen the monitoring aspect of the Apprenticeship training, the Ministry submitted as under:

“Under the new framework for Apprenticeship in India, although there are various monitoring agencies, there are clearly defined roles and responsibilities without any overlap. The monitoring roles of each of the agencies involved are as under:

- DGT/RDSDEs-Monitoring of implementation of Apprenticeship of Designated Trades under Central Government, Central PSUs and Private (4 or more States/UTs) Establishments.
- NSDC/SSCs – Monitoring of implementation of Apprenticeship of Optional Trade under all types of Establishments.
- State Apprenticeship Advisers (SAA)-Monitoring of implementation of Apprenticeship of Designated and optional trades for State Government, State PSUs and Private Companies (presence in less than 4 States/UTs).
- BOAT – Monitors the Apprenticeship of engineering graduate and diploma pass out Apprentices category.”

The individual entities are entrusted with different roles. Further, the data of designated and optional trades which comes under the administrative domain of MSDE is being captured on apprenticeshipindia.gov.in portal.

The Apprenticeship portal features Aadhaar validation and check on registration documents to ensure the authenticity of candidates and establishments registering on the portal. The Apprenticeship advisors monitor attendance, ensure that the training is taking place and stipends are being paid to Apprentices on timely basis. Reimbursement of stipends are made after proof of payment and receipt of payment are submitted and checked. In addition, phone calls made through a call center to validate training details from Apprentices.”

3.47 As regards the mechanism devised to strengthen skill training, employment and apprenticeship opportunities for polytechnic/diploma holders, the Ministry apprised as under:

“Polytechnic / diploma holders are given apprenticeship on various trades of emerging and new areas which make them job-ready.”

3.48. Regarding steps taken to give impetus to vocational training so as to strengthen the apprentices at par with the global standards, the Ministry submitted as follows:

“Since the markets are dynamic and industry requirement keeps on changing as per the global standards, the establishments are given flexibility under the optional trades to design courses as per the need of the industry and impart training.”

3.49 On being enquired on the number of live apprenticeship contracts currently operational across the Country, the Ministry stated as under:

“Currently, there are 4,32,792 live contracts across the country.”

3.50 When the Committee desired to know the extent to which the amendments to Apprenticeship Act/Rules have proved to be effective in the implementation of NAPS, the Ministry clarified as under:

“The Ministry of Skill Development and Entrepreneurship (MSDE) has entrusted an Impact Evaluation Study of National Apprenticeship Promotion Scheme (NAPS) to the National Productivity Council (NPC). NAPS is a flagship scheme of MSDE on Apprenticeship which incorporates the new amendments to Apprenticeship Act/Rules. This study is expected to draw insights from various stakeholders regarding design and implementation of NAPS which will inform the outlook for the scheme, provide feedback for further improvement and insights on future contours.”

3.51 Asked to highlight the key findings of the NPC, the Ministry apprised as under:

“Key findings of scheme show that scheme is able to fulfill its objectives. Major findings are as given below.

- Completion Rate of apprenticeship training is more than 90%.
- Employment rate among pass-outs was 64% within 6 months & 74% within 12 months after completion.
- 85% of respondents found practical training more useful than theoretical training.
- 68% strongly felt that program made them more employable compared to a non - certificate holder

Following suggestions have been made for improvement in the NAPS:

- NAPS may be continued for another 5 years as huge potential for scale up exist.
- Yearly target setting for each implementing agency required in terms of number of apprenticeship contracts
- Focus of scheme should change from supporting Basic Training Providers (BTPs) to Establishments offering OJT
- Apprenticeship training be brought under purview of Common Norms
- Assessment fee being paid to SSCs may be reviewed in line with prevailing STT norms
- Reimbursement of stipend under NAPS & NATS to be standardized
- Stipend reimbursement support may be withdrawn for Govt. organizations & PSUs
- Stipend support may be raised for smaller industry & women apprentices.”

3.52 On being enquired whether the Ministry proposed to devise any mechanism in consultation with the Ministry of Corporate Affairs to ensure compliance of provisions relating to deployment of apprentices in the Annual Audit Reports of various Establishments/Industries, the Ministry stated as under:

“Under Section 19 (Records and returns) of the Apprentices Act, 1961, all establishments having manpower 30 and above are mandated to report the apprentices working with them on monthly basis.

In this regard, MSDE is requesting to the Ministry of Corporate Affairs (MoCA) for following two interventions:

- (i) Chartered Accountants handling registered companies employing 30 or more people (including contractual employees) may be mandated to put a compliance para in their audit report regarding Apprentices hiring of 2.5% of the overall payroll. A joint MCA-MSDE digital advocacy program in association with ICAI may be undertaken post necessary guidance from MCA.
- (ii) For all public listed companies filing Annual Financial Statements to the Exchanges, disclosure on Apprentices hiring may be added in the compliance report. In addition, compliance and good practices related to Apprenticeship may be encouraged to form part of the Chairman's speech to stakeholders as in the case of sustainability measures.”

3.53 Asked to state whether State Apprenticeship advisers have been empowered to issue show-cause notices to establishments for non-compliance with Section 30 of the Apprenticeship Act and if so, the number of show cause notices issued during 2019-2020, the Ministry stated as under:

“Ministry of Skill Development and Entrepreneurship (MSDE) under the chairmanship of Secretary and Joint Secretary (Skill Development) has issued formal communications to Central Public Sector Undertakings (PSUs) and State owned PSUs from time to time on complying with the provisions of the Act. Further, such CPSUs were called for a meeting to provide the reasons for non-compliance of this provision of the Act. MSDE has also initiated drive and instructed all Apprenticeship advisers to issue show cause notices to establishments not complying with requirements of the Act. More than 3000 show cause notices have been issued to defaulting establishments since April 2019. 122 establishments have started engaging Apprentices”.

3.54 The Committee desired to know the mechanism put in place to create/expand public awareness about apprenticeships and to counsel/orient students/institutions on the need for skill based training. In reply, the Ministry stated as under:

“MSDE launched Apprenticeship Pakhwara which was celebrated from 30th September 2019 to 16th October, 2019 with an aim to bring all the stakeholders together in the initiative of making apprenticeship aspirational. State’s Skill Ministers conclave was organized by MSDE on 30th September, 2019 as a part of Apprenticeship Pakhwara. The conclave was chaired by Hon’ble Union Minister for Skill Development and Entrepreneurship. Hon’ble Minister of State for Power and New & Renewable Energy (IC) and Skill Development and Entrepreneurship also graced the occasion.

An industry interaction and closing ceremony of Apprenticeship Pakhwara was held on 16th October, 2019. The ceremony was chaired by Hon’ble Union Minister for Skill Development and Entrepreneurship (MSDE). Hon’ble Union Minister of Road Transport & Highway and Micro, Small and Medium Enterprises graced the occasion as Chief Guest.

Periodic seminars/workshops are being held to popularize the NAPS scheme. Apprenticeship Melas are also being organized periodically. One such Mela was organized on 04.10.2021 nationwide for engagement of apprentices. This resulted in enrolment of around 60,000 candidates on a single day. Regular workshops, meetings, Rozgar Mela, Apprenticeship Melas are being organized with institutions and students for spreading the awareness about apprenticeship amongst the students.”

3.55 As regards measures taken to involve public representatives in advocacy, monitoring and popularizing the scheme of apprenticeship for quicker dissemination of information in their respective constituencies, the Ministry apprised as under:

“Whenever Seminars, Melas are organized, participation of local MP / MLA participation is ensured. Wide publicity of such events is also made using various media channels.”

3.56 Asked to state the policy of Government to tackle the issue of apprenticeship dropouts, in reply, the Ministry Stated as under:

"Government ensures timely payment of stipend and quality of training to apprentices. For NATS, the Boards continuously guide and counsel the apprentices to complete the programme."

3.57 Asked to state steps taken/ proposed by the Ministry to integrate Apprenticeship with Higher Education and catalyse interests of trainees and improve employability of apprentices (under NAPS and NATS), the Ministry stated as follows:

"In line with the mandate of New Education Policy, 2020, the UGC has started Internship/Apprenticeship Embedded Degree Programs in 78 institutions. Also, AICTE is implementing internship program. Apprenticeship programs will be mainstreamed with the academic programs to improve employability of students."

3.58 In evidence, the representatives of the Ministry of Skill development and Entrepreneurship elaborated as under:

"we are planning to integrate with higher education. We have already started a dialogue with the UGC and UGC has already brought a guideline on that. During a degree program, apart from core courses, there is a choice-based credit system. There are some core courses. Suppose I am doing Philosophy, for Philosophy, in any way, I have to do some core courses. Others are choice-based. We can take any course. So, we allow them to take, apart from Apprenticeship, any other ITI course, or short-term training course can be taken and the credits received in these courses will be included for his degree program. So, when the person passes the degree, he will get two degrees. One is the degree from the university and the other is the certification on the vocational part. For the same thing, he will get two degrees. A Committee is looking at how to have the credit framework which can be taken up and included for the degree courses. So, that committee is working on that."

vi. Impact of Covid-19

3.59 The Committee desired to be apprised of the steps taken to rehabilitate students/apprentices displaced by Covid-19 pandemic with special reference to North East Region. In reply, the Ministry furnished the following details:

- i. Apprentices were given flexibility to join back the apprenticeship training which they had left in between due to Covid-19 pandemic. This holds good for apprentices from North Eastern (NE) states as well as rest of India.
- ii. Establishments were allowed to extend the training programme to cover the complete course curricula which was remained unfinished due to lockdown.
- iii. Establishments were instructed to pay stipend during the extended period of training.

3.60 The Ministry further submitted as follows:

“Due to pandemic induced lockdowns, trainees could not continue the apprenticeship training. Since as per the Apprentices Act, 1961, in case of natural calamities, health emergencies and similar situations, training can be extended upto maximum of six months and stipend should also be paid to the apprentices. Hence, MSDE had issued an Order vide F.No.MSDE/01 (06)/2020-AP (PMU) dated 8th June 2020 regarding extension of apprenticeship training to complete the training affected due to Covid-19 lockdown period to all the establishments implementing apprenticeship training under their jurisdiction. This enabled to control the disruption in training to some extent.”

3.61 On being enquired about the specific measures being taken to engage Inter-state migrant unemployed youth with apprenticeships/skill training and any Inter-State level coordination mechanisms to oversee the same, the Ministry stated as follows:

“As per Act, candidates from other states / migrants are eligible to undertake training in any of the states.”

3.62 On being asked on the steps in place to ensure adequate apprenticeship to prioritize ‘Aspirational Districts’ across the Country and

whether any mentorship programs/targeted campaigns have been put in place for such students hailing from the said 'Aspirational Districts', the Ministry in their post evidence replies stated as under:

“Apprenticeship could not pick up much in the Aspirational Districts as these districts have no or limited establishments. However, with an aim to promote apprenticeship in aspirational districts, MSDE through its long term and short term skill training infrastructure namely ITIs, PMKKs, and District Skill Committees handhold stakeholders and organize capacity building programs. Further with the introduction of services sector trades in apprenticeship, intake of apprenticeship training is expected to increase in Aspirational Districts.”

3.63 On being queried whether NAPS has been able to achieve its objectives and initiatives taken/contemplated to improve the Scheme and boost Apprenticeship. In response the Ministry submitted as under:

- **“Scaling up advocacy and outreach programs:** Over the years MSDE has scaled up its outreach initiatives and has undertaken various advocacy programs. MSDE has organized various events, workshops, seminar and Apprenticeship Pakhwara. Recently, Apprenticeship Mela was organized across all the States and UTs resulting in generation of 50,000 contracts on a single day.
- **New institutional arrangement to execute NAPS:** Initially when scheme was launched in July, 2016, responsibility for policy regulation and implementation of the scheme was given to Directorate General of Training (DGT), one of the vertical under MSDE, however, to provide greater visibility and outreach to the NAPS, the institutional arrangement for implementing apprenticeship has been re-casted wherein the policy and regulation is now being administered by MSDE and implementation in being done by Directorate General of Training for designated trades and National Skill Development Corporation has been given the responsibility for optional trades. Joint Secretary, MSDE has been notified as Central Apprenticeship Advisor. The new arrangement is enhancing the outreach of the program to include all those sectors which were so far excluded.
- **Appointment of CEOs of Sector Skill Councils (SSCs) as Apprenticeship Advisors in September 2018.** Sector Skill Councils are industry led bodies and involving SSCs would infuse confidence among industry to implement apprenticeship.
- **Integration with Higher Education:** Apprenticeships are available mainly at the level of ITI/ Polytechnic students. Apprenticeship training in “Optional Trade” has been made available for graduate students. This has

integrated apprenticeships with higher education so as to improve the employability of youth, while making apprenticeships more aspirational.

- **Integration with Short-term Courses:** A large number of trainees are being trained under various short-term programs such as PMKYY, DDUGKY, ISDS and several state level schemes. Orders have been issued to integrate all short-term training programs with apprenticeships. Even if 40% - 50% of the total number of trainees under these Schemes are provided an apprenticeship pathway by utilizing the benefit under NAPS, to give them on the job training and enhancing their employability, it will result in more employable trained workforce. This system has just started, result are yet to come.”

MSDE since its inception has been actively coordinating with Central Ministries implementing Skill Development Programs. As a result of these efforts, at policy level, all the Skill Development schemes under implementation in the country have been brought under the ambit of Common Cost Norms. As far as standardization of nationwide training programs is concerned, National Skill Qualifications Framework (NSQF) has been operationalized and central ministries are implementing NSQF aligned training programs. MSDE through NSDC has developed Next Gen Skill Development management System which can be integrated with the active MIS systems of State Governments and Central Ministries for reporting of Skill Development data. SMART system of MSDE developed for accreditation, affiliation and continuous monitoring of training centres is increasingly being used by Central Ministries and State Governments for their Skill Development needs as well.”

IV. AIMS, OBJECTIVES AND FEATURES OF NATIONAL APPRENTICESHIP TRAINING SCHEME (NATS)

4.1 As mentioned earlier, the National Apprenticeship Training Scheme (NATS) is implemented by Ministry of Education (Department of Higher Education) through four regional Boards of Apprenticeship/Practical Training (BOAT/BOPT) located at Mumbai, Kanpur, Chennai and Kolkata. The objective of the scheme is to provide a course of training in any industry/establishment to fresh engineering graduates, diploma holders and students studying degree and diploma courses in programme of Engineering. It aims to provide hands on practical training to non-Engineering degree/diploma students and also engineering graduates/diploma holders in Central Government Departments/Organizations/Public Sector Undertakings, State Government Departments/Organizations/Private Limited Companies/MNCs.

4.2 Elaborating further, the Ministry apprised as under:

“The scheme aims to fulfill the gaps in the hands on practical experience of fresh graduate engineers, diploma holders (which they do not acquire during their regular studies) and also of the non-engineering graduates so as to make them industry/ establishment ready. It aims to improve their quality of industry exposure and develop the technical and also non-technical human resource for the industries and establishments. BOAT acts as an effective medium to secure facilities for training in different establishments, both private and public sector organizations for engineering and non-engineering graduate/diploma holders and students.”

4.3 As regards the salient features of the NATS, the Ministry highlighted the following aspects:

- High employability after completion of NATS training.
- 71 percent of Industry pays higher stipend than the minimum prescribed by the Government post apprenticeship training.
- 87 percent of private sector Industry absorb apprentices after completion of training.
- Demand of apprentice by Industry exceeds supply by Board for Apprenticeship Training (BOAT).

4.4 On the importance accorded to Apprenticeship, the representative of the Ministry of Education during deposition before the Committee, submitted as under:

“The Hon’ble Finance Minister, in her Budget speech 2021, mentioned a paragraph, para 124, that will realign the existing scheme of National Apprenticeship. For providing post-education apprenticeship training, over Rs. 3,000 crore will be provided. So, even the Finance Minister in her Budget speech has included this paragraph which shows the emphasis which has been placed by the Government on this Scheme”.

i. Web Portal

4.5 As regards the procedure of registration of apprentices and their recruitment through the NATS portal, the Ministry, while highlighting the

differences between the nature of registration in Private and Public sector Establishments, submitted as under:

“NATS engage pass-outs from engineering colleges/universities, non-engineering and polytechnic colleges. NATS portal expects prospective students and also industries to register their details in the portal. The students seeking apprenticeship indicate their academic details and the industrial domain in which they want training. The industry on its part also feeds its areas of operation and other industry specific information into the NATS portal. The industry is free to decide its criteria like proportion of different engineering stream, cut off marks, any state specific quota. It is the prerogative of the industry to engage an apprentice of its choice based on a selection methodology of its choice. Normally, an industry in private sector defines its own methodology of engagement. Some private sector firms indicate the initial criteria on the NATS portal. The system then matches the initial criteria with the student profile and sends them SMS/e-mail to participate in the apprenticeship engagement being undertaken by the private sector industry. On the other hand, some private sector industry pre-selects their apprentice. However, all such industry shortlisted candidates will have to compulsorily get themselves registered on the NATS portal.”

4.6 The Ministry further stated as follows:

“As far as industries in public sector are concerned, a PSU generally indicates its criteria on the NATS portal. Thereafter, the system generates its shortlisted candidates from NATS portal. The candidates thus shortlisted are then subjected to further tests etc by the public sector. The apprentices are then finally selected. All selected candidates are then required to sign an apprenticeship contract with the industry which is vetted by BOAT/BOPT. With the proposed expansion of NATS to non-engineering degree/ diploma students as part of their educational curriculum, the establishments will also have the option of engaging non-engineering students as apprentice.”

4.7 In response to a specific query on the NATS portal catering to the options/choices for apprentices to join a particular Industry, the Ministry clarified as under:

"...such options are also available with the children. When the

Industries feed their requirements, the information goes to those children also. If today some apprentice has the option from Suzuki, then tomorrow the option of Maruti will also go to that child. The child has the option whether he wants to apply for Suzuki or Maruti."

ii. Stipend Support

4.8 As regards the modalities of stipend paid to the apprentices under NATS, the Ministry submitted as under:

"The apprentices are paid monthly stipend by the training establishments. For graduate/diploma apprentices who are from engineering stream, the Government of India reimburses 50 percent of the minimum amount stipulated under the Apprentices Act 1961 to the training establishments through the Regional Boards. Since there is demand from industry to engage apprentices, from 2019-20, NATS portal has also started apprenticeship engagement without reimbursement by Government of India. In 2019-20, out of 94714 apprentices engaged, 41802 apprentices were engaged by industry without seeking reimbursement from BOATs/BOPT. Further, the establishments are at liberty to pay stipend at rates higher than the minimum prescribed rates."

4.9 Asked to state the minimum rate of stipend paid to various categories of apprentices, the Ministry apprised as follows:

"The Minimum rate of stipend for various categories of apprentices under NATS are as under:

Sl. No	Category	Minimum rate of stipend as per Gazette Notification 25.09.2019	50percent of the minimum rate of stipend to be reimbursed to industry
1.	Graduate Apprentices (degree holder engineers/ non engineers or those pursuing degree programme in engineering/ non engineering)	Rs. 9000/- (However in NATS the payment is still being made @ Rs 4984 (old rate) due to inadequate funding.	Rs. 4500/- (however, reimbursement is Rs 2492/ month due to inadequate funding)
2.	Technician apprentices (diploma in engineering or those pursuing diploma programme in engineering/ non engineering.	Rs. 8,000/-(However in NATS the payment is still being made Rs 3,542 (old rate) due to inadequate funding.	Rs. 4,000/- (however, reimbursement is Rs1,771/ month due to inadequate funding)

3.	From 1 st April, 2021, revised stipend is being provided.
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4.10. The Committee asked whether the stipend amount paid to the Degree and Diploma holder apprentices needed upward revision. In response, the Ministry submitted as under:

“It is agreed that this stipendiary amount needs upwards revision. It may be appropriate to increase the stipendiary amount to Rs. 18000/- per month for Graduate Engineers and Rs. 15000/- per month for Diploma holder”.

4.11 In response to a query on the reimbursement paid to Industry for providing apprenticeship training and whether financially sound establishments were dissuaded from seeking reimbursement, the representative of the Department deposed in evidence as under:-

“In this connection, I would like to say that we do not have the data of the private sector yet, but based on my experience, I can say that the small private sector institutes expect us to reimburse them because they are not financially strong. In the case of big institutions, who want us to examine the child (apprentice) first, understand it, they say that since we are taking these children on our own, then even if you do not provide us stipend, we are ready to take them. At the formal level, there is no pressure from the Ministry or from the Board that you will take an apprentice with reimbursement or without reimbursement. This is their dedication. We tell you that according to which the funding will happen, we will reimburse you accordingly. Those who take apprentices without reimbursement, we do not pay them thereafter....we have said that as of now, we do not ask anyone at the formal level to take re-imbusement. In the year 2019-20, the availability of funds had reduced drastically, so we called all the boards and held a meeting and said that if you want to take 100 percent reimbursement then you may do so. We will expect you to do that if you can do that. But that depends on the nature of the institution as to how much it wants to do.”

4.12 In response to a specific query, the Ministry apprised that some industries have been engaging apprentices without reimbursement. Asked to furnish the list of such Industries, the Ministry supplied the following information:

List of Establishments with Reimbursement Status				
Region Name	State Name	User ID	User Name	Sector
EASTERN REGION	ODISHA	EORKHP000052	INFOSYS LIMITED	Private
EASTERN REGION	WEST BENGAL	EWBKOP000107	COGNIZANT TECHNOLOGY SOLUTIONS INDIA PVT. LTD.	Private
EASTERN REGION	WEST BENGAL	EWBKOP000164	TATA CONSULTANCY SERVICES	Private
NORTHERN REGION	HARYANA	NHRFRP000022	JCB INDIA LIMITED	Private
NORTHERN REGION	HARYANA	NHRGUP000033	BOMBARDIER TRANSPORTATION INDIA PRIVATE LIMITED	Private
NORTHERN REGION	PUNJAB	NPBMAP000002	TALWANDI SABO POWER LIMITED	Private
SOUTHERN REGION	TELANGANA	SAPHYP000043	TATA CONSULTANCY SERVICES LIMITED ANDHRA PRADESH	Private
SOUTHERN REGION	KARNATAKA	SKABGP000014	BELGAUM FERROCAST (INDIA) PVT. LTD.	Private
SOUTHERN REGION	KARNATAKA	SKABNP000116	TATA CONSULTANCY SERVICES LIMITED KARNATAKA	Private
SOUTHERN REGION	KARNATAKA	SKABNP000180	CISCO SYSTEMS INDIA PVT LTD	Private
SOUTHERN REGION	KARNATAKA	SKABRP000090	Luwa India Private Limited	Private
SOUTHERN REGION	KARNATAKA	SKAKLP000011	Dhoot Transmission Private Limited	Private
SOUTHERN REGION	KARNATAKA	SKAMYP000032	SCHNEIDER ELECTRIC INDIA PRIVATE LIMITED	Private
SOUTHERN REGION	KERALA	SKLTVP000041	TATA CONSULTANCY SERVICES LIMITED KERALA	Private
SOUTHERN REGION	KERALA	SKLTVP000043	IBS SOFTWARE SERVICES PRIVATE LIMITED	Private
SOUTHERN REGION	TELANGANA	STLHDP000120	Virtusa	Private
SOUTHERN REGION	TAMILNADU	STNKCP000260	TATA CONSULTANCY SERVICES LIMITED CHENNAI	Private
SOUTHERN REGION	TAMILNADU	STNKCP000266	COGNIZANT TECHNOLOGY SOLUTIONS PVT.LTD	Private
WESTERN REGION	GOA	WGABPP000119	DURA - LINE INDIA PRIVATE LIMITED	Private
WESTERN REGION	GOA	WGABPP000151	SANOFI-SYNTHELABO (INDIA) PVT LTD.	Private
WESTERN REGION	MAHARASHTRA	WMHMCP000155	ORACLE FINANCIAL SERVICES SOFTWARE LIMITED	Private
WESTERN REGION	MAHARASHTRA	WMHMCP000253	THYSSENKRUPP INDUSTRIAL SOLUTIONS (INDIA) PVT. LTD.	Private
WESTERN REGION	MAHARASHTRA	WMHMCP000853	J.P. MORGAN SERVICES INDIA PVT. LTD.	Private
WESTERN REGION	MAHARASHTRA	WMHRGP000068	UNITED BREWERIES LTD.	Private
WESTERN REGION	MAHARASHTRA	WMHRGP000078	INNOVASSYNTH TECHNOLOGIES (I) LTD.	Private
WESTERN REGION	MAHARASHTRA	WMHRGP000349	TECHNOVA IMAGING SYSTEMS (P) LTD	Private

DISCLAIMER

The table above represents the establishments that has been Active, Approved and apprentice contract created without reimbursement. The region /states for which data is available have been only included in the table above

4.13 On a specific query on the monitoring of reimbursement to Industries for apprentice training, the Ministry submitted as under:

"Whenever an institution has an agreement with a student, a contract is formed, which is put on the board. Subsequently, whenever a claim comes from that institution, we ask its head of finance to commit that they have completed the apprenticeship of previous year. As the whole system has gone online, we have not yet made its digital equivalent. This year, we are making provision that whatever cash transaction is happening, it should be linked through NPCI (National Payment Corporation of India). We have linked it to DBT a few months ago under the DBT scheme so that the

institution to whom we are giving money, gets linked and the organization that is giving money there, gets linked."

iii. Industry Interface

4.14 Asked to state the campaigns/measures taken to sensitize Establishments/Industries about their social obligations towards apprenticeships, the Ministry submitted as follows:

"Under NATS, the Regional Boards follow up with the establishments through letters, emails, personal interactions, awareness programs, Industry Institute Interaction Meets, Industry Meets, Workshops, etc. to apprise Establishments/Industries of their social obligations."

4.15 Asked about the number of Industries registered under NATS, the Ministry furnished as under:

"During the last three years, the number of distinct industries/establishments which offered apprenticeship under NATS is 3270."

4.16 Giving a break up of the number of Graduate/Diploma holder apprentices engaged by the Industry, the Ministry submitted as under:

- 70 percent of industry engaged less than 100 apprentices
- 13 percent of industry engaged between 101-300 apprentices
- 5 percent of industry engaged between 301-500 apprentices
- 12 percent of industry engaged more than 500 apprentices

4.17 In response to another specific query on the number of apprentices enrolled *vis-à-vis* contracts approved under NATS during the year 2020-21, the Ministry furnished that the total number of graduate and diploma students, across the country, was 2,08,295 and at the same time the total number of contracts approved for both graduate and diploma students was 42,459 during the above period.

iv. Monitoring Mechanism

4.18 The Committee were informed that the monitoring of the National Apprenticeship Training Scheme (NATS) was being done through Boards of

Apprenticeship Training (BOAT) located at Kanpur, Kolkata, Mumbai and Chennai.

4.19 On the plans of expansion of NATS across the country and the scope of setting up more Boards of Apprenticeship Training (BOATS), the representative of the Ministry of Education deposed in oral evidence as under:-

"We have already moved the proposal for one BOAT for northeast region in Guwahati, one for the south-central region in Hyderabad and one for the northern region that will be in Chandigarh. So, we have prepared the proposal for three additional BOATS. It will cost about Rs. 10 crore."

4.20 Explaining the need to increase the number of BOATS, the Ministry clarified as under:

"The proposed Cabinet note for continuation of NATS stipulates engagement of about 1.25 lakhs apprentices during 2020-21 with an outlay of Rs.500 crore. Both the number and outlay are expected to increase by 10 percent each year. This represents a big jump from the current outlay of Rs. 175 crore per year. Also the number of about 200 optional trades have been added to the list of trades in which apprenticeship training can be given. Further, the scope of apprenticeship training is now going to increase by including students from non- technical stream as well. There is going to be a need to increase the number of Boards to do full justice to apprenticeship."

4.21 On being asked about the monitoring of BOATS, the Ministry submitted as under:-

"The Boards are monitored by a Board of Governors (BOG) and through the discussions made in its meetings held periodically in a financial year, the BOG monitors the progress of implementation of Apprenticeship Training Scheme".

4.22 As regards the proposed measure to increase the ambit of NATS, the Ministry apprised as under:

"The proposed measures seek to increase the ambit of NATS from degree and diploma holders in engineering (with 50percent stipend reimbursement to Industry) to also include Degree apprentices, such as non-technical students who are pursuing B.A, B.Sc., B.Com programs etc., with apprenticeship embedded in it (with 40percent reimbursement to Industry)."

4.23 On the aspect of training to Non Technical Graduates (those pursuing BA. BSc. B.Com), the Ministry submitted as under:

“Apprenticeship/Internship Embedded Graduate Program” has been finalized by University Grants Commission (UGC) based on its concept of choice based credit system. This envisages that a student can take minimum 20 percent credit from Industry and minimum 24 credits out of 132 credits for a BA,/B.SC/B.Com programme. Further the structure of different modules of training is as per the "course curriculum" indicated for a particular trade under the category of Optional Trade. The Industry is expected to enter into a Memorandum of Understanding with the Higher Educational institution detailing different components of theoretical and practical training.”

4.24 On the role of UGC and AICTE in revising curriculum by including embedded vocational training, hands on training, and internships to bolster apprenticeship training, the Ministry deposed as follows:

"Whoever has the skills, will get a job quickly or if he does not get a job, then he will start his own job of motorcycle repair, but the one who is graduate, his employment is less. So, the AICTE and UGC are bringing this reform in their curriculum also. The concept of vocational training, hands on training, and internship have been included in that with credit points. The advantage will be that when any of the graduates get out, then automatically the apprenticeship scheme will be given where necessary..."

v. Fund Allocation

4.25 Giving the projected number of apprentices from 2021-22 to 2025-26 and the outlay proposed for the duration, the Ministry furnished the following year-wise information:

Year	2021-22	2022-23	2023-24	2024-25	2025-26
Outlay in Rs. Crores	500	550	605	666	733
No. of apprentices whose 50percent stipend (100percent for NER/ ST) can be reimbursed to establishment by BOATs	94,300	1,03,730	1,14,103	1,25,513	1,38,065
Total no. of apprentices					5,75,711*
<p>*No. of apprentices proposed to be engaged during 2021-22 to 2025-26: 5.75 lakhs. This is a projected number. Actual number will vary depending on the actual engagement of graduate, degree, technician and sandwich apprentices. However, the annual budget as indicated above will be maintained.</p> <p>* Amount to be disbursed during 2021-22 to 2025-26 : Rs. 3054 Cr.</p>					

4.26 The Ministry elaborated on the issue as under:

“The current actual allotment of fund is Rs. 175 crore per year as against the requirement of roughly Rs. 325 crore (for 1.25 lakh apprentices enrollment as per old stipend rates). If it is targeted that about 1.25 lakh apprentices will be paid stipend in next year i.e 2021-22 followed by 10percent annual enhancement in next four years after financial year 2021-22, the total financial out go for this will be Rs. 3,956.11 crore from 2021-22 to 2025-2026 (as per the new stipendiary rate of Sept 2019). According, a proposal for continuation of NAT Scheme in next five years with an outlay of Rs. 3956.11 crore was placed before Expenditure Finance Committee (EFC) in its meeting held on 24th November, 2020. The physical and financial target details of EFC proposal are as under:

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Component	2021-22		2022-23		2023-24		2024-25		2025-26		Total	
	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial
NAT Scheme	1,25,000 apprentices	648 crore	1,37,500 apprentices	712.80 crore	1,51,250 apprentices	784.05 Crore	1,66,375 apprentices	862.49 crore	1,83,013 apprentices	948.74 crore	7,63,138 apprentices	3956.11 crore

(vi) Progress Achieved/Employability Post Apprenticeship

4.27 When the Committee desired to know the details of the State-wise employment under NATS, the Ministry furnished the following information, in a tabular form:

S.No	State Name	Contract Approved	Data collected for	Employment Status				Percentage	
				Same Establishment	Different Establishment	Self Employed	Total Employed	Data collected	Employed
1	ANDAMAN & NICOBAR	11	0	0	0	0	0	0%	-
2	ANDHRA PRADESH	1194	142	22	7	1	30	11.89%	21.13%
3	ARUNACHAL PRADESH	71	67	43	2	0	45	94.37%	67.16%
4	ASSAM	941	641	22	4	11	37	68.12%	6.77%
5	BIHAR	745	373	154	14	11	179	50.07%	47.99%
6	CHANDIGARH	54	24	7	11	0	18	44.44%	75%
7	CHATTISGARH	502	28	8	1	0	9	5.58%	32.14%
8	DADRA & NAGAR HAVELI	84	0	0	0	0	0	0%	-
9	DAMAN & DIU	56	13	8	0	0	8	23.21%	61.54%
10	DELHI	1246	441	74	5	2	81	35.39%	18.37%
11	GOA	455	64	9	20	0	29	14.07%	45.31%
12	GUJARAT	4940	1209	770	85	16	870	24.47%	72.7%
13	HARYANA	2690	917	341	263	61	665	34.09%	72.52%
14	HIMACHAL PRADESH	328	178	9	149	0	158	54.27%	88.76%
15	JAMMU & KASHMIR	25	20	0	1	0	1	80%	5%
16	JHARKHAND	2278	1456	506	36	1	543	63.92%	37.29%
17	KARNATAKA	5512	1196	872	126	8	1006	21.7%	84.11%
18	KERALA	3369	1154	730	78	11	819	34.25%	70.97%
19	MADHYA PRADESH	1600	438	46	72	9	127	27.38%	29%
20	MAHARASHTRA	22161	7266	6544	46	66	6656	32.74%	61.73%
21	MANIPUR	20	0	0	0	0	0	0%	-
22	MEGHALAYA	26	18	8	0	4	12	69.23%	66.67%
23	MIZORAM	24	10	3	3	0	6	41.67%	60%
24	NAGALAND	1	0	0	0	0	0	0%	-
25	ODISHA	15626	13933	13341	11	17	13369	89.17%	95.95%
26	PUDUCHERRY	106	9	8	1	0	9	8.49%	100%
27	PUNJAB	489	73	1	41	1	43	14.93%	58.9%
28	RAJASTHAN	444	61	14	10	8	32	13.74%	52.46%
29	SIKKIM	239	198	167	17	4	188	82.85%	94.95%
30	TAMILNADU	27035	16268	13261	570	596	14427	60.17%	88.88%
31	TELANGANA	1708	809	728	25	3	756	50.88%	87%
32	TRIPURA	30	4	0	0	0	0	13.33%	-
33	UTTAR PRADESH	4198	2027	1060	190	34	1284	48.28%	63.34%
34	UTTRAKHAND	551	329	16	79	1	98	59.71%	29.79%
35	WEST BENGAL	8830	8055	5402	65	4	5471	68.57%	90.36%
Grand Total		107589	55471	44165	1932	868	46985	51.56%	84.7%

4.28 Asked to state the measures taken to ensure employment of candidates post training under NATS, the Ministry submitted as follows:

“In order to emphasize the aspect of employment (after apprenticeship has concluded) a Post Apprenticeship Permanent Employment (PAPE) module has been introduced within National Apprenticeship Training Scheme (NATS) from the year 2020-21. This has helped in actively capturing the employment given by private sector after apprenticeship is over. However, it is mentioned in the Apprenticeship Rules 1992 that apprenticeship is neither a job nor does it guarantee any job. An employment given in an organization depends on its projected volume of business and general state of economy. Hence any expectation of job guarantee by the Industry will actually be counter productive because industry will not like to take anyone as an employee unless it really needs one. Besides a job guarantee to the apprentice will actually make the apprentice lax during the training period. Hence, the same is not recommended”.

4.29 On being asked the mechanism put in place to ensure the engagement of the apprentice by the same establishment where he/she had undergone training, the Ministry stated as under:

“It depends on demand and supply position. For example, while apprenticeship training may be possible to be given at the service centre of

Tata Motors at Bhubaneswar, if there is no requirement of Technician at Bhubaneswar, then providing the apprentice employment at Bhubaneswar will be difficult.”

vii. Scope for Convergence between NAPS and NATS

4.30 On the scope of convergence between the two Apprenticeship schemes, namely NAPS and NATS, the Ministry of Skill Development and Entrepreneurship submitted as under:

“There is a potential scope for convergence of the two schemes on the following aspects as the two schemes are regulated by Apprentices Act, 1961 as follows

Portal integration: Currently the two schemes are having two separate portals (<http://portal.mhrdnats.gov.in/> for NATS and www.apprenticeshipindia.gov.in for NAPS). The two portals can be integrated to avoid overlapping of establishments being registered on both the portals.

Parity in the stipend reimbursement: The reimbursement of stipend to apprentices under National Apprenticeship Promotion Scheme (NAPS) of MSDE is limited to 25percent or maximum of Rs.1,500 per month per apprentices for all categories of apprentices including non-technical degree and diploma courses, whereas under NATS it is 50percent at present for engineering degree and diploma holders. It would be salutary to bring some parity in the amount of stipend supported by the Government under two similar schemes implemented by its two ministries, namely, MoE and MSDE.

Linking apprenticeship to short term skilling: It would be crucial to include apprenticeship as an essential component after short term training to acquire hands on practical industrial experience.”

PART II

OBSERVATIONS/RECOMMENDATIONS

1. The Committee note that with a view to imparting apprenticeship training to the youth which is a widely practised model across the globe for skill acquisition leading to higher employability, the Government of India are implementing two such training Schemes *viz.* National Apprenticeship Promotion Scheme (NAPS) and National Apprenticeship Training Scheme (NATS). NAPS is administered by Ministry of Skill Development and Entrepreneurship (MSDE) in respect of Designated Trade Apprentices, Optional Trade Apprentices, Fresher Apprentices and Technician (Vocational) Apprentices. NATS is administered by the Ministry of Education (Department of Higher Education) through Board of Apprenticeship Training (BOAT) to deliver apprenticeship programme in respect of freshly pass out Engineering and General Stream Graduates, Diploma Holders as well as those students who are pursuing degree and diploma level courses. The Committee appreciate that a number of improvements have been brought in the Apprenticeship Rules, 2019 which *inter-alia* include Augmenting the engagement of Apprentices, Bringing additional establishments under the

mandatory category, Lowering the size limit of establishments under the optional category, Rationalisation of stipend, Introduction of General Degree Apprenticeship etc. As both NAPS and NATS envisage to create skilled technical manpower by imparting quality training to the youth and thus enabling them to meet the industry requirements, the Committee exhort both MSDE and Department of Higher Education to periodically assess the efficacy of the respective Schemes being implemented by them so as to bring in further improvements, wherever required for accomplishing the common goal.

INTEGRATION OF NAPS AND NATS

2. The Committee are concerned to note that although both NAPS and NATS have similar objective to make the youth industry-ready by using training facilities available in the establishments without putting any extra burden on the exchequer, there are, however, some fundamental differences between the two Schemes. To illustrate, while the legal framework in NATS emanate from the Apprentices Act, 1961 (amended in 1973, 1986, 1997, 2007 and 2014), it is not so in the case of NAPS. Secondly, the training content in NATS is industry based training module but not mapped with course

curriculum whereas under NAPS training is implemented as per the approved curriculum mapped to some course. Further under NATS, there is a well defined online mechanism for placement tracking and stipend reimbursement whereas no placement tracking is there under NAPS. In view of the imperatives involved to foster uniformity in the operation of the two Schemes having similar objectives though implemented by two different Ministries, the Committee desire that earnest efforts be made to promote consistent and integrated characters between the two Schemes so as to ensure their seamless execution.

WEB PORTAL

3. The Committee note that currently NAPS and NATS are having two separate Web Portals i.e. www.apprenticeshipindia.gov.in for NAPS and <http://portal.mhrdnats.gov.in> for NATS. The Committee also find that the MSDE have initiated action to align/integrate NAPS and NATS portals through consultation with various stakeholders with the target to finish the integration of the two portals by 31st March 2022. As the portals play a crucial role in ensuring seamless interaction among various stakeholders to ease the implementation of apprenticeship trainings, the Committee

desire that the areas for simplification processes in putting in place a unified portal for both NAPS and NATS be promptly identified and worked out so as to complete the integration by the targeted timeline.

STIPEND

4. The Committee note that the reimbursement of stipend to the Apprentices by the Government under NAPS is limited to 25 percent of the prescribed stipend subject to a maximum of Rs. 1500 per month per Apprentice in all the categories including non-technical degree and diploma courses, whereas under NATS it is 50 percent for engineering degree and diploma holders. The MSDE have contended that it would be salutary to bring in some parity in the amount of stipend reimbursed/supported by the Government under two similar Schemes implemented by two different Ministries. The Committee are convinced with the contention adduced by the MSDE because the wide disparity existing between the reimbursement percentage of stipend amount by the Government for two similar Schemes does not appear to be advantageous or beneficial for either the Establishments or the Apprentices. The Committee, therefore, call upon the MSDE to take up the matter at the appropriate fora so that the

25 percent reimbursement of stipend under NAPS, especially for the non-technical degree and diploma courses is enhanced to a sizeable extent and parity is restored with the stipend support provisions as exist under NATS.

5. As mentioned earlier, the Government of India reimburses 50 percent of the minimum stipend amount stipulated under the Apprentices Act, 1961 to the training establishments for Graduate and Diploma Apprentices through the Regional Boards (BOAT/BOPT). The minimum rate of monthly stipend as per Gazette Notification dated 25th September, 2019 is Rs. 9000 for Graduate Apprentices and Rs. 8000 for Diploma/Technician Apprentices under NATS. The Committee are deeply concerned to find that the Graduate and Diploma Apprentices are still being paid at the old rate of Rs. 4984 and Rs. 3542 respectively as monthly stipend due to inadequate funding whereas the Department of Higher Education are of the view that it may be appropriate to increase the monthly stipend to Rs. 18,000 for Graduate Engineers and Rs. 15,000 for Diploma Holders. While expressing displeasure at the sorry state of affairs in the payment of monthly stipend to the Graduate and Diploma Apprentices, the Committee exhort Department of Higher Education to urgently take up the matter of inadequate funding

and ensure requisite fund infusion/availability for the payment of the minimum stipend in accordance with the 2019 Gazette Notification. Once the minimum monthly stipend of Rs. 9,000 for Graduate Apprentices and Rs. 8,000 for Diploma Apprentices is assured invariably, the Department of Higher Education then should raise the matter with the Ministry of Finance for enhancing the monthly stipend amount to Rs. 18,000 for the Graduate Engineers and Rs. 15,000 for the Diploma Holders.

6. The Committee appreciate that in 2019-20, out of 94714 Apprentices engaged under NATS, as many as 41802 Apprentices were engaged by the Industry without seeking reimbursement from BOAT/BOPT. The Committee feel that big and financially strong Establishments/Industries are at liberty to forfeit the reimbursement amount and even pay stipend at rates higher than the minimum prescribed rate. But this might not be so in case of MSMEs which engage a number of Apprentices at a cost involved. The Committee, therefore, desire that reimbursement of the stipend amount at the prescribed rate for both NAPS and NATS be timely facilitated so that the MSMEs are encouraged to engage more and more Apprentices.

INDUSTRY INTERFACE

7. The Committee note that periodic Webinars/Seminars/ Workshops are being held with Sector Skill Councils (SSCs), Third Party Aggregators (TPAs), Industry Associations and Industry Clusters to popularise and disseminate information about NAPS which include social obligations of the Industries. Similarly, under NATS, the Regional Boards follow up with the establishments through letters, e-mails, personal interactions, awareness programmes, workshops etc. to apprise Establishments/Industries of their social obligations. These are steps in right direction to motivate the Establishments/ Industries to honour their social obligations in Apprentice Promotion and Training Schemes. The Committee would like both MSDE and Department of Higher Education to step up their efforts in propelling and incentivising the Industries to impart basic and on-the-job training to the Apprentices and engage them in their establishments so that the apprenticeship programme/scheme as a whole is effectively promoted.

8. The Committee are deeply concerned to note that out of the 1,19,168 establishments registered on the portal, only 24,603 establishments are currently engaging Apprentices. Based on the cumulative number of Apprentices engaged under NAPS

from 2016 to 2020, the Committee find that 4211 establishments are engaging upto 2.5 percent Apprentices whereas 9741 establishments engaging 2.5 percent to 10 percent, 5168 establishments engaging 10 percent to 15 percent and 5483 establishments engaging more than 15 percent Apprentices. Similarly under NATS, as many as 70 percent industries have been engaging less than 100 Degree/Diploma holder Apprentices whereas 13 percent engaging between 101-300 Apprentices; 5 percent engaging between 301-500 Apprentices and 12 percent engaging more than 500 such Apprentices. The Committee are aware that according to the Apprenticeship Rules, 1992, Apprenticeship is neither a job nor does it guarantee any job. The Ministry here contended that the Industry will not like to take anyone as an employee unless it really needs one. However, the Ministry's statement that a job guarantee to the Apprentice will actually make him/her lax during the training period is far from convincing and hence not tenable. The Committee, therefore, exhort both MSDE and Department of Higher Education to adopt a scientific approach in periodically analysing the causes of the low level engagement of trained/certified Apprentices by the Industry/Establishments so that requisite remedial measures are

initiated to enhance the engagement percentage of the Apprentices. The Committee would further like that adequate attention be paid towards engagement of trained Apprentices under Fixed Term Employment.

PUBLICITY/AWARENESS CAMPAIGN

9. The Committee also recommend that the mechanism put in place and efforts made to create and expand public awareness about apprenticeship programmes/schemes as well as to counsel/orient students and establishments on the need and usefulness of skill based training be intensified and escalated so as to popularise the programme. The Committee are also of the considered opinion that it would be crucial to include apprenticeship as an essential component after short term training to enable the Apprentices acquire hands on practical industrial experience which would in turn facilitate their suitable engagement/employment in the Industry.

10. The Committee further desire that public representatives be invariably involved in the advocacy, monitoring and promotion of the Apprenticeship Schemes for quicker and effective dissemination of information that would prove beneficial for both Apprentices and Establishments.

MONITORING MECHANISM

11. In view of the increase in the coverage of the scope of Apprenticeship training by the proposed inclusion of students from non-technical stream along with the additional 'optional trades' to the list of existing trades, the Committee impress upon both the Ministries to strengthen their monitoring mechanism for assessing the efficacy and productivity of NAPS/NATS across the country so as to ensure a more comprehensive and effective coverage of apprenticeship programmes.

12. Taking into account the five-fold increase in the engagement of Apprentices and Rs. 3000 crore budgetary allocation for NATS for the period 2021 to 2026, the Committee are of the considered view that the strategic importance given to NATS and its effective implementation can be duly justified by setting up more Regional Boards (BOAT/BOPT). The Committee therefore recommend that requisite spadework be initiated expeditiously to set up more BOAT/BOPT at an early date.

EVALUATION/IMPACT ASSESSMENT

13. As the success of any scheme is largely dependent on its periodic evaluation and feedback, the Committee appreciate that

the third party evaluation of the Apprenticeship programme has been assigned to the National Productivity Council for ascertaining the impact of the Scheme. The Committee hope that in addition to their key findings on improving the scope and efficiency of the Scheme for Apprenticeship, action taken report on the third party evaluation recommendations would be taken due care of so as to ensure that the suggestions are promptly acted upon and the loopholes plugged to boost the Apprenticeship programme.

IMPACT OF COVID-19

14. The Committee find that the economic disruption caused by Covid-19 Pandemic on Industry has slowed down the pace of skilling initiatives across the country with several industries shelving plans to take in Apprentices owing to budgetary cuts and this has made Apprenticeships particularly vulnerable during the current crisis. The Committee feel that timely Government intervention through adequate fund infusion and other policy supports at this critical juncture would enable the Industry to effectively address the unforeseen disruption caused to the Apprenticeship programme due to the Covid-19 induced lockdowns and resultant dip in economic activity. Needless to say, the Government in partnership with the Industry ought to

craft a comprehensive strategy in this regard to expeditiously resume and take forward the much acclaimed flagship programme.

15. The Committee feel that regular updation of trade categories to enable absorption of a large pool of labour for skill development is necessary. Such an expansion would also enable wider reach of the programme. Moreover, the pandemic-driven digitisation has accelerated the pace of new skills emerging and some older skills becoming obsolete. Hence, the Committee are of the studied opinion that a periodical review and revision of the trade categories would surely aid in keeping the scope of Apprenticeship relevant to the changing demands of the Industry and improve the chances of employability of the Apprentices in line with dynamic nature of skill development.

**New Delhi;
04 April, 2022
14 Chaitra, 1944 (Saka)**

**BHARTRUHARI MAHTAB
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR,
TEXTILES AND SKILL DEVELOPMENT**

STANDING COMMITTEE ON LABOUR

(2020-21)

Minutes of the Fourth Sitting of the Committee

The Committee sat on Thursday, the 12th November, 2020 from 1100 hrs. to 1300 hrs. in Committee Room B, Parliament House Annexe, New Delhi.

PRESENT

Shri Bhartuhari Mahtab - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Satish Kumar Gautam
3. Dr. Umesh G. Jadhav
4. Shri Dharmendra Kumar Kashyap
5. Dr. Virendra Kumar
6. Sh. Nayab Singh Saini
7. Shri Ganesh Singh
8. Shri Bhola Singh

RAJYA SABHA

9. Shri Rajaram
10. Shri Dushyant Gautam

SECRETARIAT

1. Shri T.G. Chandrasekhar - Joint Secretary
2. Shri P.C. Choulda - Director
3. Shri D.R. Mohanty - Additional Director
4. Ms. Miranda Ingudam - Deputy Secretary
5. Shri Kulvinder Singh - Deputy Secretary

Witnesses

Representatives of the Ministry of Skill Development & Entrepreneurship

1. Shri Parveen Kumar Secretary, MSDE
2. Ms. Juthika Patankar Additional Secretary, MSDE
3. Ms. Neelam Shami Rao Director General, MSDE
4. Shri Atul Kumar Tiwari Additional Secretary, MSDE
5. Shri Manish Kumar CEO, National Skill Development Corporation (NSDC)

2. At the outset, the Chairperson welcomed the Members of the Committee and the representatives of the Ministry of Skill Development and Entrepreneurship to the sitting of the Committee, convened to have a briefing on the Subject 'Implementation of National Apprenticeship Promotion Scheme (NAPS)'. Drawing the attention of the witnesses to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings during deposition before the Parliamentary Committees, the Chairperson asked the Secretary, Ministry of Skill Development and Entrepreneurship to brief the Committee on the subject matter.

3. The Secretary, Ministry of Skill Development and Entrepreneurship, accordingly gave an overview of various issues pertaining to Implementation of National Apprenticeship Promotion Scheme (NAPS) through a PowerPoint Presentation, which *inter-alia* included Apprenticeship Framework; Types of Apprenticeship courses; Structure of Training; Amendment of the Apprentices Act, 1961 in the year 2014, National Apprenticeship Promotion Scheme, 2016; Achievements after implementation of NAPS, Funds released

under NAPS; steps taken for improvements of the Scheme; Reforms in the Apprenticeship Rules in the year 2019; Challenges in the implementation of NAPS; major initiatives needed to be undertaken to boost Apprenticeship etc.

4. The Members then raised certain specific queries on related issues and the representatives of the Ministry responded to them. As some points required detailed and statistical data, the Chairperson asked the Secretary to furnish written replies thereon within 10 days. The Secretary assured to comply.

5. The Chairperson thanked the Secretary and other representatives of the Ministry for furnishing the available information on the subject matter and responding to the queries of the Members.

6. The Committee then decided to hold their next Sitting on 24th November, 2020 to have a briefing by the representatives of the Ministry of Labour & Employment on the Subject 'The Employees' State Insurance Corporation - Applicability and benefits under ESI Scheme and Management of Corpus Fund'. The Committee also desired that 'Functioning of the ESIC Hospitals' be categorically mentioned in the said subject.

(The witnesses then withdrew)

[A copy of the audio-recorded verbatim proceedings was kept on record]

The Committee then adjourned.

STANDING COMMITTEE ON LABOUR

(2020-21)

Minutes of the Seventh Sitting of the Committee

The Committee sat on Thursday, the 9th December, 2020 from 1130 hrs. to 1300 hrs. in Committee Room B, Parliament House Annexe, New Delhi.

PRESENT

Shri Bhartruhari Mahtab - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Satish Kumar Gautam
3. Dr. Umesh G. Jadhav
4. Dr. Virendra Kumar
5. Shri Bhola Singh
6. Shri Feroze Varun Gandhi

RAJYA SABHA

7. Shri Neeraj Dangi

SECRETARIAT

1. Shri T.G. Chandrasekhar - Joint Secretary
2. Shri P.C. Choulda - Director
3. Shri D.R. Mohanty - Additional Director
4. Ms. Miranda Ingudam - Deputy Secretary
5. Shri Kulvinder Singh - Deputy Secretary

Witnesses

Representatives of the Ministry of Education (Department of Higher Education)

1. Shri Amit Khare Secretary, Department of Higher Education
2. Shri Madhu Ranjan Kumar Joint Secretary, Department of Higher Education
3. Shri S.K. Mehta Director, Board of Apprenticeship Training (NR)

2. At the outset, the Chairperson welcomed the Members of the Committee and the representatives of the Ministry of Education (Department of Higher Education) to the sitting of the Committee, convened to take evidence on the Subject 'Implementation of National Apprenticeship Training Scheme (NATS)'. Drawing the attention of the witnesses to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings during deposition before the Parliamentary Committees, the Chairperson asked the Secretary Department of Higher Education, to brief the Committee on the subject matter.

3. The Secretary, Department of Higher Education, accordingly gave an overview of various issues pertaining to Implementation of National Apprenticeship Training Scheme (NATS) through a PowerPoint Presentation, which *inter-alia* included Strategic intent on apprenticeship; different models of vocational education and apprenticeships; status of National Apprenticeship Training Scheme (NATS); the changes in stipendiary provided under NATS; expenditure on NATS during last six years; Category-wise inclusiveness of NATS; method of engagement of Apprentice etc.

4. However, the meeting was adjourned due to lack of quorum.

(The witnesses then withdrew)

A copy of the audio-recorded verbatim proceedings was kept on record

STANDING COMMITTEE ON LABOUR
(2020-21)

Minutes of the Thirteenth Sitting of the Committee

The Committee sat on Tuesday, the 2nd March, 2021 from 1500 hrs. to 1700 hrs. in Committee Room No. '1', Parliament House Annexe-Extension Building, New Delhi.

PRESENT

Shri Bhartruhari Mahtab - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Feroze Varun Gandhi
3. Shri Satish Kumar Gautam
4. Dr. Umesh Jadhav
5. Shri Dharmendra Kumar Kashyap
6. Shri Nayab Singh Saini
7. Shri Ganesh Singh
8. Shri Bhola Singh

RAJYA SABHA

9. Shri Dushyant Gautam
10. Shri Naresh Bansal

SECRETARIAT

1. Shri T.G. Chandrasekhar - Joint Secretary
2. Shri D.R. Mohanty - Director
3. Shri Kulvinder Singh - Deputy Secretary

Witnesses

REPRESENTATIVES OF THE MINISTRY OF EDUCATION (DEPARTMENT OF HIGHER EDUCATION)

Sl. No	Name	Designation
1	Shri Amit Khare	Secretary
2	Shri Madhu Ranjan Kumar	Joint Secretary (Admin)
3	Shri S.K. Mehta	Director (BOAT)

REPRESENTATIVE OF THE MINISTRY OF SKILL DEVELOPMENT & ENTREPRENEURSHIP

Sl. No	Name	Designation
1	Shri Atul Kumar Tiwari	Additional Secretary

2. At the outset, the Chairperson welcomed the Members of the Committee and representatives of the Ministry of Education (Department of Higher Education) and Ministry of Skill Development & Entrepreneurship to the sitting of the Committee, convened for taking further oral evidence on the subject 'Implementation of National Apprenticeship Training Scheme (NATS)'. Drawing the attention of the representatives to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings of the Committee, the Chairperson asked the Secretary, Higher Education, to further apprise the Committee on the Subject matter, especially relating to the transition of responsibility to the Ministry of Education from the Ministry of Skill Development & Entrepreneurship after National Apprentice Promotion Scheme (NAPS) was rechristened as National Apprenticeship Training Scheme (NATS)

3. The Secretary, Department of Higher Education, accordingly gave an overview of various issues pertaining to the National Apprenticeship Training Scheme (NATS) through a Power Point Presentation, which inter-alia included Budget Announcement - 2021; Highlights of NATS; Assessment of industry demand and student's demand for apprenticeship; Apprentice engagement; Proposed extension of NATS during 2021-22 to 2025-26; Post Apprenticeship Permanent Employment (PAPE); Job status after apprenticeship; Expansion of Board of Apprenticeship Training (BOAT) etc.

4. The Members then raised certain specific queries on related issues and the representatives of the Ministry responded to them. As some points required detailed and statistical reply, the Chairperson asked the Secretary, Department of Higher Education to furnish written replies thereon within a week. The secretary assured to comply:

5. The Chairperson, then, thanked the Secretary and other representatives of the Ministry for furnishing valuable information on the subject and responding to the queries of the Members.

(The witnesses then withdrew)

[A copy of the verbatim record of proceedings was kept on record]

The Committee then adjourned.

STANDING COMMITTEE ON LABOUR
(2021-22)

Minutes of the Third Sitting of the Committee

The Committee sat on Tuesday, the 09th November, 2021 from 1500 hrs. to 1645 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Bhartruhari Mahtab - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Shri Naba Kumar Sarania
4. Shri Bhola Singh
5. Shri Ganesh Singh
6. Shri Nayab Singh

RAJYA SABHA

7. Shri Naresh Bansal
8. Shri Neeraj Dangi
9. Dr. Banda Prakash
10. Shri Vivek Thakur

SECRETARIAT

1. Shri T.G. Chandrasekhar - Joint Secretary
2. Shri D.R. Mohanty - Director
3. Shri Sanjay Sethi - Additional Director
4. Shri K.G. Sidhartha - Deputy Secretary

WITNESSES

REPRESENTATIVES OF THE MINISTRY OF SKILL DEVELOPMENT & ENTREPRENEURSHIP

1. Shri Rajesh Aggarwal Secretary, MSDE
2. Shri Atul Kumar Tiwari Additional Secretary, MSDE
3. Smt. Neelam Shami Rao Director General, DGT

REPRESENTATIVES OF THE MINISTRY OF EDUCATION

1. Shri Mrutyunjay Behera Economic Advisor, Department of Higher Education
2. Shri S.K. Mehta Director, Board of Apprenticeship Training (NR), Kanpur

2. At the outset, the Chairperson welcomed the Members of the Committee and the representatives of the Ministries of Skill Development & Entrepreneurship and Education to the sitting of the Committee, convened to take further oral evidence on the Subject 'Implementation of National Apprenticeship Promotion Scheme (NAPS)/ National Apprenticeship Training Scheme (NATS). Drawing the attention of the witnesses to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings during deposition before the Parliamentary Committees, the Chairperson asked the Secretary, Ministry of Skill Development & Entrepreneurship to unambiguously clarify the deposition made previously and update the facts and figures on the subject matter *inter- alia* highlighting the essential differences between NAPS and NATS in terms of their administrative implementation and jurisdictional ambit, further scope for convergence between the two Schemes, specific initiatives taken/ contemplated to improve the Scheme and boost Apprenticeship etc.

3. The Secretary, Ministry of Skill Development & Entrepreneurship, accordingly gave an overview and made a power point presentation of various issues pertaining to Implementation of National Apprenticeship Promotion Scheme (NAPS) and National Apprenticeship Training Scheme (NATS) which *inter-alia* included Apprenticeship training under Apprentices Act, 1961; Compliances under the Act; Implementing agencies of the NAPS; Various categories of Apprentices; Government Schemes for Apprenticeship; Apprenticeship under the aegis of MSDE-2015; Amendment of Act in 2014; Reforms in Apprenticeship Rules in 2019; Growth comparison of pre-NAPS and post-NAPS era; Status of enrollment in apprenticeship after reforms; funds released and expenditure incurred under NAPS; evaluation of NAPS by third party; differences between NATS and NAPS; Various issues and challenges in implementation of NATS and NAPS; measures taken to address the challenges and scope for convergence with other schemes including integration of portals of NATS & NAPS etc.

4. The Members then raised certain specific queries on various issues, which *inter-alia* included administration / jurisdiction of NAPS & NATS; integration of NAPS & NATS Portal; Stipend under NAPS/ NATS; Scope for convergence of the two Schemes; proposal to increase the ambit of designated and optional trades under NAPS to include trades from hospitality, tourism, agriculture and allied sectors; studies conducted with regard to effective implementation/ improvement of the scheme; steps taken to improve third party evaluation on implementation of NAPS; efforts made to rehabilitate students/apprentices displaced by Covid-19 pandemic; measures taken to apprise Establishments/Industries of their social obligations *vis-a-vis* apprenticeships; steps taken to improve industry clusters so as to strengthen students-apprenticeship-industry interface; measures taken to ensure the linking of bank accounts of apprentices with Direct Benefit Transfer and AADHAAR seeding; mechanism devised to strengthen skill training, employment and apprenticeship opportunities for

polytechnic/diploma holders etc. The representatives of both the Ministries responded to the queries raised by the Members.

5. As some points required detailed and statistical data, the Chairperson asked the Secretary to furnish written replies thereon within 10 days. The Secretary assured to comply.

6. The Chairperson thanked the Secretary and other representatives of the Ministries of Skill Development & Entrepreneurship and Education for appearing before the Committee and furnishing the available information on the subject matter and responding to the queries of the Members.

(The witnesses then withdrew)

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.