



D.O. No. MSDE-4(19)/2019-AT(PMU)

31<sup>st</sup> January, 2022

**Subject:- Sending notices to industries under Apprentices Act.**

As you are aware that the Apprentices Act, 1961 (Amended 2014) was enacted with the objective of regulating the program of training of apprentices in the industry/ establishment by utilizing the facilities available therein for imparting on-the-job training. Ministry of Skill Development and Entrepreneurship is the administrative ministry responsible for implementation of the Act.

2. The apprenticeship system in India is managed by 2 key ministries viz. Ministry of Skill Development and Entrepreneurship (MSDE) and Ministry of Education (MoE) (Formerly Human Resource and Development). Both the ministries have their own governance structures and norms to implement the provisions of the Act.

3. MSDE implements the Act through the Directorate General of Training (DGT) and its Regional Directorates of Skill Development and Entrepreneurship (RDSDEs), National Skill Development Corporation (NSDC), State Skill Development Mission (SSDMs), Sector Skill Councils (SSCs), State Apprenticeship Advisers (SAA), various Chambers of Commerce, Industry Associations and MSME Associations across the country oversees. Similarly, MoE implements the Act through its four Boards of Apprenticeships Training (BOATs) located at Chennai, Kanpur, Kolkata, and Mumbai.

4. The apprentices being engaged by the Industry/ establishment fall under five categories of apprentices namely (i) Trade apprentices, (ii) Graduate Apprentices, (iii) Technician Apprentices, (iv) Technical (Vocational) Apprentices and (v) Optional Trade Apprentices. It may be noted that MSDE coordinates with respect to Trade Apprentices and Optional Trade apprentices while MoE is responsible for graduate apprentices, Technician Apprentices, and Technical (Vocational) Apprentices.

5. All establishments having work force (regular and contract employees) of 30 or more are mandated to engage Apprentices in a range from 2.5% -15% of its workforce (including direct contractual employees). For establishments having a workforce between 4 and 29 this is optional and establishments having a workforce of 3 or less are not permitted to engage apprentices. The above specified range of apprentices i.e 2.5% - 15% is for all the five categories of apprentices combined.

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6. Establishments operating business or trade from different locations situated in less than 4 states fall under the ambit of the State authorities namely SAA and SSDM. It has come to our notice that State Authorities dealing with Apprenticeship Act are not taking into account the apprentices engagement through BOAT and, therefore, insisting having minimum 2.5% of apprentices filled through Trade apprentices and Optional Trade apprentices. There are incidences that State authorities are treating this as an offence and issuing notices to the establishments that have apprentices engagement through BOAT.

7. Some states have issued notices to industry just because they have not kept 2.5% ITI students. As the minimum apprenticeship number of 2.5% is for all categories of apprentices engaged, I, therefore, request that needful instructions may be given to the State Authorities implementing the Apprentices Act to abide by the same and analyse the apprentices engagement through various methods as enumerated above before issuing any notices to the industry/establishments.

8. State Governments (through its Skills/Labour departments, Polytechnic, Higher Education Department and Industries Department etc.), DGT system through RDSDEs and NSDC/SSC ecosystem should work together to create maximum apprentice opportunities for the youth. Hence, I request you for maximum advocacy efforts in this direction.

(Yours sincerely)

-S/d-

(Rajesh Aggarwal)

**Chief Secretaries/Administrators**

As per list attached

Copy to :-

- |    |                                      |   |  |
|----|--------------------------------------|---|--|
| 1. | <b>Secretary (HE), M/o Education</b> | - | With a request to issue similar set of instructions to BOAT officials. |
| 2. | <b>Chairman AICTE</b>                |   |  |
| 3. | <b>All RDSDEs</b>                    | } | -  |
| 4. | <b>All SSC CEOs</b>                  | } | -  |
- They should also abide by above instruction.

(Rajesh Aggarwal)