

CHAPTER II

This chapter contains Performance Audit on 'Functioning of the Government Industrial Training Institutes'.

LABOUR DEPARTMENT

2.1 Performance Audit on 'Functioning of the Government Industrial Training Institutes'

Executive Summary

The Industrial Training Institutes in the Union Territory function to ensure steady flow of skilled workforce to meet the growing manpower requirement of the industries. A Performance Audit on 'Functioning of the Government Industrial Training Institutes (ITIs) in the UT was taken up to assess whether the ITIs were managed efficiently as per the norms laid down by the Director General of Employment and Training, Government of India. The Performance Audit disclosed the following:

Against nine ITIs proposed to be opened during Eleventh Five Year period (2007-12), only two ITIs were opened.

The ITIs continued to offer some of the courses without National Council for Vocational Training affiliation and as a result the trainees were provided with provisional certificates in lieu of National Trade Certificates, which would deprive their job prospects at National level.

An amount of ₹ 10 crore released by Government of India to four ITIs for development of infrastructure and teaching facilities through Public Private Partnerships was not utilized as Department could not ensure the active participation of industrial partners.

Though six trades were identified for upgradation under the scheme 'Vocational Training Improvement Project', the syllabus of the respective trades were not revised as envisaged in the scheme.

'Skill Development Initiative Scheme' introduced during 2009-10 to improve the skills of early school leavers and existing workers in the industries was not implemented effectively due to failures in identifying the needs of industry and to form a registered society in time and other delays.

There was shortfall ranging from 40 to 70 *per cent* in filling up of available seats under Apprenticeship Training programme indicating that ITIs did not ensure placement of their successful candidates with the industries for practical experience as apprentices.

2.1.1 Introduction

A majority of the Indian workforce do not possess marketable skills, which is an impediment in getting gainful employment to improve their economic condition. In order to train more youth and help them to get gainful employment, the Union Territory (UT) Government runs nine Government Industrial Training Institutes (ITIs)¹ under the control of Labour Department. On an average, ₹ nine crore is spent on the ITIs per annum.

The main objective of the Department is to ensure a steady flow of skilled workforce to meet the growing manpower requirement in different trades through the system of vocational training. There are two major components of training in the ITIs viz., Craftsmen Training Scheme (CTS) and Apprenticeship Training Scheme (ATS), which are implemented in accordance with the guidelines issued by Director General of Employment and Training (DGE&T), Ministry of Labour and Employment, Government of India. CTS training is imparted in different skill trades in the nine Government ITIs and under ATS, the ITI trained personnel are placed in the Government departments and industries for Apprenticeship training. At present, the ITIs impart training in 23 trades with total capacity of 2053 seats. In the context that the ITIs are functioning for quite some time and some of them are being converted as centres of excellence, it was considered to undertake Performance Audit of functioning of the ITIs.

2.1.2 Organizational Structure

The Secretary to Government, Labour Department is in charge of policy formulation and monitors the activities of the ITIs. The Labour Department is headed by the Director of Employment and Training, who administers the ITIs. The Director is assisted by one Assistant Director (Employment and Training) and one Assistant Director (Training). The State Council for Vocational Training (SCVT) headed by the Labour Minister and with the Director as Member Secretary advises the UT Government in carrying out the training policy laid down by the National Council for Vocational Training (NCVT) and co-ordinates vocational training programmes throughout the UT.

Each of the ITI is headed by a Principal assisted by Group and Vocational Instructors. While the Principal is in-charge of managing the affairs of ITI, the Group Instructor is responsible for ensuring that proper co-ordination is maintained in all the sections and training programmes are carried out effectively. The Vocational Instructors impart actual training to the trainees in their respective trades.

¹ ITIs of Puducherry (Men), Puducherry (Women), Nettapakkam, Villianur, Bahour, Karaikal (Men), Karaikal (Women), Mahe and Yanam

2.1.3 Scope and methodology of audit

As the ITIs are major source for trained manpower and efforts are being made to convert them as centres of excellence, a Performance Audit on functioning of the Government ITIs was taken up to assess whether they meet the requirement of industry by providing qualified manpower. The Performance Audit was conducted between February and July 2012 covering the period 2007-08 to 2011-12 in all the nine ITIs and at the Secretariat of Labour Department. The Audit objectives and criteria were discussed with the Secretary to Government during an Entry Conference held on 5 April 2012. The Audit findings were discussed with the Secretary, Labour Department during the Exit Conference held on 8 October 2012. Response of the Department has been taken into account while finalising this report.

2.1.4 Audit Objectives

The objectives of the Performance Audit were to:

- examine whether the policy for supply of skilled workers in different trades to the industries was implemented effectively;
- assess the adequacy of infrastructure such as class rooms, workshops, tools and equipment;
- examine the economy, efficiency and effectiveness in implementation of the programmes for improving the standards of training;
- assess whether manpower was adequate and effective to provide support for efficient functioning of the ITIs and
- assess the adequacy and effectiveness of monitoring mechanism.

2.1.5 Audit Criteria

Terms and conditions contained in the following sources were used as criteria to assess the functioning of ITIs.

- Plan documents of the UT Government;
- Training Manual for Industrial Training Institutes and Centres;
- Guideline/Orders issued by GOI/UT Government/DGE&T from time to time and
- General Financial Rules and Receipts and Payment Rules of GOI.

Audit Findings

2.1.6 Planning

2.1.6.1 Shortfall in opening new ITIs and deficiencies in implementation of schemes

During the Eleventh Five Year Plan period, only two out of nine ITIs planned were opened

The Eleventh Five Year Plan (2007-12) envisaged providing at least one ITI in each of the five Municipalities and 10 Commune Panchayats in the UT. It was proposed to open nine more ITIs during the Eleventh Plan period in addition to the seven ITIs functioning in 2007. It was contemplated to provide facilities like land for construction of new ITIs, play grounds, noon meal facilities to the trainees, mini bus for field visits etc. Besides uplifting the women and weaker sections, it was envisaged to provide trainees of the ITI (Women), Karaikal with free mid-day meals and supply of computers at subsidized rate to the successful trainees of the computer based trades. In addition, the women trainees were to be provided with free supply of text books and stationeries, sanitary napkins, cycles, accident insurance policy and sewing machines.

An analysis of the achievements made during the Eleventh Five Year Plan period disclosed that

- Only two² ITIs were opened during the plan period leaving Karaikal Municipal area and six³ other commune panchayats without ITIs.
- Due to non-allocation of funds, none of the free schemes envisaged for the ITI (Women), Karaikal were implemented.

The Director replied (October 2012) that skill survey mapping to identify the skills in demand in various sectors had been entrusted to a private agency in July 2012 and based on the report, action would be taken to start new ITIs. As regards free supply schemes, the Director stated that no funds were allocated for the schemes and hence the same were not implemented.

The reply is not acceptable, since such survey should have been taken up as early as in 2007, if there was real intention of opening new ITIs during the plan period and the Director should have ensured allocation of funds to implement the schemes.

² ITIs of Villianur and Bahour

³ Ariyankuppam, Mannadipet, Kottuchery, Neravy, Nedungadu and Thirunallar Commune Panchayats.

2.1.6.2 Non introduction of new courses

In order to ensure a steady flow of skilled workforce, which was one of the objectives of the craftsmen training scheme, the Department was to introduce new courses in the emerging areas of fast changing industrial environment by conducting skill assessment survey. Further, the DGE&T Manual specified setting up of Local Advisory Committee (LAC) to study the needs of industries and suggest measures to adopt the training programmes appropriate for local needs.

It was noticed that though DGE&T introduced various trades during 2007-12 viz. eight engineering⁴ and seven non-engineering⁵ trades, the Labour Department did not conduct any survey and none of the new courses was introduced in the UT. The Local Advisory Committees established in the ITIs were dysfunctional defeating the objective for which they were formed.

The Director replied (October 2012) that new courses would be introduced after obtaining the skill survey report and the Principals of respective ITIs were instructed to revive the LAC by reconstituting them.

2.1.7 Budget and expenditure

The details of allocation of fund and expenditure thereof during 2007-12 are given in **Table 1**.

Table 1: Budget allocation and expenditure

(₹ in lakh)

Year	Plan		Non plan		CSS		Total	
	Budget allocation	Expenditure	Budget allocation	Expenditure	Budget allocation	Expenditure	Budget allocation	Expenditure
2007-08	274.59	271.17	229.60	229.33	14.10	0.00	518.29	500.50
2008-09	404.77	402.42	346.28	346.13	80.50	16.95	831.55	765.50
2009-10	549.97	538.58	479.00	478.67	101.67	98.32	1130.64	1115.57
2010-11	515.76	512.44	532.41	531.61	80.33	54.51	1128.50	1098.56
2011-12	488.30	482.28	475.64	475.11	19.04	8.58	982.98	965.97
Total	2233.39	2206.89	2062.93	2060.85	295.64	178.36	4591.96	4446.10

(Source: Detailed Appropriation Accounts; CSS – Centrally Sponsored schemes)

Against the total provision of ₹ 45.92 crore, an expenditure of ₹ 44.46 crore was incurred during 2007-12. The increase in expenditure during

⁴ Domestic Painter, Goldsmith, Industrial Painter, Marine Engine Fitter, Mechanic Mining Machinery, Rubber Technician, Textiles Mechatronics and Weaving Technician

⁵ Finance Executive, Firemen, Fire Technology and Industrial Safety Management, Health Safety Environment, Human Resource Executive, Spa therapy and Marketing Executive.

2009-10 and 2010-11 was mainly due to implementation of the Sixth Central Pay Commission recommendations.

2.1.7.1 Failure to raise resource by way of interest

Failure to follow the DGE&T instructions resulted in loss of interest of ₹ 10 lakh

Under the scheme of upgradation of ITIs into centres of excellence through Public Private Partnership, DGE&T provided (April 2011) financial assistance of ₹ 2.50 crore to the ITI (Women), Karaikal with direction to invest upto 50 *per cent* of the amount in long term deposit and utilize the interest earned for development of the ITI. It was noticed that the Principal did not deposit any amount in long term deposit and kept the amount in current account in bank resulting in loss of interest of ₹ 10 lakh⁶ during 2011-12.

On being pointed out, the amount of ₹ 1.25 crore was invested (July 2012) in fixed deposit. The status of implementation of this scheme is discussed in paragraph 2.1.8.1.

2.1.7.2 Non-availing of central excise duty exemption

Government of India notified in August 1995 that central excise duty exemption may be availed if goods are supplied to a project, which is approved by GOI or UT and financed by World Bank.

The Principal, ITI (Men) Karaikal, while purchasing four machinery worth ₹ 52.87 lakh during the years 2009 and 2010 under the Vocational Training Improvement Programme funded by World Bank failed to avail the above mentioned exemption and instead paid ₹ 4.36 lakh towards excise duty.

On being pointed out by Audit, the Director replied (October 2012) that the Central Excise Department would be approached to adjust the amount against future purchases. The reply is not acceptable as such adjustment is not permissible under the Central Excise Rules.

2.1.8 Implementation of the Centrally Sponsored Schemes

With a view to improve and strengthen the quality of vocational training programmes and to introduce new courses to meet the emerging requirement of industrial sector, GOI introduced four schemes for implementation in the UT. The implementation of these schemes in the UT is detailed in the following paragraphs:

⁶ ₹ 1.25 crore x 8 *per cent* x 12 months

2.1.8.1 Upgradation of the ITIs through Public Private Partnership

Under the GOI scheme of “Upgradation of the ITIs into centres of excellence through Public Private Partnership” to upgrade the existing ITIs, four⁷ ITIs were identified. Under this programme, the ITIs were to improve their performance by utilizing the amount released by GOI and by obtaining financial assistance from the industrial partners for installation of new machines/tools, provision of infrastructure and better teaching facilities. For this purpose an amount of ₹ 2.5 crore was released by GOI to each of the four ITIs as interest free loan to be repaid after 10 years.

As directed by DGE&T (April 2008), an Institute Management Committee was formed with an industry partner as chairperson in each of the four ITIs for

- assisting to improve the standard of vocational training and skill development,
- upgrading the ITI into a centre of excellence in such a way that training imparted would lead to better employability of the successful candidates and
- to manage the affairs in such a way that the ITIs become self supporting in due course.

GOI released interest free loan of ₹ 10 crore (₹ 2.50 crore for each ITI) between September 2009 and March 2012 to upgrade to ITIs into Centre of Excellence by providing necessary infrastructure. DGE&T instructed (June 2010) to keep upto 50 *per cent* of the amount as seed capital in long term deposits. The interest earned was to be utilised for upgradation of the ITIs as well as for repayment of the loan.

It was noticed that two⁸ ITIs utilised an amount of ₹ 1.46 lakh and the balance was kept unspent in fixed deposits/current account indicating that no efforts were taken as envisaged in the scheme for upgrading the ITIs into Centre of Excellence.

When pointed out, the Department attributed lack of active participation of the industrial partners as the reason for non-incurring of expenditure. It was further stated that action had since been initiated to provide necessary infrastructure in the four ITIs.

The reply is not acceptable as such an action should have been initiated well in advance to ensure proper utilisation.

⁷ ITIs of Puducherry (Women) (2008-09), Nettapakkam and Karaikal (women) (2010-11), and Yanam (2011-12)

⁸ ITIs of Puducherry (Women) and Nettapakkam

2.1.8.2 Upgradation of the ITIs through domestic fund and World Bank assistance

The scheme 'Externally aided project for reforms and improvement under Vocational Training Service rendered by the Central and State Governments' was designed with an objective of providing multi-skilled workforce of world standard by providing appropriate infrastructure, updated syllabus and introduction of new courses in selected ITIs. The scheme was to be implemented with domestic fund and World Bank assistance.

Centre of excellence

Lack of infrastructure was noticed though the project period was over

ITI (Men), Puducherry was selected in 2005-06 under domestic fund for upgradation into centre of excellence for producing multi-skilled workforce of world standard. For this purpose, a new trade 'Plastic Processing Sector' (two years course - 60 seats) was introduced in 2005-06 at the ITI (Men), Puducherry at a cost of ₹ 1.60 crore. The project cost was to be shared between GOI and UT of Puducherry in the ratio of 75:25. The project development period was four years (2005-09), which was extended by one more year (upto March 2010) and funds were to be released in three instalments based on the progress of work.

The course had six modules and nine instructors were to be appointed to handle the modules. However, only one post of instructor was filled up. As of March 2012, the Institute spent ₹ 1.42 crore (central share : ₹ 73.54 lakh and UT's share : ₹ 68.55 lakh) towards civil works (₹ 38.34 lakh), purchase of equipment (₹ 88.58 lakh) and other expenditure (₹ 15.17 lakh). So far, three batches have completed the course and the fourth batch is in progress. Scrutiny of the records disclosed that

- Due to non-completion of the work, GOI released only ₹ 73.54 lakh against its share of ₹ 120 lakh resulting in foregoing of GOI share of ₹ 46.46 lakh, despite extending the project period for a further period of one year upto March 2010. As a result, the UT Government had to incur additional amount of ₹ 28.55 lakh beyond its own due share of ₹ 40 lakh.

Incomplete building

- Though construction of a workshop was completed in October 2010 at a cost of ₹ 48.20 lakh, the building remained incomplete as the provision of steel windows originally proposed



were changed into aluminum windows and proposal for additional fund (₹ 0.52 lakh) was forwarded to the Director.

- Machinery and equipment worth ₹ 60.14 lakh were yet to be purchased, while a printing machine purchased in March 2010 at a cost ₹ 14.23 lakh was kept idle for want of space and technical staff.
- A single instructor handled all the six modules and despite repeated request by the Principal, the Department did not take any action to create the envisaged instructor posts.

NCVT allowed operation of plastic processing course on the condition that necessary infrastructure should be created by August 2012. In view of the above mentioned deficiencies still existing, there is every possibility of denial of affiliation by NCVT, which will result in non-issue of National Trading Certificate to the trainees of the current batch. In absence of adequate number of trainers and necessary equipment, it was observed that the quality of training imparted would not be satisfactory.

The Director replied (October 2012) that proposal for purchase of machinery for the trade was received and action would be taken for procurement of the same.

Vocational training improvement project

ITI (Men), Karaikal was selected in September 2008 for upgradation of the trades with World Bank assistance, at a total project cost of Rupees two crore shared between GOI and UT at the ratio of 75:25. The Project was to be completed by 31 December 2012. As per the scheme guidelines, the Institute Management Committee recommended six trades viz., turner, welder, machinist, mechanic (motor vehicle), instrument mechanic and mechanic (diesel) for upgradation. The revised Institute Development Plan was approved by DGE&T in June 2009 and during 2008-12 an amount of ₹ 1.20 crore was incurred towards creation of infrastructure. Following deficiencies were noticed in implementation of the programme:

- Though UT had committed (June 2008) to revise the syllabus on account of upgradation of the trades, no action was initiated and training was continued to be imparted with reference to the old syllabus.

When pointed out, the Director replied (October 2012) that the Principal-in-charge had been instructed to prepare the curriculum for the upgraded trades.

- As the post of Principal (Group A) was lying vacant for more than nine years due to a court case, the Principal-in-

charge had to get prior sanction of the Secretary to Collector, Karaikal, as he was not delegated with necessary administrative and financial powers leading to delay in carrying out the project activities.

When pointed out, the Director replied (October 2012) that action was under process to fill up the post with Principal (Group B).

- Against DGE&T direction to give stable tenure of atleast five years to the instructors in each institution, it was noticed that out of 11 units under six trades selected for upgradation, eight units were handled by more than one instructor within a period of four years, indicating frequent transfers of the instructors.

When pointed out, the Director replied (October 2012) that action would be initiated to post regular Vocational Instructors.

- The programme envisaged training of instructors to improve the quality of vocational training and Central Institutes under DGE&T offered training courses such as 'Training in advanced module' and 'Refresher training'. However, only four out of 11 instructors were sent for training in advanced modules during 2008-12.

When pointed out, the Director replied (October 2012) that action would be taken to depute the remaining Vocational Instructors for training in a phased manner.

The above mentioned deficiencies adversely impacted the performance of the ITI, Karaikal.

A comparative study of the pass percentage and dropout in the ITI for the six trades before and after implementation of the project is given in **Table 2**.

Table 2: Performance of the ITI during 2005-11

(Number of persons)

Year	Sanctioned strength	Admission	Drop out	Appeared for the examination	Pass	Pass percentage	Drop out percentage
2005-06	100	100	15	85	66	78	15
2006-07	100	104	20	84	63	75	19
2007-08	100	106	8	98	98	100	8
2008-09	132	132	27	107	97	91	20
2009-10	132	126	20	106	68	65	16
2010-11	132	131	35	96	82	85	27

(Source: Departmental data)

The above table indicates that implementation of the project had not contributed towards improving the performance of the ITI (Men), Karaikal, despite spending an amount of ₹ 1.20 crore.

2.1.8.3 Skill Development Initiative Scheme

There was shortfall in achievement of target under skill development initiative scheme

GOI introduced 'Skill Development Initiative Scheme' during 2009-10 with a view to improve the skills of early school leavers and existing workers in the industries by utilizing the infrastructure available in the ITIs. Under this scheme, demand driven short term training courses were to be offered on various Modular Employable Skills (MES) by vocational training providers, the acquired skills were to be tested and the successful candidates were to be given certificate under the aegis of NCVT. Further, the successful candidates were to be reimbursed with their respective course fees. To meet the training costs, DGE&T was to provide an amount of ₹ 15 per hour per trainee. Training targets were to be fixed and spaced throughout the year. In the UT, the scheme was introduced in four ITIs⁹.

During 2008-09, DGE&T released one time advance of ₹ 10 lakh to each of the four ITIs towards imparting training on MES courses. During 2009-10, 296 trainees successfully completed the training and ₹ 13.65 lakh was reimbursed to the ITIs. However, as this scheme was introduced without any survey to identify and analyse the needs of industry, DGE&T stopped the scheme in May 2010 and hence the balance amount of ₹ 29.05 lakh (including interest earned) was remitted back (April 2011) to DGE&T.

For the year 2010-11, DGE&T requested (April 2010) the Director to prepare annual action plan after carrying out the skill gap survey indicating physical targets and financial resources. The Director was further requested (July 2010) to set up a registered society and to open an account in a Nationalised bank through which financial transactions were to be made. Though the Director fixed a target (March 2010) to cover 1980 trainees during 2010-11 based on the inputs received from the Principals of nine ITIs, no survey to identify the skill gap was conducted to assess the actual requirement of industry. Hence, based on the demographic parameters, DGE&T allocated an amount of ₹ 7.74 lakh to UT and requested (September 2010) to furnish details of the registered society for transfer of the allocated fund. However, the society was formed only in January 2011 and as the financial year was nearing end, DGE&T did not release the fund. Thus, no training was conducted during 2010-11 against the target of 1980 fixed by the Director.

For the year 2011-12, DGE&T released (May 2011) an amount of ₹ 8.16 lakh as first installment for implementing the scheme. Though the Director fixed (February 2011) a target of 920 trainees to be covered in

⁹ ITIs of Puducherry (Men), Karaikal (Men), Mahe and Yanam

14 trades during 2011-12, the target was revised to 830 for 13 trades in September 2011 and it was decided to advertise about the courses in leading dailies. However, the advertisement was given at the end of December 2011 and the courses were commenced in February 2012 and only 125 trainees were covered against the target of 830 for the year 2011-12.

Thus, due to the above mentioned delays, the scheme to train 1,980 persons was not implemented at all during 2010-11 and only 125 out of 830 targeted persons (15 *per cent*) were covered during 2011-12.

The Director replied (October 2012) that the scheme could not be implemented as the model code of conduct came into place for the Legislative Assembly elections.

The reply of the Director is not acceptable, as DGE&T would have released the amount, had the registered society been formed much before January 2011 and the courses could have been commenced before the announcement for election (March 2011). Failure of the Director to do so, resulted in non-implementation of the scheme in 2010-11 and coverage of very few beneficiaries at the fag end of 2011-12.

2.1.9 Academic activities

The vocational training system constituted two major components viz. Craftsmen Training Scheme (CTS) and Apprenticeship Training Scheme (ATS). Through CTS, training was imparted in different trades in the ITIs. Under ATS, ITI trained personnel were selected and placed in the Government departments and industries for Apprenticeship training. The syllabus for the courses offered under CTS were evolved and monitored by the NCVT. The ITIs having infrastructure as per NCVT norms alone were accorded affiliation by NCVT.

Admission to ITIs is made during July every year. While the duration for engineering trade courses varies from one year to two years, the duration for non-engineering trades is one year. The minimum educational qualification for admission to the ITIs is 8th Standard to Higher Secondary (Plus two) level depending upon the trades. At present all the nine ITIs offer training in 23 trades.

As per Appendix VIII of the Training Manual for ITIs, the trainees admitted in NCVT affiliated trades alone were eligible to appear in the All India Trade Test conducted by NCVT for the award of National Trade Certificates (NTC). NCVT affiliation to a trade was subject to availability of sufficient infrastructure, trained instructors and required machinery/equipment. Whenever an ITI submits application for offering a trade, the Standing Committee constituted by the Regional Directorate of Apprenticeship Training (RDAT) would visit the ITI and after being

satisfied regarding the facilities available as per NCVT norms, the trade would be granted affiliation by NCVT. Trainees join ITIs to get NTC which would brighten their job prospects as it is recognized at the National level. Without NCVT affiliation, NTC would not be awarded and hence obtaining NCVT affiliation is of foremost importance for offering the vocational training courses.

2.1.9.1 Teaching of trades without obtaining NCVT affiliation

ITIs continued to offer some of the courses without NCVT affiliation

The ITIs claimed that courses offered in various trades were approved by NCVT. However, it was noticed that during 2000-07, four ITIs offered training across eight trades without NCVT affiliation, as the same could not be obtained or affiliation was granted belatedly since the ITIs could not meet the norms of NCVT. As affiliation was not given with retrospective effect, 343 students who studied in these trades during the non-affiliated period were provided with provisional certificates only, thereby depriving them of benefits of prospective jobs (**Appendix 2.1**).

Despite being aware of the above situation, the ITIs continued to admit trainees in non-affiliated trades and during 2007-12 four ITIs admitted 87 students in four non-affiliated trades as given in the **Table 3**.

Table 3: Details of non-affiliated trades during 2007-12

S.No	ITI	Trade	Year	No of trainees	Remarks
1	ITI, Yanam	Wireman	2007-09	14	Affiliation granted w.e.f. August 2008 only
		Fitter	2007-09	16	Affiliation rejected (December 2008)
		Mechanic Motor Vehicle	2007-09	16	Affiliation rejected (December 2008)
2	ITI, Men, Karaikal	Fitter-Unit V	2009-11	17	Affiliation rejected (December 2010)
3	ITI, Nettapakkam,	Fitter (additional unit)	2010-12	20	Affiliation granted w.e.f. August 2011 only
4	ITI, Men, Puducherry	Plastic Processing Operator	2007-08	4	Affiliation granted w.e.f. August 2008 only

(Source: Data furnished by the Department)

The action of ITIs in admitting the trainees to non-affiliated courses and offering provisional certificates in lieu of NTC would have the risk of affecting their career prospects as only NCVT certificates have the national level recognition. Further, only the NCVT certificate holders are eligible for appearing in the National Apprenticeship Certificate examination.

The Director replied (October 2012) that provisional certificates were issued in anticipation of affiliation of trades with retrospective date, but

NCVT gave affiliation only with prospective date. He also stated that request had been made to reconsider the case to grant NCVT affiliation with retrospective effect. The reply of the Director is not acceptable as it is evident that NCVT issued affiliation with prospective effect only and the ITIs should not have admitted trainees in the non-affiliated trades in anticipation of NCVT affiliation with retrospective effect.

2.1.9.2 Failure to get NCVT affiliation for the trades conducted in new location

As per DGE&T instructions, whenever ITIs are shifted to new location, they have to apply afresh for affiliation in the new location. The standing committee constituted by NCVT would inspect the institute afresh and recommend for continuation of affiliation. The ITI, Yanam functioning in a rented building was shifted to a newly constructed own building in April 2010.

It was noticed that even after the lapse of two years, the Principal did not initiate any action to get fresh affiliation from NCVT. Delay in getting fresh affiliation might result in denial of NCVT certificate to the 51¹⁰ trainees who joined the courses from 2010 onwards in the new location.

The Director replied (October 2012) that the Principal was instructed to expedite the proposal to get NCVT affiliation.

2.1.10 Deficiencies in infrastructure

The NCVT prescribed norms to provide basic infrastructural facilities such as classrooms and workshops. Deficiencies in infrastructural facilities in the ITIs noticed during the course of audit are discussed in the succeeding paragraphs:

2.1.10.1 Functioning of ITIs/trades in damaged buildings

Buildings in two ITIs were in dilapidated condition

A joint inspection of the buildings by Audit team and officials of the ITIs revealed that the buildings in ITI (Men) Puducherry (as seen from the picture) and ITI (Men) Karaikal were in dilapidated condition.

The Director replied (October 2012) that respective Principals have been instructed to send proposals for construction of additional class rooms/workshops.

ITI operating in a dilapidated building



¹⁰ Electrician (20), Electronic Mechanic (18) and Wireman (13)

2.1.10.2 Non purchase of tools kit/equipment

The syllabus for seven¹¹ engineering trades and two¹² non-engineering trades were revised between 2007 and 2012 by DGE&T necessitating procurement of additional tools and equipment such as discreet component trainer, hygrometer and 4 PORT switch with wireless connectivity etc. But additional tools/equipment required as per the revised syllabus were not procured in respect of three ITIs¹³ for four trades¹⁴. As a result, training was continued to be imparted with old machinery, which did not conform to the revised syllabus.

The Director replied (October 2012) that Principals of the respective ITIs had been instructed to send proposals for purchase of toolkits/equipment.

2.1.10.3 Non availability of diesel generator

DGE&T manual prescribed that a diesel generator set with sufficient capacity was to be installed in each ITI to facilitate uninterrupted training activities.

Audit scrutiny revealed that out of nine ITIs, in seven ITIs no diesel generator sets were installed and in the ITI (Women), Puducherry, the diesel set installed was not in working condition since August 2009.

2.1.10.4 Non availability of prescribed books

The DGE&T manual prescribed the Instructional Media Packages prepared by National Instructional Media Institute as text books for theory and practical classes in the ITIs.

However, in all the nine ITIs, there was shortfall (eight to 100 *per cent*) in availability of these text books. Apart from this, according to the DGE&T Manual, ₹ five per month per trainee was to be allotted for purchase of books and trade-oriented magazines for the libraries in ITIs. However, it was noticed that during the last five years, two ITIs¹⁵ did not purchase even a single book for their libraries. The action of the ITIs in not facilitating availability of text books in library for reference deprived the trainees the required benefit.

The Director replied (October 2012) that Principals had been instructed to purchase books for the library.

¹¹ Draughtsman (civil), Draughtsman (Mechanical), Electrician, Fitter, IT&ESM, Machinist and Turner

¹² Computer Operator and Programme Assistant and Data Entry Operator

¹³ ITIs of Puducherry (Men), Puducherry (Women), and Mahe

¹⁴ COPA, Electrician, Fitter and Draughtman (Civil)

¹⁵ ITIs of Yanam and Bahour

2.1.11 Manpower management

2.1.11.1 Shortage of teaching staff

DGE&T prescribed a specific scale of technical staff for the ITIs depending upon the number of seats in the institute and the number of branches in various trades offered in the ITI. A comparative study of the sanctioned post *vis-à-vis* men in position indicated that many posts were lying vacant for periods ranging from six months to nine years. The vacancies in the technical cadres as on 1 August 2012 are detailed in **Table 4.**

Table 4: Details of vacancies in the technical cadres

Name of the post	Sanctioned strength	Number of posts filled up	Number of vacancy	Month of initial vacancy commencing
Principal Group 'A' Sr/Jr scale	2	1	1	From October 2003
Principal Group 'B' gazette	5	1	4	From February 2009
Group Instructor	12	6	6	From February 2011
Group Instructor (Computer)	4	2	2	From February 2004

(Source: Data furnished by the Department)

It was noticed that the post of Principals were not filled up for a long time and even the incumbent Principals¹⁶ were holding additional charge of Inspector of Factories. Further, in order to tide over the shortfall of Principal in three ITIs¹⁷, the Labour Department entrusted the additional charge of Principal to the Inspector of Factories\Group instructor\ Vocational instructor. The practice of engaging the Principals in the post of Inspector of factories and *vice versa* resulted in deprival of full time dedicated service to the institute. It was also noticed that in the ITI, Yanam, single vocational instructor was handling three different trades (Electronic Mechanic, Electrician and Wireman).

The Director replied (October 2012) that in respect of Principal Group A, a case was pending in a court of law and necessary action would be taken to fill up the posts of Principal Group B. He further stated that once the Recruitment Rules for the post of vocational instructors was finalized, the posts would be filled up.

2.1.12 Training

The success and sustainability of any training system depends upon, *inter alia*, availability of good and trained instructors. In this context, a new modular pattern of Craft Instructors Training in Engineering trades (December 2008) and non engineering trades (August 2010) was evolved

¹⁶ ITIs of Puducherry (Men) and Puducherry (Women)

¹⁷ ITIs of Villianur, Bahour and Nettapakkam

by DGE&T. The training was to be conducted in four¹⁸/three¹⁹ modules, each one having three/four months duration replacing the conventional one year training. The Craft Instructor Certificate was to be awarded only after successful completion of all the modules within a period of three years. As per DGE&T instructions (September 2010), all the existing vocational instructors should be trained in all the modules within a period of three years. After three years, there would be no untrained instructors for the already affiliated trades/branches in the institutes.

2.1.12.1 Shortfall in imparting of training

Out of 114 Group/Vocational Instructors (8+106), only 30 Group/Vocational Instructors (2+28) completed all modules of the training. 40 Group Instructors/Vocational Instructors (2+38) completed one module of the craft instructors training and they have to complete the remaining three modules before 2013 to become trained instructors. The remaining 44 Group Instructors/Vocational Instructors (4+40) did not attend any of the modules of craft instructors training. Though DGE&T had instructed in December 2008 itself, nomination of the trainers for the training was made in November 2011 only, after a delay of over three years, which would result in non-achievement of the target fixed by DGE&T i.e., all the trainers should be trained within the period of three years.

The Director replied (October 2012) that due to shortage of vocational instructors, they were not sent to training for two years. He further stated that the all the remaining vocational trainers would be sent for training in a phased manner.

2.1.13 Apprentice Training Scheme

2.1.13.1 Shortfall in Apprenticeship Training

There was shortfall ranging from 40 to 70 per cent in sponsoring candidates for the apprentice training in industries

After passing the trade tests under CTS, candidates are required to undergo practical training in industries as apprentices under ATS to enhance their skills. Thereafter, the apprentices become eligible for appearing in the All India Trade Tests conducted by DGE&T and the successful apprentices are awarded National Apprenticeship Certificates by NCVT.

Seats identified by the Assistant Director (Training) in the industries are to be filled up by the candidates from the ITIs. The number of seats identified for apprentice training and actually filled up between 2007 and 2012 is given in the following **Table 5**.

¹⁸ (i) Training methodology, (ii) Engineering Technology, (iii) Trade Technology – I and (iv) Trade Technology – II

¹⁹ (i) Training methodology (including soft skills), (ii) Trade skill I and (iii) Trade skill II

Table 5: Details of seats identified and filled up

Year	Seats available for ATS	Seats filled up	Shortfall	Shortfall in percentage
2007-08	1320	499	821	62.19
2008-09	1335	800	535	40.07
2009-10	1407	503	904	64.25
2010-11	1644	520	1124	68.36
2011-12	1499	456	1043	69.57

(Source: Data furnished by the Department)

The above table shows that there was large scale shortfall ranging from 40 to 70 per cent in filling up of the seats identified by the Assistant Director (Training) indicating that ITIs did not ensure placement of the successful candidates for the Apprentice training, denying the candidates the scope to appear in the National Apprenticeship Certificate (NAC) examination. The Director, while accepting the fact (October 2012), replied that short fall was due to lock out of industries and few other industries had stopped engaging apprentices for many reasons.

2.1.13.2 Poor pass percentage in NAC Examination

The details of trainees appeared and passed in the NAC Examinations during the years 2007-08 to 2011-12 were given in **Table 6**.

Table 6: Details of trainees passed in NAC Examination

Year	No. of trainees appeared for NAC examination	No. of trainees		Percentage of failure
		Passed	Failed	
2007-08	707	372	335	47.39
2008-09	535	364	171	31.97
2009-10	440	337	103	23.41
2010-11	425	309	116	27.30
2011-12	191	160	31	16.23

(Source: Data furnished by the Department)

It is evident from the above table that the failure rate was substantial reflecting the quality of training imparted to them.

The Director attributed (October 2012) poor performance to abolishing the related instructions classes by DGE&T since 2007 for taking up the NAC examination.

2.1.14 Monitoring

2.1.14.1 Lack of monitoring by SCVT

DGE&T manual prescribes *inter alia* that the State Council for Vocational Training (SCVT) has to carry out the policy and implement the norms laid down by NCVT in respect of syllabus, equipment, scale of accommodation, duration of courses and method of training. Further, it was to ensure that standards prescribed by NCVT were maintained by periodical inspections of the training institutes.

However, during the last 10 years, SCVT had met only once in June 2009. The Director replied (October 2012) that SCVT had been reconstituted recently (August 2012) and action would be taken to conduct meetings.

2.1.14.2 Lack of inspection of the ITIs

As per DGE&T norms, the inspecting officers of the Department have to conduct quarterly inspection of the ITIs and give suitable advice on training. It was noticed that during 2008-12, the Directorate conducted inspection of all the ITIs in Puducherry and Karaikal regions only in June/July 2011. The ITIs in the other regions (Mahe and Yanam) were not inspected at all by the Directorate during the same period. Apart from this, regular internal inspections of the institutes were to be carried out at the levels of Group Instructor and Principal for ensuring smooth working of the learning program and to increase the efficiency of administration. However, out of nine ITIs, such inspection was conducted only at ITI (Women), Karaikal.

The Director replied (October 2012) that a committee headed by the Deputy Labour Commissioner would conduct internal audit and the Principals were also instructed to carry out internal inspection.

Audit observed that in the absence of monitoring and direction by SCVT and by the officials of Directorate, the ITIs continued to operate non-affiliated courses, without sufficient infrastructure and failed to carry out the schemes effectively.

2.1.14.3 Non establishment of Management Information System

DGE&T Manual prescribes the establishment of Management Information system (MIS) in the Headquarters for networking between the State Training Directorate, industries and DGE&T to facilitate the planning and decision making.

It was noticed in audit that the MIS has not been established in the Directorate resulting in non availability of centralized data in the Directorate. Further, during a sub-committee meeting of NCVT (September 2009) it was instructed to upload the details of affiliation since

opening of each ITI including revised syllabi of trades in the State Government/UT website. However, the instructions were not adhered to and the details were not uploaded in the website.

The Director replied (October 2012) that orders had been placed for purchase of computers for MIS and development of website content was under progress.

2.1.15 Conclusion

Though the UT Government proposed to provide all the Municipalities and Commune Panchayats with atleast one ITI each during the Eleventh plan period, only two new ITIs were started. The free schemes to the women students of ITI, Karaikal, envisaged in the plan, did not take off due to non-allocation of funds. Many new trades introduced by DGE&T during 2007-12 were not introduced in the UT due to failure to conduct skill assessment survey. The ITIs were allowed to admit trainees in courses that did not have NCVT affiliation thereby jeopardizing their job prospects at National level. Poor implementation of the Centrally Sponsored Schemes resulted in non-achievement of the objectives of the schemes. Funds remained unspent and Government of India's assistance was not availed to the maximum extent. Sufficient infrastructure like building, tools/machinery and teaching staff were found to be wanting in some of the ITIs. There was shortfall ranging from 40 to 70 *per cent* in sponsoring candidates for apprentice training in industries. The SCVT which had to play a major role in implementing and monitoring functions of the ITIs was not active and periodical inspections by the Directorate were not done.

2.1.16 Recommendations

- Government need to ensure that all trades/courses offered by the ITIs have affiliation of the competent body.
- Government need to effectively monitor implementation of the schemes by the ITIs so that they improve their infrastructure and teaching facilities.
- The Apprenticeship training programme needs to be strengthened by encouraging the industries to actively engage the apprentices.