

**Planning Commission  
(LEM Division)**

**Subject: Minutes of the Meeting of the National Skill Development Coordination Board (NSDCB) held on 9th September, 2011 at 11.30 A.M. in Room No. 122, Yojana Bhavan, Planning Commission.**

The Eighth Meeting of the National Skill Development Coordination Board (NSDCB) Chaired by Deputy Chairman, Planning Commission and Co-Chaired by Adviser to Prime Minister on Prime Minister's National Council on Skill Development was held on 9<sup>th</sup> September, 2011 at 11.30 A.M. in Room No. 122, Yojana Bhavan, New Delhi.

2. The list of participants is annexed.

3. Deputy Chairman, Planning Commission and Chairman of NSDCB welcomed the participants and referred to the Prime Minister's emphasis on importance of improving the skill training scenario in the country by restructuring of skill development. He invited the Co-Chairman, NSDCB to make initial remarks. The Co-Chairman referred to the commitment of the Prime Minister's National Council to relax the grass root level constraints faced by the skill development system. He mentioned that after the last NSDCB meeting held on 13<sup>th</sup> June, 2011, he had visited many States and countries and observed the grass root level implementation of the various skill development programmes. Specifically he referred to his visits to the States of Andhra Pradesh, Bihar, Kerala, Karnataka, Assam, Maharashtra and Gujarat. The major insights from the grass root level relates to the expectations of the youth on getting vocational training which is valued by the Industry. He also referred to the pilot project on rural broadband connectivity. He informed that during the discussion with the States' CMs, Government of Assam has shown interest to develop a National Vocational Qualification Framework (NVQF), Bihar to replicate the success of Self-Help Groups (SHGs) in Southern states and Maharashtra to diversify the courses offered by ITIs to cater to the needs of the services sector. He also referred to the one day Workshop with ITI principals in Maharashtra. He indicated that during his visits to ITIs in several States, he observed that the quality and range of the courses offered by these ITIs show variations. Based on the grass-root insights a process manual for ITI's is being prepared. The manual compiles the various issues which needs to be addressed such as those relating to encouraging industry for taking more interest in the affairs of ITIs

and Polytechnics. He emphasised on the need of synergising the efforts of various industry organisations such as CII, FICCI and NASSCOM. He also informed about a Credit Committee, would among other things, look at the ways to upscale loans for vocational training. He also referred to number of MoUs being signed with the countries like Germany, Singapore, USA and Australia.

4. Member-Secretary (Planning) in the opening remarks indicated that skill development efforts during the 12<sup>th</sup> Plan to build on the foundations laid in the 11<sup>th</sup> Plan so as to achieve the objective of 'Faster, Sustainable and Inclusive Growth'. She stressed on the need for greater coordination among various stakeholders viz. Central Ministries, States and private sector companies and on addressing the issue of availability of shortage of trainers/instructors on priority basis.

#### **Agenda 1: Confirmation of the Minutes of the last meeting held on June 13, 2011**

5. Joint Secretary, Department of Heavy Industries pointed out that the minutes of the last meeting of the NSDCB mentioned that "the Department of Heavy Industry does not have any scheme on skill development". This needs to be changed as the department now has a scheme for skill development for auto industry and the same relating to heavy engineering processes is on the anvil. The change was accepted.

#### **Agenda 2: Status of MOU's/Collaboration with Germany, Singapore, U.S, Switzerland**

6. As already pointed out, Adviser to the Prime Minister briefed about the various international agreements. Secretary (MOLE) indicated that preliminary work has been done on signing of the MoU with Switzerland, issues relating to signing of the same with Germany have been sorted out and MOLE is also processing the case relating to signing of MoU with Singapore. Co-Chairman inquired if there is any MOU which is close to implementation stage. DG, (DGE&T) flagged the issues related to finalisation of modalities of implementation of these MoUs with different countries. He also informed that Minister of Labour & Employment is likely to visit USA to discuss the details regarding signing of MoU with that country, the draft Cabinet Note relating to which, is under circulation seeking comments. He mentioned that certain issues raised by finance such as concentration on particular countries and institutions, feasibility of having a global tender etc. need to be resolved. Member-Secretary advised Secretary (L&E) to take separate meeting to sort out this problem.

#### **Agenda 3: Performance of ITI's (Government and Private) so far. Outcome measures being tracked, linkages to jobs, new**

## **ITI's being set up, their cost implications and alignment to demand**

7. DG (DGE&T) informed that they have carried out a study through the Quality Council of India (QCI) to find out the performance of various key indicators of ITIs. The study found that the placement percentage has improved in ITIs to 80-90 per cent from 40 per cent. Some of the key performance indicators studied included: enrolment rate, dropout rate, pass out rate, customer satisfaction, etc. He also informed that the overall analysis of study showed that the improvement in ITIs was not uniform and varied from region to region as well as from ITI to ITI. The modernisation of employment exchanges project is an important project towards addressing many issues related to placement of ITIs trainees.

8. Co-Chairman suggested that such studies should cover the reasons of non-employability of ITI pass-outs and time taken to get jobs. He also enquired about the number of people employed, job placement and general labour market outcomes.

9. Member-Secretary desired that a separate presentation may be made covering all these aspects on performance of ITIs in India. She also inquired about the status of number of ITIs and its seating capacity. The DGE&T informed that at present there are 9500 ITIs/ITCs with over 14 lakh seating capacity.

10. Co-Chairman inquired about the expected time line for creating performance rating mechanism for government ITIs. DGET informed that the restructuring was underway to assess quality outcomes of ITIs through the Management Information System (MIS).

11. Shri Arun Maira, Member, Planning Commission observed that the performance of ITIs have been measured till now based on the input indicators rather than the output indicators like the increase in the employability of ITI pass-out.

12. Shri Manish Sabharwal, Chairman Teamlease Services Ltd pointed out that there is no placement cell or officer in many of the government ITIs which is a major lacuna which needs to be addressed by restructuring of district employment exchanges.

13. Secretary, MOLE informed that the public private partnership model being implemented by the Ministry was giving encouraging results.

14. Senior Education Specialist from NASSCOM observed that there needs to be strong linkages between ITIs and the Sector Skill Councils (SSCs). Industry collaborations are also needed to improve the employability.

#### **Agenda 4: Status of Apprenticeship Act amendment**

15. On the issues of the Apprenticeship Act, Member Secretary Planning Commission indicated that lot of changes are in the pipeline and these changes are likely to make the Act more in tune with the real life situations.

16. The representative of Maharashtra Government indicated that Maharashtra Chamber of Commerce is doing experiments related to on-the-job training and these needs to be encouraged through the amendments in Apprenticeship Act.

17. The representative of Karnataka Government stated that English language improvement programme is being emphasized in the State to improve employability of the candidates.

18. DGE&T informed that the short term training facilities is available under the Skill Development Initiative (SDI) through Modular Employable Skills (MES).

19. CEO of NSDC observed that the candidates who are interested to undergo short term skill training in shop floor are at present allowed in the Apprenticeship Act.

20. Chairman, Teamlease flagged the problems related to having multiple Acts in vocational training. Therefore, it is better to have one Act and amend suitably when the need arise.

21. DG (DGE&T) informed that they are examining the different aspects of amending the Apprenticeship Act, to make it reflect the current requirements.

#### **Agenda 5: Presentation on the revised scheme of Vocationalisation of Secondary Education by Ministry of HRD and Pilot in Haryana**

22. Representative from Ministry of Human Resource Development made a presentation on Vocationalisation of Secondary Education. The presentation focused on revision of the earlier vocational education scheme initiated in 1988 and followed until 2004. Till that time about 10,000 schools and 10 lakh children were covered. In terms of total enrolment, it was only 5 per cent of children that went to vocational education against the target of 25 per cent.

23. The present revised scheme aims to achieve 25 per cent enrolment in vocational education through the systemic implementation of National Vocational Educational Qualification Framework (NVEQF). The presentation flagged the issues of (i) industry collaboration aimed at increasing employability, 250 courses have already identified, (ii) leveraging NGOs partnerships for capacity building cooperation etc.

24. Revised Scheme envisages an "Executive Council for Vocational Education" to oversee the operationalization. The funding pattern being worked out between Centre and State is 75:25 for all items excluding salary of teachers. For teacher salary, the funding pattern would be 90: 10 between Centre and States.

25. For pilot project implementation West Bengal is also being considered besides Haryana.

**Agenda 6: Presentation on Skill Development Schemes implemented by Ministry of MSME including Contribution of Central Tool Rooms and Training Delivery Models.**

26. Additional Development Commissioner, Ministry of MSME made a detailed presentation on skill training programmes conducted by the Ministry. Broadly, the issue related to type of training, content of training, monitoring and evaluation mechanisms adopted by the Ministry were covered. The Ministry has trained 4.03 lakh persons in the last year alone. Courses have been standardised, updated and evaluated. The Ministry has 10 Tool Rooms. More than 70 per cent of persons have got placements in Tool Rooms. There are 36 Department Training Centres and 25 Non-Department Training Centres. The training period varies depending on the trades. The Entrepreneurs Development Programmes provides training of 72 hours to 300 hours. There are 8 Technology Development Centres.

27. Member (AM), Planning Commission informed about his previous experiences of establishment of tool rooms in Singapore which had greatly helped the industry.

28. Member Secretary appreciated the training provided by Central Tool Rooms which come under the Ministry of MSME and inquired about ITI s and MSME linkages. She expressed concern about poor quality of training in the KVIC sector. She also referred to the numerical task given to Ministry of MSME in the skill development policy and extend to which these numbers have been achieved.

## **Agenda 7: Status of Pilot Project for Haryana**

29. Representative from MoHRD briefed about the status of pilot project for implementation of NVEQF in Haryana. The State government is ready with the requirements for implementation. The Ministry is waiting to get the National Occupation Standards (NOS) which are being prepared by NSDC. Specifically, the Ministry asked NSDC to give NOS for level 1-4. CBSE is the nodal agency for contents creation. The approval for funding for pilot scheme is also awaited.

30. CEO of NSDC informed about the commitment of NSDC for the pilot scheme. Certification issue is yet to be settled. In addition, the creation of NOS is so complex and it will take some more time to complete the process. He also indicated that it is not possible to give NOS for level 1-4 separately.

## **Agenda 8: Government of Nagaland to give a Presentation on Potential of Entertainment & Music Industry in the State.**

31. Representative from the government of Nagaland informed that the State government is keen to tap the potential of music and entertainment industry in the State. At present there is only one Music Academy and the State government is planning to establish a Music Academy in every district headquarters. These academies will be able to meet the training requirements of the youth in the districts.

## **Agenda 9: Update on Skill Development activities by other State representatives**

32. Pr. Secretary (Labour), Government of Maharashtra made a presentation on best practices in skill development. It includes establishment of Vocational University with vertical and horizontal mobility along with industry collaborations. She also informed that the State government has studied the German model of training which gives higher wages and also keeps the productivity of labour high. MCC has implemented this idea through a scheme focusing on both "on the job training" and "class room training". Minimum wages are given to the trainees. She also gave details of the successful Mahindra Pride Schools. The candidates who completed the training are getting wages of around Rs. 8500 per month.

33. Representative from the government of West Bengal informed that the State has a separate specialised stream for vocational education through which courses have been designed starting from class 8 onwards. The vertical mobility is also provided in this system. Industry partners like ILF&S are involved.

34. The representative of Government of Karnataka stated that English language improvement programme is being given importance in training schemes to improve employability. The representative of NSDC said that their training data base is being prepared.

35. DGET stated that Employment Exchanges can provide important link in imparting vocational training. Member Secretary felt that appraisal of both quantitative and qualitative aspect of training being important, Secretary (L&E) should take a meeting on this aspect. Shri Sabharwal felt that having placement officers located in ITI s is quite important.

36. Representative from MoW&CD desired that the number of persons trained (both boys and girls) and got placement needs to be provided so as to analyse imbalances from the gender perspective.

37. The representative from Mo Social Justice & Welfare desired that the number of SC/ST candidate who received training and got placement is also needed.

38. Representative from Government of Andhra Pradesh informed that Andhra has 92 Centres of Excellence (CoEs) with dedicated industry partner which manages CoEs through Institute Management Committees (IMCs) for addressing the placement cells in ITIs.

39. Representative from Ministry of Tourism informed that the Ministry trained 7 lakh persons till now in the tourism related trades through various institutions which are under the Ministry. He also pointed out that the restructuring of vocational education by MoHRD needs to be broad based. He also observed that constant monitoring of skill training programme is important and a centralised monitoring system needs to be developed.

40. Member Secretary indicated that in the next meeting the focus would be given on training facilities available for disabled persons.

41. Co-chairman indicated that next meeting would be held in December, 2011 and the specific date will be intimated later.

**Major actionable points emerging out of the meeting are:**

- In the context of international MOUs, unsettled issues need to be resolved.

**(Action: MOLE)**

- Linkages between ITI's/ITC's and Sector Skills Councils needs to be examined.

**(Action: MOLE, NSDC)**

- Different aspects of the amendments to the Apprenticeship Act, 1961 needs to be deliberated with all stakeholders.

**(Action: MOLE)**

- Adviser (School Education Youth and Sports Affairs), Planning Commission remarked that Ministry of Human Resource Development should clarify as to how the revised scheme on vocationalisation of education will guide the restructuring of existing vocational education institutions.

**(Action: MOHRD)**

Pr. Adviser (LEM), Planning Commission proposed formal vote of thanks.

## List of Participants

### **Planning Commission**

1. Shri Montek Singh Ahluwalia, Deputy Chairman and Chairman, NSDCB
2. Shri S. Ramadorai, Adviser to PM on PM's Council on Skill Development and Co-Chair of NSDCB
3. Smt Sudha Pillai, Member Secretary
4. Dr Ashok Sahu, Pr. Adviser (LEM)
5. Dr C.Chandramohan, Adviser (School Education, Sports & Youth Affairs)
6. Smt Sunita Sanghi, Adviser (LEM)
7. Smt Kalpana Awasthi, OSD, Office of Adviser to PM
8. Shri Munish Kumar, Director (LEM)
9. Shri Kundal Sharma, Director (LEM)
10. Smt Jeewan Sharma, Deputy Secretary (LEM)
11. Shri B. Chandrasekaran, Young Professional (LEM)

### **Central Ministries**

1. Shri R. S Gujral, Finance Secretary, Ministry of Finance
2. Shri R.H. Khwaja, Secretary, Ministry of Tourism
3. Shri Mrutyunjay Sarangi, Secretary, Ministry of Labour and Employment
4. Shri Ashok Thakur, Special Secretary (Technical Education), Ministry of Human Resource Development
5. Dr D K. Mohanty, Additional Secretary, Ministry of Housing and Urban Poverty Alleviation,
6. Shri N Ravi Shankar, Additional Secretary, Ministry of Information Technology
7. Shri T Visam Kumar, Joint Secretary, Ministry of Rural Development
8. Shri Sharda Prasad, Director General of Employment and Training/Joint Secretary, Ministry of Labour and Employment
9. Smt Radha Chandar, Joint Secretary, Ministry of Human Resource Development
10. Shri Sanjeev Kumar, Joint Secretary, Ministry of Social Justice & Empowerment, Room No. 613, 'A' Wing, Shastri Bhawan,
11. Shri Ambuj Sharma, Joint Secretary, Department of Heavy Industry
12. Shri S Sahu, Additional Development Commissioner, Ministry of MSME, New Delhi
13. Shri Sangeeta Verma, Economic Adviser, Ministry of Women and Child Development
14. Ms Anna Roy, Director (Infrastructure Finance), Ministry of Finance
15. Smt Aparna Sharma, Director, Ministry of Health and Family Welfare
16. Shri R K Arora, Nehru Yuva Kandra Sangathan (NYKS), Ministry of Youth and Sports Affairs
17. Shri U P Singh, Nehru Yuva Kandra Sangathan (NYKS), Ministry of Youth and Sports Affairs
18. Shri R L Singh, Director (Training), Ministry of Labour and Employment

### **State Governments**

1. Smt Kavita Gupta, Pr. Secretary (Labour), Government of Maharashtra
2. Shri Sanjaya Kumar, Pr Secretary (Higher & Technical Education)  
Government of Maharashtra
3. Shri Manoj Agarwal, Secretary, Government of West Bengal
4. Shri G.N Naryanaswamy, Secretary, Department of Labour, Government  
of Karnataka
5. Shri Srinivasulu, Labour Secretary, Government of Andhra Pradesh
6. Shri Jyoti Kalsh, Resident Commissioner, Government of Nagaland
7. Shri N. Manjunatha Prasad, Commissioner, Department of Employment  
and Training, Government of Karnataka
8. Smt G Sema Project Director, Music Task Force, Government of  
Nagaland

### **Subject Experts**

1. Shri Manish Sabharwal, Chairman, Teamlease, Bangalore

### **National Skill Development Corporation**

1. Shri Dilip Chenoy, MD & CEO

### **NASSCOM**

1. Dr Sandhya Chintala, Senior Director

### **Office of Adviser to Prime Minister**

1. Smt Anita Rajan,
2. Shri Jayant Krishna,