EVALUATION STUDY REPORT OF UPGRADATION OF 1396 GOVT. ITIs THROUGH PPP

(File No. SD-17/89/2019-E&P)

सत्यमेव जयते

Goverment Of India

Submitted to

ECONOMIC &POLICY WING

MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

GOVERNMENT OF INDIA

Conducted by

Indian Institute of Public Administration

New Delhi-110002

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I hope that the study report would meet all the requirements envisaged in the Terms of Reference (ToR) for the third party evaluation of the Central Sector Scheme- Upgradation of 1396 Government ITIs through Public-Private Partnership (PPP).

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1. EXECUTIVE SUMMARY

1. The scheme of Upgradation of 1396 Government ITIs have been operationalized in 1227 Government ITIs across 30 States/UTs during the XI plan period. In this regard, an interest-free loan of Rs. 3067.5 crore has been released to Government ITIs at the rate of Rs. 2.50 crore to each ITI. The Institute Management Committee (IMC) is headed by an Industry Partner (IP) that has to lead the ITI. The upgradation process was conducted as per Institute Development Plan (IDP).

2. As per the scheme guidelines, the IMC may utilize the interest accrued for the purpose of activities spelled out in the Institute Development Plan (IDP) after careful planning and also ensure that payment was not affected due to the use of interest. Accordingly, the IMC may use the interest accrued for the purpose of the salary of contractual staff and the limit of expenditure for manpower which was enhanced from Rs. 25-30 lakhs to 50 lakhs. The interest-free loan amount of Rs. 2.5 crore has to be repaid after a moratorium period of ten years from the year in which the loan was released to the IMC. After the moratorium period, the loan is payable by the IMCs in 20 equal annual installments of Rs. 12.50 lakhs. The first installment is repayable from the 11th anniversary day of drawl of the loan. In case of default in repayment of installment of the loan, the National Steering Committee (NSC) may impose a penalty on such overdue payments or take action as deemed fit.

3. The scheme stipulates for the upgradation of the Government ITIs through PPP aiming to improving the quality of infrastructure available at Govt. ITIs. Through upgraded ITIs, the improvement in the employment outcomes for the graduates from the vocational training system can be effectively attained by making the design and delivery of training more demand responsive. For each ITI to be covered under the scheme, one industry partner was associated to lead the process of upgradation in the ITI. The industry partner was identified by the State Government in consultation with industry associations. For each selected ITI, an Institute Management Committee (IMC) was constituted/ reconstituted. The IMC was converted by the State Government into a Society under the relevant Societies Registration Act. The IMC registered as a Society was entrusted with the responsibility of managing the affairs of the ITI under the Scheme. The IMC was led by an Industry Partner as the chairperson. Four members from the local Industry to be nominated by the Industry Partner in such a way that the IMC is broad-based. Five members nominated by the State Govt. are: (1) District employment officers, (ii) One expert from local academic circles, (iii) One senior

faculty member, (iv) One representative of the students, and (v) the principal of the ITI happens to be an ex-officio member secretary of the IMC Society. A memorandum of Agreement (MoA) is signed among the Central Government, State Government, and the Industry Partner in which the terms and conditions for participating in the scheme and the roles and responsibilities of different parties are spelled out. To give the IMC chairman representation in the State level committee formed for the scheme, it was decided that 3 IMC chairmen may be nominated in SSC also along with the present practice of nomination by Industries Association. The MoA is signed by the Industry Partner or its representative on behalf of the IMC. The MoA is effective upto the repayment of the loan provided to the IMC. The IMC is delegated with the power to determine upto 20% seats in the admission of the ITIs. It is desirable to fix a minimum fee of Rs. 5000/-per candidate per year for admission in all the 20% of the seats, to be decided by the IMC, at least 10% of the total seats are to be filled at the minimum fee of Rs. 5000/- per candidate per year.

4. The specific functions and responsibilities of the IMC for upgradation of the ITI are spelled out in the MoA and included in its Memorandum of association and rules and regulations. The roles and responsibilities of industry partner is also mentioned under the scheme. Though financial contribution by the Industry Partner is not a pre-condition to participate in the scheme, however, it is desirable if the industry Partner may contribute machinery, tools, and equipment, etc. which may be instrumental in furthering the overall functioning of the ITIs. The Industry Partner also arranges to provide training to the faculty members and on the job training to the students of the ITI. The administrative control of the staff of the ITI remains with the State Government and it continues to pay their salaries and other emoluments. The State Government is required to ensure that the sanctioned strength of the instructors in the ITI is always filled up and in no case, the vacancies exceed 10% of the sanctioned strength at any point of time.

5. For proper monitoring of the ITIs, five Key Performance Indicators (KPI) have been laid down, viz. (a) percentage of candidates appearing in the examination vis-à-vis intake capacity, (b) Percentage of candidates passing out vis-à-vis candidates appearing in the examination, (c) percentage of passed out students employed/self-employed within one year of pass out, (d) revenue generation and (e) re-affiliation, if due. It has also been stipulated under the scheme that the KPI (a) and (b) are to be achieved to the level of 70% and be taken upto the level of 95% in the next few years; and KPI no. (c), an initial benchmark of 50% for

wage employment and 70% for overall employment along with the revenue generation of Rs. 5 lakh, Rs. 10 lakh and Rs. 15 lakh for the years 2014-15, 2015-16 and 2016-17, respectively and KPI no. (e) Re-affiliation by August 2015, if due.

6. The interest-free loan is released to the IMC is directly based on the Institute development Plan (IDP) prepared by it. The IDP is developed in such a way that it leads to upgradation of the ITI as a whole. Simultaneously, the upgradation in the particular trade sector is also taken up by the Institute Development Plan (IDP). The IDP has to define the long-term goals of the Institute, the issues, and challenges facing the Institute, and the strategies for dealing with them. The IDP is submitted to the State Steering Committee (SSC), which scrutinizes it and forwards it to the Central Government for the release of funds. The interest-free loan received by the IMC is kept in a separate bank account opened in the name of the IMC in a public sector bank.

7. There are identified authorities of the IMC who own specific financial powers to incur expenditure of any nature with a set monetary limits. The ITI Principal/Secretary of IMC is restricted with the financial power of upto Rs. 50,000. The Works and procurement Committee of IMC Society is restricted with the financial power upto Rs. 15 lakh and the Governing Council of IMC for greater than Rs. 15 lakh.

8. A total of 900 ITIs were covered under the scheme during 2007-08 to 2009-10. Due to a ceiling of 300 crore in RE 2011, 120 proposals were processed. To monitor the utilization of funds by the IMC societies and review the progress of implementation of the scheme, the coordination among industry partners and principals of ITIs was emphasized. After covering 1020 ITIs under the scheme up to 2010-11, the remaining 376 ITIs were taken forward during 2011-12. It was prescribed that ITIs established before 01.01.2007 with NCVT affiliation and having own building, ITIs established before 01.01.2007 with SCVT and having own building and ITIs established after 01.07.2007 with NCVT/SCVT and having own building for starting new trades were covered under the scheme. The creation of a dynamic and demand-driven curriculum framework is inbuilt in the modernization of the Govt. ITIs.

9. The scheme of Upgradation of 1396 Government ITIs through Public Private Partnership has four major components: (1) the formation of societies, IMC, etc. as per the State Act and in line with scheme guidelines, (2) responsiveness to the 5 KPIs laid down,(3) Improving the employment outcomes of graduates, and (4)Devising a sustainable economic model.

10. The scheme has been implemented in 30 States/UTs. These are: (1) Andhra Pradesh (2) Arunachal Pradesh, (3) Assam, (4) Bihar, (5) Chandigarh, (6) Chhattisgarh, (7) Gujarat, (8) Goa, (9) Haryana, (10) Himachal Pradesh, (11) Jammu and Kashmir, (12) Jharkhand, (13) Karnataka, (14) Kerala, (15) Madhya Pradesh, (16) Maharashtra, (17) Meghalaya (18) Mizoram, (19) Nagaland, (20) Delhi, (21) Odisha, (22) Puducherry, (23) Punjab, (24) Rajasthan, (25) Tamil Nadu, (26) Tripura, (27) Uttrakhand, (28) Uttar Pradesh, (29) West Bengal, and (30) Dagar and Nagar Haveli. Out of the upgradation of 1227 ITIs operationalized, the maximum number of ITIs are falling under the state of Maharashtra, followed by Uttar Pradesh (250), Rajasthan (105), Gujarat (91), Punjab (76), Karnataka (76), Madhya Pradesh (74), Andhra Pradesh (61), Haryana (52), Uttrakhand (43), Chhattisgarh (42), Jammu and Kashmir (34), Himachal Pradesh (33), Tamil Nadu (32), West Bengal (28), Kerala (26) and so on.

11. As per the discussion with the programme division of the MSDE, the objectives of the study were set up as: (1) to assess the revenue model of ITIs, particularly in terms of sustainability, (2) to evaluate the feasibility of the Institute Development Plan suggested by State Steering Committee, and the extent to which it has been executed on the ground (3) to study the efficient use of interest-free loans of Rs. 2.5 crore by IMC for (a) Civil Construction, and (b) Tools and Equipment up-gradation, (4) to receive the feedback of Industry Partners and similar, other than the industry partners on the trainings imparted by such Institutions, (5) to physically verify the state-of-the-art infrastructure created in line with NCVT guidelines for the target ITIs, (6) to study whether the structure and design of the scheme require any change, and (7) suggestions to improve the effectiveness of the Scheme.

12. To assess the overarching objectives of the study, the study took cognizance of the objectives, processes, and outcomes of the scheme. Parameters were designed to quantitatively and qualitatively measure the set outcomes of the scheme. The objective-based approach measured if the initially set goals of the scheme were duly met. Apart from the evaluation of the objectives of the scheme, its process, and its outcomes were also studied. Attempts were also made to assess whether the process of the scheme has been instrumental in achieving the desired objectives. Finally, the outcomes of the scheme, in addition to the objectives were evaluated to understand the impact of the scheme on the trainees receiving skill training in their states from the respective upgraded ITIs. The evaluation strategy made use of both primary and secondary data for the assessment of the scheme's goals, processes,

and outcomes. Secondary information in the form of Scheme Budget, particularly actual budget from the Directorate General of Training, Ministry of Skill Development, and Entrepreneurship was obtained.

13. The sample under study was selected based on the total number of ITIs upgraded. The total number of ITIs was statistically put to a 95% confidence level and a 5% margin of error. Based on this, a total of 293 sample ITIs upgraded were worked out across 12 states. Against the proposed sample size of 1167, the study covered a total of 1171 respondents for the study. Based on the number of Government ITIs upgraded, a total of 293 ITIs were selected proportionally. The ITIs were selected from 12 states of six regions as classified by the NSSO. However, out of the total ITIs covered under the scheme, with a 95% confidence level and 5% margin of error, 293 ITIs were proportionally selected from a total of 1227 ITIs upgraded. Thus, the sample size for the study has been 293 ITIs upgraded. From each of the states, one SSC representative, one industry partner, and 2 near industry heads have been selected. As such, a total of 1171 respondents formed the complete sample size of the study.

14. In the first stage, the list of 1227 upgraded through PPP was populated. In the second stage, with a 95% confidence level and 5% margin of error, 293 ITIs were proportionally selected from the NSSO classified six zones. In the third stage, based on the sample size finalized, the proportional spread of beneficiary trainees were finalized so that the sample size statistically remains scientific. The sample size also consisted 293 ITI upgraded buildings, 293 IMC representatives, 244 beneficiary trainees, 12 state representatives from each of the selected states, 12 industry partners, 24 near industry heads. Thus, a total of 1171 sample size formed the entire unit of our study. The research tools like questionnaire, in-depth interviews, and observation were administered.

15. Regarding the revenue model, the ITIs rated with '95% and above' filled-up allotment were found in the state of Odisha followed by Tripura (33.33%) and West Bengal (30.00%) whereas, ITIs in Assam, Madhya Pradesh, Tamil Nadu and Uttrakhand were not found filling up 95% and above seats in the last three years. 70 to 95% of the ITIs in Maharashtra have filled-up their seats under quota in the past three years whereas, only 1.08% of ITIs in the state have filled-up more than 95% of seats allotted. The second state after Maharashtra was found to be Uttar Pradesh where 90% of ITIs were found filling up to 70-95% of the seats. The underperforming ITIs in terms of filling-up seats were found in the Karnataka, as 10 ITIs fall in the category of 69% and below, followed by Tamil Nadu (7), and Madhya Pradesh (6).

16. The Government ITIs of Maharashtra could generate more than the expected revenue due to 20% of unpaid seats. The Government ITIs in the state of Odisha scored an abysmal score on revenue generation. The Government ITIs in the state of Gujarat (155.1 lakh), Karnataka (92.82 lakh), Maharashtra (427.92 lakh), Tripura (12.48 lakh), and Uttrakhand (44.28 lakh) hit the benchmark of 20%. However, the Government ITIs in the State of Assam (10.2 lakh), Madhya Pradesh (34.8 lakh), Tamil Nadu (59.1lakh), Uttar Pradesh (171.06), and West Bengal (16.38 lakh) attained more than the minimum benchmark of 10%. There were only two States, namely Odisha (0.0 lakh) and Chhattisgarh (3.72 lakh) that were found to be performing below the target of revenue generation. The R-Square (0.93) informed the independent variable (total expected revenue) explained the dependent variable (actual revenue generation) by 93%. It was inferred that the change in total expected revenue (20%) got a positive influence on actual revenue generated. One percent increase in expected revenue of 20% led to 1.08 percent increase in the actual revenue generation.

17. On average the interest loan accrued on the interest-free amount was calculated to be Rs. 123.03 lakh with a maximum of Rs.199.18 lakh and a minimum of Rs. 25.07 lakh. The IMCs having above the average of accrued interest on the interest-free loan were found in Maharashtra (Rs. 199.18 lakh), followed by Madhya Pradesh (Rs.181.66 lakh), Gujarat (Rs. 155.60 lakh), West Bengal (Rs.148.40 lakh), Karnataka (Rs. 148.38 lakh), and Chhattisgarh (Rs. 142.80 lakh). Below the average accrued interest on the interest-free loan was found with the IMCs in the state of Assam (Rs. 120.98 lakh), followed by Odisha (Rs. 116.65 lakh), Uttrakhand (Rs. 99.18 lakh), Uttar Pradesh (Rs. 93.47 lakh), Tamil Nadu (Rs. 44.99 lakh) and Tripura (25.07 lakh). Overall, considering the revenue generated from 20% of the total seats of IMCs and available interest accrued on the interest-free loan, the amount may easily be repaid to the Central Government.

18. It was found that an average of Rs. 181.22 lakh got utilized by each IMC of the sampled ITIs of states with a minimum of Rs. 55.44 lakh, and a maximum of 316.05 lakh. Each ITI utilizing above the average amount of Rs. 181.22 lakh were found in the state of Odisha (Rs. 316.05 lakh), followed by Tripura (Rs. 287.83 lakh), Madhya Pradesh (Rs. 215.32 lakh), Uttar Pradesh (Rs. 213.18 lakh), Chhattisgarh (Rs. 196.91 lakh), Karnataka (Rs. 186.46 lakh), and West Bengal (Rs.182.93 lakh). The below average interest-free loan utilizing IMCs for of upgraded government ITIs were found in the state of Assam (Rs. 170.63 lakh), followed by Gujarat (Rs. 168.83 lakh), Maharashtra (Rs. 86.04 lakh), Uttrakhand (Rs. 95 lakh), and Tamil

Nadu (55.44 lakh). Overall, the central and eastern zone states utilized the interest-free loan to a great extent, followed by western, southern, north-eastern & northern zones.

19. The highest percentage of candidates appearing for the examination in the ITIs upgraded with regard to the intake capacity was found in the state of Assam (0.53%), followed by Chhattisgarh (0.41%), and Gujarat (0.36%). The underperforming state in this connection was found to be Tripura (0.19%) which is the first KPI, laid down under the scheme. The benchmark fixed was 70% to be further taken to 95% in the next few years was not found to even 1% across the sampled states. Moreover, the first KPI seems to be unrealistic. However, the State Steering Committee which is entrusted with the task of reviewing the performance of each IMC every year by the end of December should have brought to the notice of the National Steering Committee. The delegated task to SSC has not been properly been executed relating to the first KPI.

20. The states of Assam, Karnataka, Odisha, Tamil Nadu, and Tripura showed a hundred percent success rate of trainees passing the exam followed by Chhattisgarh (92.31%), Uttar Pradesh (91.18%), Maharashtra (89.47%) and Uttrakhand (83.33%). All twelve states fulfilled the criteria of candidates passing out i.e. more than 70-90%.

21. Keeping in view the central thrust of the scheme, employability is the central motif threaded through the texture of the overall skill ecosystem at the upgraded government ITIs. In this connection, the scheme with its five Key Performance Indicators (KPI) stipulates under its 3rd KPI that the percentage of passed out student employed/self-employed within one year of passing out. Tripura is the only state with a hundred percent success rate of candidates getting wage employment after the course on the said indicator. The other states in the descending order are Assam (80%), Uttar Pradesh (52.94%), and Maharashtra (51.32%). Chhattisgarh, Gujarat, Karnataka, Tamil Nadu, and Uttrakhand were not found filling up the criteria of the wage employment rate of above 50% after course completion. However, self-employment is little more evident in the beneficiaries sampled. Overall, the criteria laid down under the scheme of 70% of the overall employment were largely met with (within one year of passing out). The P-value of one tail is 0.29 which shows that it is least significant. However, the critical f value of 2.81 against the F value 1.38 fails to reject the hypothetical view of both wage and self- employments are interrelated.

22. Out of the 293 ITIs physically verified, a total of 189 buildings were found to be constructed with state-of-the-art infrastructure. The building of Govt. ITI, Pratapgarh, Uttar

Pradesh was found to be not constructed. 103 sampled ITIs were found to be constructed not on state-of-the-art infrastructure standard. The maximum percentage of state-of-the-art buildings were found to be constructed in the Government ITIs of Tripura (100%), West Bengal (100%), and Odisha (100%), followed by Gujarat (91.2%), Madhya Pradesh (77.8%), Maharashtra (75.3%), Chhattisgarh (62.5%), Uttar Pradesh (58.1%), Assam (50%), and Tamil Nadu (8.3%). Most of the ITIs of Uttrakhand (100%) and Tamil Nadu (91.7%) were found as normal buildings. The same follows in descending order to the ITIs of Karnataka (64.3%), Assam (50%), Uttar Pradesh (39.5%), Chhattisgarh (37.5%), Maharashtra (24.7%), Madhya Pradesh (22.2%), and Gujarat (8.8%).

23. In the Government ITIs of Uttar Pradesh and Maharashtra, 3 candidates each were found from 'Divyangjan' category. The highest number of trainees from the APL and BPL category were found in the state of Maharashtra i.e. 40 and 36, respectively. The number of APL category candidates were found from the ITIs of Gujarat (25), followed by Uttar Pradesh (21), and Madhya Pradesh (15). The number of BPL candidates were found in the states of Karnataka (21), Uttar Pradesh (13), Madhya Pradesh (12), Chhattisgarh (10), and Tamil Nadu (10). No trainee from Tamil Nadu belonged to the APL category. The women representation was accounted for 29.5%. Out of the total sampled states, the maximum women representation was found in the state of Tripura (50%), followed by each 38.2% in Maharashtra and Uttar Pradesh, Gujarat (32.1%), Chhattisgarh (30.8%), West Bengal (30.0%), Odisha (25%), Tamil Nadu (20%), Karnataka (8.7%), Uttrakhand (8.3%) and Assam (2%). On average, the representation of 6 women has been found across the sampled states.

24. Feedback recorded on the components like Infrastructure, Training Kit, Receptivity, Participation, Course Content, Use of the Digital Tool, Reading Material, Placement Cell, Overall Training Ecosystem, Exposure to Marketable and Practical sessions; using Likert Scale; were collated and analyzed. The highest rating was received from the ITIs of Odisha (4.34), followed by Tripura (4.32), West Bengal (4.21), Assam (4.05), Gujarat (3.99), Uttar Pradesh (3.94), Madhya Pradesh (3.70), Maharashtra (3.69), Uttrakhand (3.69), Chhattisgarh (3.59), Karnataka (3.24) and Tamil Nadu (3.00). The minimum overall rating of 3.00 was recorded in Tamil Nadu, which signifies 'Neutral' satisfaction levels. A maximum score of 4.34 was recorded in Odisha, which signifies a satisfaction level between 'Satisfied' and 'Highly Satisfied', slightly leaning towards 'Satisfied'. The average overall rating for all the

states was found to be 3.81, which represents that the beneficiaries were almost reached the level of being ‘Satisfied’. Statistical analysis informs the standard deviation of 0.41, which indicates that the ratings are spread to the mean (3.81) very closely. The skewness of the data is -0.59, therefore the data is fairly symmetrical, with a very slight negative skew. The kurtosis is found to be -0.12. Therefore, the data is Mesokurtic and is normally distributed.

25. For Infrastructure, the feedback recorded for Odisha was found to be the highest (5.00), followed by Tripura, Assam, West Bengal, Gujarat, Maharashtra, Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Uttrakhand, Karnataka, and Tamil Nadu. The minimum rating was for Tamil Nadu (3.20) and the maximum for Odisha (5.00). The average Infrastructure rating was 3.99. In terms of training kit, Odisha was highly rated (5.00), followed by Chhattisgarh, West Bengal, Uttar Pradesh, Gujarat, Uttrakhand, Madhya Pradesh, Chhattisgarh, Assam, Maharashtra, Karnataka, and Tamil Nadu. Tamil Nadu had the lowest rating for training kit (3) and Odisha, the highest (5). The average rating was 3.87. The rating on receptivity was found highest in the ITIs of Tripura (4.50), followed by Odisha, West Bengal, Assam, Uttar Pradesh, Gujarat, Madhya Pradesh, Chhattisgarh, Uttrakhand, Maharashtra, Karnataka, and Tamil Nadu. The minimum rating on the component was scored in the ITIs of Tamil Nadu (3.1) and the maximum for Tripura (4.5) while the average was 3.82. In terms of participation, the rating was highest for Tripura (4.50), followed by West Bengal, Assam, Odisha, Gujarat, Uttrakhand, Uttar Pradesh, Maharashtra, Madhya Pradesh, Chhattisgarh, Karnataka, and Tamil Nadu. The minimum participation rating was the lowest in Tamil Nadu (3.1) and highest in Tripura (4.5) with an average of 3.91. In terms of course content, Tripura was rated highest (4.00), followed by West Bengal, Uttar Pradesh, Gujarat, Assam, Odisha, Madhya Pradesh, Uttrakhand, Maharashtra, Karnataka, Chhattisgarh, and Tamil Nadu. The maximum rating was in Tripura (4.0) and the minimum, Tamil Nadu (3.1). The average of all the states was 3.93. For the use of digital, Tripura (4.00) was rated highest, followed by West Bengal, Uttar Pradesh, Gujarat, Assam, Odisha, Madhya Pradesh, Uttrakhand, Maharashtra, Karnataka, Chhattisgarh, and Tamil Nadu.

26. The revenue model designed is sufficient to maintain the buildings, tools, equipment, and the required number of human resources to conduct skill training. However, after the moratorium period of 10 years, the interest-free loan is to be repaid in 20 years with an equal installment of Rs. 12.50 lakh. It requires setting up of dedicated monitoring cell with skilled consultants to take up the matter with the ITIs through the State Governments. This is going

to be a mammoth task at the end of the Central Government. Side by side, the State Governments may also be instructed to monitor the overall functioning of the IMCs to lead the institution with accelerated growth and development so that the momentum is not trapped by any spatial inertia.

27. The input-use efficiency ratio has been 0.4 across the years. It shows that outcome-based fixed amount has been released for the upgradation of 1227 Government ITIs through PPP. Indeed, the interest-free loan of Rs. 2.5crore/ITI have been released to IMCs. The revenue model of ITIs is sustainable to the extent that the key Performance Indicators (KPIs) mentioned in amended guidelines are adhered to. The demand for 20% seats in the IMC quota can be filled-in provided the percentage of candidates passing out can be maximized along with their ensured placement. The ensured placement depends on the quality of training being imparted through updated trainers and amenable IT labs. It has been found during the study that the labs were neither updated with advanced tools and equipment nor bestowed with proficient trainers. However, in some of the cases, IT labs as well as the trainers were found very responsive.

28. The feasibility of the Institute Development Plan (IDP) reviewed by the State Steering Committee was partly executed so long as the hiring of contractual staff was concerned. It was fully accomplished in terms of the operationalization of civil work. However, some of the ITIs are still undergoing construction and maintenance. The interest-free loan of 2.5 Crore has been used efficiently in a selected ITIs. In most of the cases, the Interest-free loan was found to be deposited in the banks to attract interest. The interest accrued on the interest-free loan has gone to such an extent that the ITIs are feasibly prepared to repay the amount. However, civil works, tools, and equipment, etc. have also been conducted in the ITIs in the sampled states. The industry partners and similar other industry heads have been found being invited to the government ITIs in their orientation courses. They are also invited to take classes. Most of the industry partners have been found giving preference to the trainee students after the successful completion of their courses. Most of the ITI buildings have state--of-the-art infrastructure as prescribed by NCVT. However, in fewer cases, such buildings have not been found.

29. The scheme has completed its duration of releasing the funds for operationalizing the upgradation of 1227 ITIs through PPP. However, it requires re-structuring at the level of expediting the recovery of the interest-free loan amount. The outreach of the scheme has been

recognized in 30 States/UTs. The scheme is effective in the sense that it is intended to fulfill our dream of 'AatmaNirbhar Bharat' through broad-based skilling to youth.

Recommendation for Scheme with reasons

The scheme of "Upgradation of 1396 Government ITIs through PPP" has been operationalized in 1227 Government ITIs and an interest-free loan of Rs. 3067.50 crore has been released to the ITIs at the rate of Rs. 2.5 crore to each ITI. Considering 30% women and 60% rural share, 100% wage and self-employment with f value 1.38 and critical f value 2.81 (through F-test), 1.08 coefficient for expected revenue through 20% IMC quota (with R-square 0.93 and p-value 0.00), an average interest of 123.03 lakh accrued on interest-free loan for each ITI, the scheme has largely met its set objectives. **As such, the study team recommends the repayment of the interest-free loan by the IMCs of respective upgraded 1227 Government ITIs.** Furthermore, the following recommendations are made to recover the loan as well as improve the effectiveness of 1227 Government ITIs upgraded. These are as under:

1. A dedicated project management unit (PMU) needs to be set-up with the department to take up the matter of loan recovery from the 1227 Government ITIs through the State Governments. A dedicated PMU with eloquent consultants needs to be set-up to follow-up with loan recovery.
2. Based on the information received from the banks, on average the interest accrued on interest-free loan laying with IMC bank accounts has been found to be 123.03 lakh. In such cases, the moratorium period of 20 years seem to be too long. As such, it is recommended to reduce the duration of loan pay-back. The Ministry is advised to issue an immediate letter to the State Governments that those IMCs having loan interest of Rs. 125 lakh or above should repay the interest accrued against the loan, as the part payment. It would help the Government to use the resource for other key purposes and minimize the opportunity costs involved in it.
3. The repayment of a loan does not mean that KPIs are abrogated. To improve the effectiveness of ITIs, the SSCs should continue reviewing the performance of ITIs on quarterly basis.
4. It is recommended that IMCs should take necessary steps in organizing Skill Development Initiatives. It would be the responsibility of the States to ensure that the ITIs are taking lead in organizing such initiatives.

5. Need-based professional agency may be hired by IMCs for a transitional period of two years. The agency hired should be able to provide multi-disciplinary support to a cluster of the IMCs regarding the direction in which the ecosystem of training is to be revitalized. During the two years of transitional phase, capacity building of the staff should be undertaken.

6. The Department may like to organize a workshop annually with the SSCs to know the status of upgraded ITIs in terms of meeting the KPIs' benchmarks and challenges thereof. The 'best practice of ITIs upgraded' may be shared amongst all the ITIs for replication.

2. OVERVIEW OF THE SCHEME

The scheme of "Upgradation of 1396 Govt. ITIs through Public-Private Partnership (PPP)" is the part of upgradation of 1896 Govt. ITIs in the country, of which 500 Govt. ITIs were already upgraded. The process of upgradation was started in the year 2005-06. The scheme with a total outlay of Rs. 3665 crore (Rs. 3490 crore for upgradation of 1396 ITIs @ Rs. 2.5 crore per ITI and Rs. 175 crore to form management, monitoring, and evaluation of the scheme) was framed. However, the scheme of Upgradation of 1396 Government ITIs have been operationalized in 1227 Government ITIs across 30 States/UTs during the XI plan period. In this regard, an interest-free loan of Rs. 3067.5 crore has been released to Government ITIs at the rate of Rs. 2.50 crore to each ITI. The Institute Management Committee (IMC) headed by an Industry Partner has to lead the ITI and the upgradation process as per Institute Development Plan (IDP). The IMC may utilize the interest accrued for the purpose of activities spelled out in the Institute Development Plan (IDP) after careful planning and also ensure that payment is not affected due to the use of interest. Accordingly, the IMC may use the interest accrued for the purpose of the salary of contractual staff and the limit of expenditure for manpower which has been enhanced from Rs. 25-30 lakhs to 50 lakhs. The interest-free loan amount of Rs. 2.5 crore has to be repaid after a moratorium period of ten years from the year in which the loan was released to the IMC. After the moratorium period, the loan is payable by the IMCs in 20 equal annual installments of Rs. 12.50 lakhs. The first installment is repayable from the 11th anniversary day of drawl of the loan. In case of default in repayment of installment of the loan, the National Steering Committee (NSC) may impose a penalty on such overdue payments or take action deemed fit.

Indeed, the upgradation of the Government ITIs through PPP aims at improving the quality of infrastructure available at Govt. ITIs. Through upgraded ITIs, the improvement in the employment outcomes for the graduates from the vocational training system can be effectively attained by making the design and delivery of training more demand driven. For each ITI to be covered under the scheme, one industry partner is associated to lead the process of upgradation in the ITI. The industry partner is identified by the State Government in consultation with industry associations. For each selected ITI, an Institute Management Committee (IMC) is constituted/reconstituted. The IMC is converted by the State Government into a society under the relevant Societies Registration Act. The IMC registered as a society is entrusted with the responsibility of managing the affairs of the ITI under the Scheme. The IMC is led by an Industry Partner as the chairperson. Four members from the local Industry is to be nominated by the Industry Partner in such a way that the IMC is broad-based. Five members nominated by the State Govt. are: (1) District employment officers, (ii) One expert from local academic circles, (iii) One senior faculty member, (iv) One representative of the students, and (v) The principal of the ITI happens to be an ex-officio member secretary of the IMC Society. A memorandum of Agreement (MoA) is signed among the Central Government, State Government, and the Industry Partner in which the terms and conditions for participating in the scheme and the roles and responsibilities of different parties are spelled out. To give the IMC chairman representation in the State level committee formed for the scheme, it was decided that 3 IMC chairmen may be nominated in SSC also along with the present practice of nomination by Industries Association. The MoA is signed by the Industry Partner or its representative on behalf of the IMC. The MoA is effective upto the repayment of the loan provided to the IMC. The IMC is delegated with the power to determine upto 20% seats in the admission of the ITIs. It is desirable to fix a minimum fee of Rs. 5000/-per candidate per year for admission in all the 20% of the seats to be decided by the IMC, at least 10% of the total seats are to be filled at the minimum fee of Rs. 5000/- per candidate per year, as delegated to the IMC.

The specific functions and responsibilities of the IMC for upgradation of the ITI are spelled out in the MoA and included in its Memorandum of association and rules and regulations. The roles and responsibilities of industry partner is also mentioned under the scheme. Though financial contribution by the Industry Partner is not a pre-condition to participate in the scheme, however, it is desirable if the industry Partner may contribute machinery, tools, and equipment, etc. which may be instrumental in furthering the overall functioning of the ITI. The Industry Partner also arranges to provide training to the faculty members and on job training to the students of the ITI. The administrative control of the staff of the ITI remains with the State Government and it continues to pay their salaries and other emoluments. The State Government is required to ensure that the sanctioned strength of the instructors in the ITI is always filled up and in no case, the vacancies exceed 10% of the sanctioned strength at any point of time. They are required to ensure that all additional positions required by the ITIs are sanctioned and filled up on priority. It has to ensure the provision of funds to meet office expenses, administrative, and other recurring expenses of the ITIs. The State Government, as the owner of the ITI, continues to regulate admission and fees except for upto 20% of the admission which is determined by the IMC. The minimum salary of Rs. 14000/-per month has been prescribed for contract instructor with an annual increase 5% which is also aligned with the approval of the NCVT.

To monitor the scheme, the Central Government has constituted a National Steering Committee (NSC) with adequate representation from industry, State Governments, and other Central Government Departments to act as an Apex body for guiding implementation and monitoring of the scheme. However, it has also been decided that 2-3 chairmen of good IMC may also be taken as members of the National Steering committee so that all relevant issues may be discussed and decided upon by the NSC. The provision of setting of the National Implementation Cell (NIC) is laid down under the scheme. To monitor the implementation of the scheme at the State level, the State Government has set up a State Steering Committee (SSC) with adequate representation from the Industries. The SSC is assisted by the State Implementation Cell (SIC) with sufficient staff for management, monitoring, and evaluation of the scheme at the State level. For proper monitoring of the ITIs, the laid down six Key Performance Indicators (KPI) in the original scheme guidelines were converted into: (a) percentage of candidates appearing in the examination vis-à-vis intake capacity, (b) percentage of candidates passing out vis-à-vis candidates appearing in the examination, (c) percentage of passed out students employed/self-employed within one year of pass out, (d) revenue generation and (e) re-affiliation, if due. It has also been stipulated under the scheme that the KPI (a) and (b) are to be achieved to the level of 70% and be taken upto the level of 95% in the next few years; and KPI no. (c), an initial benchmark of 50% for wage employment and 70% for overall employment along with the revenue generation of Rs. 5 lakh, Rs. 10 lakh and Rs. 15 lakh for the years 2014-15, 2015-16 and 2016-17, respectively. The KPI no. (e) Re-affiliation stipulates for the re-affiliation to be done by August 2015, if due. Side by side, non-achievement of 70% level of KPIs, not fixing the salary of contract Instructors to the level of prescribed and not ensuring that at least 10% seats are filled at the minimum fee of Rs. 5000/- per year, the state will invariably change the chairman of the IMC within 6 months after such 2 years. In case the state does not change the Chairman of IMC within six months, the Central Government shall have the power to get the bank account of such IMC frozen and to issue instructions with respect to the utilization of funds in the manner deemed appropriate. In addition, the Central Government may also ask the IMC to prepay Rs. 10 lakh to central Government for every default.

The interest-free loan is released to the IMC is directly based on the Institute Development Plan (IDP) prepared by it. The IDP is developed in such a way that it leads to upgradation of the ITI as a whole. Simultaneously, the upgradation in the particular trade sector is also taken up by the Institute Development Plan (IDP). The IDP has to define the long-term goals of the Institute i.e. the issues, challenges facing the Institute and the strategies for dealing with them. The IDP is submitted to the State Steering Committee (SSC), which scrutinizes it and forwards it to the Central Government for the release of funds. The interest-free loan received by the IMC is kept in a separate bank account opened in the name of the IMC in a public sector bank. Any private contributions, special grants from the State Government, and revenue generated by the IMC are also deposited in the bank account. The loan amount may be used for providing additional civil work in the ITI, which shall not exceed 40% of the interest-free loan i.e. upto 1 crore. There are identified authorities of the IMC who own specific financial powers to incur expenditure of any nature with the set monetary limits. The ITI Principal/Secretary of IMC is restricted with the financial power of upto Rs. 50,000. The Works and procurement Committee of IMC Society is restricted with the financial power upto Rs. 15 lakh and the governing council of IMC, greater than Rs. 15 lakh.

For the repayment of the loan, there is a moratorium of 10 years from the year in which the loan is released to the IMC. After the moratorium, the loan is payable by the IMC in equal annual installments over a period of twenty years, the first installment repayable from the 11^{th} anniversary of the day of withdrawal. In case of default in payment of installment of the loan, the NSC may impose a penalty on such overdue payments or take other action deemed fit. The IMC has to maintain regular books of accounts get them audited and prepares annual reports and statements of accounts as required under the relevant Societies Registration Act. The Central Government may call for its books of accounts, vouchers, documents etc. relating to any accounting year and also authorize an officer for their inspection.

Overall, the scheme of "Upgradation of 1396 Govt. ITIs through PPP" aims at improving the employment outcomes of graduates from the vocational training system, by making design and delivery of training more market-driven. The creation of the state of art infrastructure, the formation of IMC, linking the training centers with industry partners, and preparation of Institute development plans are some of the central contours of the scheme.

2.1 BACKGROUND OF THE SCHEME

The scheme of "Upgradation of 1396 Government ITIs through Public-Private Partnership" was started keeping in view providing state-of-the-art infrastructure for the graduates willing to undergo vocational training courses. The scheme also intends to rationalize the skill-training aligned to market demand. The broader umbrella of the Ministry includes industry laid Mentor councils for revision of curricula, Flexi MoU based industry-driven courses with NCVT certification, the introduction of semester system examination, capacity building of Principals and faculty of ITIs. Setting up incubation centres and chairs in premier institutions like IITs, revamp of SDI scheme and Apprenticeship scheme and setting up new ITIs and ATIs though viability Gap funding in PPP mode. To resurrect the ITIs with a conducive eco-system for the skill training, the implementation of the scheme has been prioritized by the Ministry. At the same time, to meet the comparative shortage of the level of manpower in the country, the ecosystem of training requires upgradation and modernization. A total of 900 ITIs were covered under the scheme during 2007-08 to 2009-10. Due to a ceiling of 300 crore in RE 2011, only 120 proposals were processed. To monitor the utilization of funds by the IMC societies and review the progress of implementation of the scheme, the coordination among industry partners and principals of ITIs was emphasized. After covering 1020 ITIs under the scheme up to 2010-11, the remaining 376 ITIs were taken forward during 2011-12. It was prescribed that ITIs established before 01.01.2007 with NCVT affiliation and having own building, ITIs established before 01.01.2007 with SCVT and having own building and ITIs established after 01.07.2007 with NCVT/SCVT and having own building for starting new trades were covered under the scheme. The creation of a dynamic and demand-driven curriculum framework is inbuilt in the modernization of the Govt. ITIs. The modernization of Govt. ITIs would attract the potential learners to get transformed into skilled manpower, thereby finding placement in the market. The Institute Management Committee with three revised KPIs has to ensure the set targets. The scheme “Upgradation of 1396 Government ITIs through PPP” has been operationalized in 1227 Government ITIs throughout the country during the XI plan period. An interest-free loan of 3067.50 crore has been released to the ITIs at the rate of Rs. 2.50 crore to each ITI. The Institute Management Committee (IMC) headed by the Industry Partner has to lead the ITI and the upgradation process as per the Institute Development Plan (IDP). It was also placed that accreditation of ITIs to be conducted by the Quality Council of India (QCI) and accreditation by QCI was made a pre-condition by the National Council of Vocational Training (NCVT) for the award of NCVT affiliation. To enable to obtain accreditation from QCI, the IMCs of ITIs covered under the scheme can use the interest-free loan released/ revenue generated/interest accrued. The works, procurement of goods, services, consultancy, etc. may be expedited through the interest-free loan given to the

IMCs. Five recommendations were suggested by the working group to revamp the ITIs. First, the industry located beyond the 100 km radius can also be selected as Industry Partner for the ITIs covered under the scheme. However, preference should be given to those who are located in and around the area. Second, admission to the seats declared by the IMC applies to all the trades being run in the ITI and not only to the trades which being upgraded under the scheme. Third, institute development (IDP) should be revised and updated at least three months before the expiry of the period for which it was approved earlier. Fourth, States to ensure that adequate administrative and financial powers are delegated to the IMCs as envisaged in the Memorandum of Agreement. Finally, to improve industry linkages and raise overall academic standards, IMCs should strive to include additional, non-voting members from the industry beyond the core strength of 11 members. Thus, the scheme of 'Upgradation of 1396 Government ITIs through PPP' came into existence as an initiative to standardize the quality of skill training thereby ensuring youths to harness employment opportunities in a competitive market situation.

a) Brief Write up on the Scheme including Objectives, Implementation Mechanism, Scheme architecture/design

The scheme of 'Upgradation of 1396 Government ITIs through Public Private Partnership' was started in 2007 to equip the ITIs with state-of-the-art infrastructure coupled with developing a sustainable revenue model for functioning. The sustainable revenue model of ITIs' functioning would enhance the potential of ITIs to address and mold itself in the direction of market demand. Thus, the overarching objective of the scheme is to improve the employment outcomes of graduates from the vocational training system, by making the design and delivery of training more demand responsive.

The scheme is operationalized through eleven stages. First, for each ITI covered under the scheme, one industry partner is identified by the State Government in consultation with the industry associations. The ITIs identified for upgradation under the scheme are to be affiliated with National Council for Vocational Training (NCVT).

Second, If IMC does not exist in the selected ITI, it has to be constituted as per the composition given in the memorandum of agreement. If IMC already exists, it may have to be reconstituted in view of the fact that under this scheme, the chairperson of the IMC will be Industry Partner or its representative. The other four members from the industry are also nominated by the Industry Partner in such a way that the IMC is broad-based. The five members to be nominated by the state governments are: (1) District Employment Officer, (2) One representative of the State Directorate dealing with ITIs, (3) One expert from the local academic circle, (4) One senior faculty members of the ITI, (5) One representative of the trainees.

Third, once the IMC is constituted/ reconstituted, it has to be registered as a society under the Societies Registration Act applicable in the State.

Fourth, after registration of the IMC as a society, the Memorandum of Agreement has to be signed among the Central Government, will sign on behalf of Industry Partner as well as behalf of the IMC as its chairman. Simultaneously, a bank account is to be opened in the name of the IMC Society in a conveniently located Public Sector Bank having CBS or RTGS facility so that the loan amount sanctioned to the IMC society may directly be deposited in it.

Fifth, the State /UT Government has to take steps to delegate powers to the IMCs as per the Memorandum of Agreement.

Sixth, the State/UT government has to constitute a State Steering Committee and set up a State Implementation Cell (SIC) for management, monitoring, and evaluation of this scheme as provided in the Memorandum of Agreement.

Seventh, the newly constituted/ reconstituted IMCs, under the leadership of the Industry Partner, has to prepare an Institute Development Plan (IDP) and have to decide their target Key Performance Indicators (KPIs) for the next five years. The IDP shall contain details like 20% of the fund made available under the scheme may be kept as seed money in a corpus fund and how 40% of the interest-free loan i.e. upto Rs. 1 crore is to be utilized for the different components such as civil works, purchase of machinery/equipment and other miscellaneous activities. The IMCs may utilize the interest accrued for the purpose of activities spelled out in the IDP after careful planning and also ensuring that repayment is not affected due to the use of interest. Accordingly, IMC may use the interest accrued for the purpose of the salary of contractual staff and the limit of expenditure for manpower has been enhanced to Rs. 50 lakh.

Eighth, the IMCs have to send the IDPs to the State Steering Committee who examines in terms of their feasibility and overall requirement of the State. The target KPIs for the next five years also have to be examined by the SSC. The target KPIs for each ITI is to be jointly signed by the IMC and State Government in the format. The approved IDPs and KPIs together will be forwarded to the DGE & T by the SSC for the expenditure release of funds.

Ninth, the IDPs and KPI targets are scrutinized and approved by the Central Government, and the sanctioned loan amount released to the IMC Society directly.

Tenth, the released amount is utilized by the IMCs for upgradation of concerned ITIs, and the courses in the upgraded facilities are started from the academic session commencing next to the financial year in which the loan is disbursed.

Eleventh, the utilization of funds and performance of the ITIs is monitored as per the monitoring mechanism set out in the Memorandum of Agreement.

The scheme contains three parties. The first party is the Ministry of Skill Development and Entrepreneurship. The second party is the industry partner. The industry partner for the purpose of representing the industrial training institute is also designated as the third party. The first party designs the policy that skills imparted by the ITIs must keep pace with the qualitative and technological demands of the industry & expanding universe of knowledge. In pursuance with the policy, it has been proposed to take up the scheme of Upgradation of 1396 Government ITIs through Public-Private Partnership with the central objective of improving the quality of training leading to better employability of trainees.

As per the role defined under SECTION A of the scheme, the Ministry has provided interest-free loan upto Rs. 2.5 crore to the IMC based on Institute Development Plan, developed by the Institute Management Committee (IMC) and approved by State Steering Committee. The Institute development Plan forwarded by the State Steering Committee has to be examined by the Ministry and thereafter the fund is to be released within 30 days of the receipt of the proposal. The Ministry has also set up a National Steering Committee as an apex body for guiding the implementation and monitoring of the scheme.

SECTION B of the scheme guideline states that the second party has to constitute the Institute Management Committee (IMC) and register under the relevant Society Registration Act. The IMC society consists of a representative nominated by the ITI to act as chairperson, four other members from local industries, five representatives where-in the principal is the ex-officio Member Secretary. The IMC acts as the Governing Council of the Society. It may associate additional members in the society as per need. The proforma for the upgradation of Govt. ITIs seeks to list the year of establishment, affiliation number given by DGE&T, building status, land area, total construction area, types of industries available in the region, the status of placement cell, trades with high employment potential, the total yearly fee collected from trainees.

b) Name of Sub-Schemes/Component

The scheme of Upgradation of 1396 Government ITIs through Public Private Partnership has four major components:

1 The formation of societies, IMC, etc. as per the State Act and in line with scheme guidelines,

2 Responsiveness to the 5 KPIs laid down.

3 Improving the employment outcomes of graduates, and

4 Devising a sustainable economic model.

It was emphasized to expand the ITI system so that an adequate number of trained manpower can be prepared to reply to the market demand for skilled human resource. The laid down five Key Performance Indicators (KPI) in the scheme are: (i) percentage of candidates appearing in the examination vis-à-vis intake capacity, (ii) percentage of candidates passing out vis-à-vis candidates appearing in the examination, (iii) percentage of passed out students employed/self-employed within one year of pass out, (iv) revenue generation, and (e) re-affiliation, if due.

c) Year of Commencement of Scheme

The scheme of 'Upgradation of ITIs through Public Private Partnership' was started in the year 2007. The scheme 'Upgradation of Govt. ITIs through PPP' has been operationalized in 1227 Government ITIs throughout the country during the XI plan period. An interest-free loan of Rs. 3067.50 crore has been released to the ITIs at the rate of Rs. 2.5 Crore to each ITI.

d) Present Status with Coverage of the Scheme

The scheme has been implemented in 30 States/UTs. These are: (1) Andhra Pradesh (2) Arunachal Pradesh, (3) Assam, (4) Bihar, (5) Chandigarh, (6) Chhattisgarh, (7) Gujarat, (8) Goa, (9) Haryana, (10) Himachal Pradesh, (11) Jammu and Kashmir, (12) Jharkhand, (13) Karnataka, (14) Kerala, (15) Madhya Pradesh, (16) Maharashtra, (17) Meghalaya (18) Mizoram, (19) Nagaland, (20) Delhi, (21) Odisha, (22) Puducherry, (23) Punjab, (24) Rajasthan, (25) Tamilnadu, (26) Tripura, (27) Uttrakhand, (28) Uttar Pradesh, (29) West Bengal, and (30) Dagar and Nagar Haveli.

Out of the upgradation of 1227 ITIs operationalized, the maximum number of ITIs are falling under the state of Maharashtra, followed by Uttar Pradesh (250), Rajasthan (105), Gujarat (91), Punjab (76), Karnataka (76), Madhya Pradesh (74), Andhra Pradesh (61), Haryana (52) Uttrakhand (43), Chhattisgarh (42), Jammu and Kashmir (34), Himachal Pradesh (33), Tamil Nadu (32), West Bengal (28), Kerala (26) and so on.

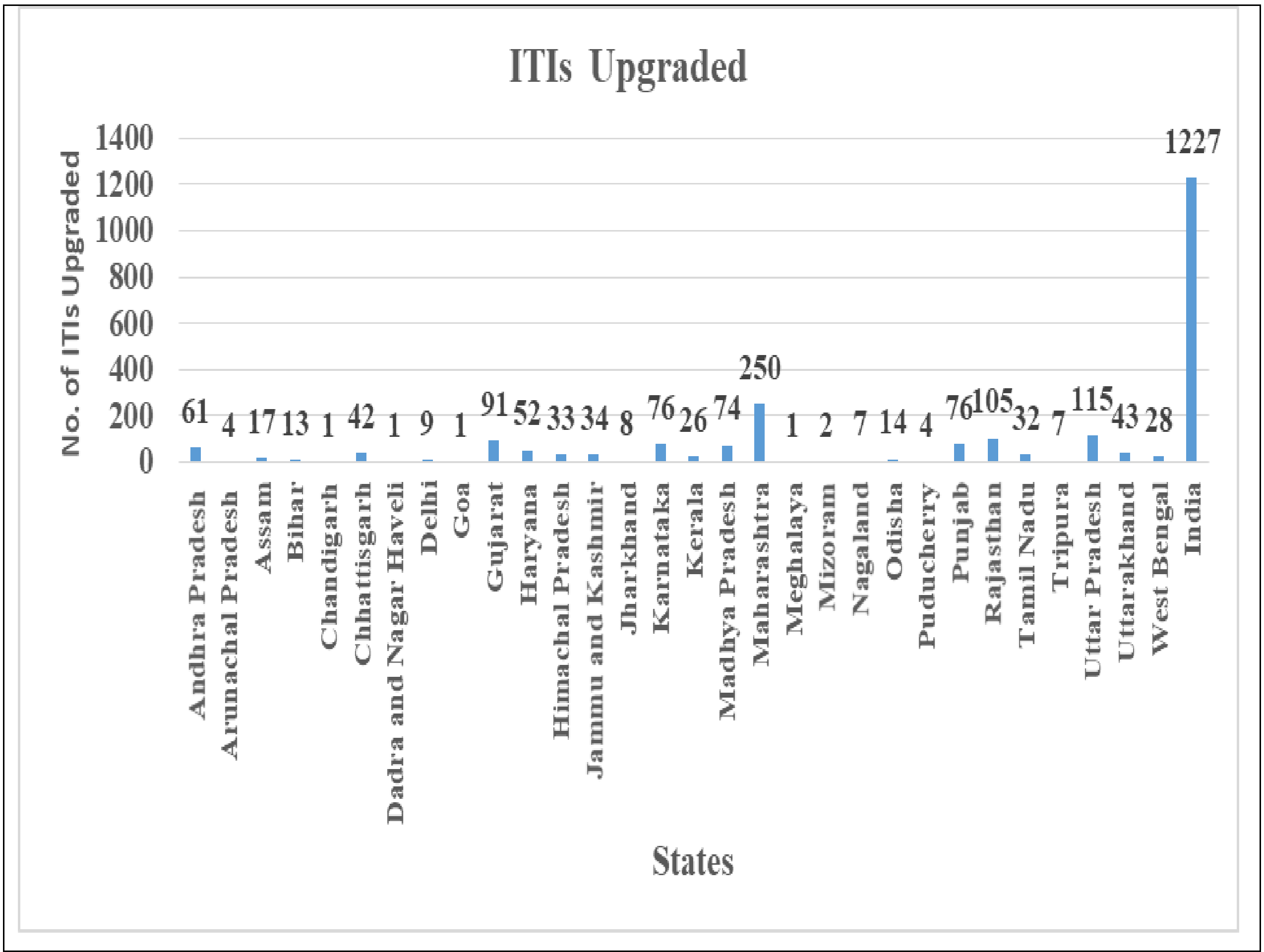

Figure 2.1: Coverage of scheme by state

The bar graph drawn above represents the upgradation of ITIs operationalized under the scheme. The highest number of ITIs have been upgraded in the state of Maharashtra whereas, the lowest being Dadar and Nagar Haveli, Goa, and Meghalaya.

e) Sustainable Development Goals Served

In the broad canopy, the scheme of Upgradation of 1396 ITIs through Public Private Partnership relates with the SDG number 4 (4.4) that states by 2030 substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. The SDG number 8.2 stipulates for achieving higher levels of economic productivity through diversification, technological upgradation, and innovation, including through a focus on high-value-added and labor-intensive sectors. At the same time, the scheme also addresses SDG number 17.16 where-in it has been mentioned that enhance the global partnership for sustainable development, complemented by a multi-stakeholder partnership that mobilizes the shared knowledge, expertise, technology, and financial resources, to support the achievement of SDGs. The scheme of "Upgradation of Government ITIs through PPP" caters to the above three SDGs, namely 4.4, 8.2, and 17.6. By operationalization of 1227 upgraded ITIs, the youth would acquire relevant skills for employability which is also linked with KPI number (3) i.e. percentage of passed out students employed/self-employed within one year of pass out. SDG number 8.2 is linked to the extent that after skill training from the upgraded ITIs, the human resource would bring additional dividends leading to economic productivity. The goal no. 17.6 states the involvement of multiple stakeholders in the development process. To a great extent, the induction of an industry partner as the chairman of IMC fulfills the said objective. Overall, the scheme of Upgradation of 1396 Government ITIs through PPP has been operationalized in 1227 Government ITIs throughout the country that is largely aligned with the SDG number 4.4, 8.2, and 17.6.

f) National Development Plans (NDP) Served

There is a need for creating opportunities for the community towards strengthening the innovation ecosystem and offer them space and an enabling environment for the conceptualization of innovative products. In fulfilling the commitments to serve the society, the creative ideas and innovative thoughts are required to give shape into proof of concept, pre-prototype and prototype having the potential to be transformed into a Minimum Viable Product for the benefit of society and offering unique innovative solutions. The aim to innovate proposes the establishment of community innovation centres for this purpose. These centres will provide requisite infrastructure for innovation in the unserved / underserved regions or having the potential to build innovation ecosystems in various parts of the country. Thus, nurturing entrepreneurs from the community to help them address various societal challenges is one of the motives of the setting of up of 1396 Govt. ITIs through Private Public Partnership.

As per the National Policy for Skill Development-2015, it has been estimated that during 20 years, the labor force in the industrialized world is expected to decline by 4%, while in India it will increase by 32%. To equip our workforce with employable skills and knowledge so that they can contribute substantively to the economic growth of our country. That requires the creation of an appropriate ecosystem that facilitates imparting employable skills to its growing workforce over the next few decades. Under the policy at 4.2.4, it has been mentioned that new ITIs set up in PPP mode especially to unserved blocks of our country would expand the outreach of skilling programme. The major paradigms to and enablers to achieving objectives of skilling are (1) aspiration and advocacy (2) Capacity (3) Quality (4) synergy (5) mobilization and Engagement (6) Promotion and Skilling women (6) global partnership (7) outreach (8) ICT enablement (9) trainers and Assessors and (10) inclusivity. The scheme of "Upgradation of Government ITIs through PPP" largely carries these enablers to attain its key-objectives.

2.2 Budgetary Allocation and Expenditure Pattern of the Scheme

Table 2.1: Budgetary allocation and expenditure pattern of the scheme

Name of the Scheme: Upgradation of 1396 ITIs through PPP					
Sr. No.	**Year**	**(Rs. in Crore)**			**Number of ITIs Upgraded**
		BE	**RE**	**AE**	
1	2007-08	₹ 750	₹ 750	₹ 750	300
2	2008-09	₹ 750	₹ 750	₹ 750	300
3	2009-10	₹ 750	₹ 750	₹ 750	300
4	2010-11	₹ 300	₹ 300	₹ 300	120
5	2011-12	₹ 517.5	₹ 517.5	₹ 517.5	207

The table above presents the budgetary allocation and expenditure pattern of the scheme. The loan as an expenditure on the government was released to the ITIs @ Rs. 2.5 crore per ITI in the five financial years mentioned in the column for the year. It shows that the maximum amount of interest-free loan was released in the three consecutive years, namely 2007-08, 2008-09, and 2009-10. In the last two years, as mentioned in the table, the interest-free loan to the IMC was released less than the other three years. This may also be shown through the graph drawn below:

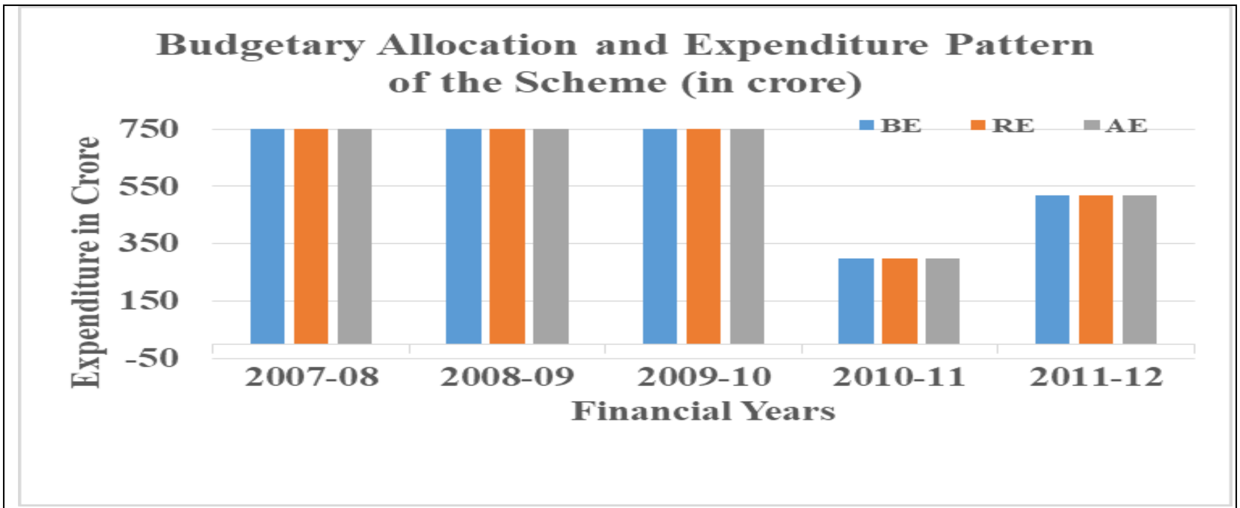

Figure 2.2: Expenditure pattern of the scheme

The diagram drawn above shows the expenditure pattern of the scheme. The first bar stands for budgeted expenditure, second for revised expenditure, and third for the actual expenditure incurred while releasing interest-free loans to the 1227 IMCs of the ITIs.

2.3 Summary of the Past Evaluation

To the best of the information gathered by the Research/study team of IIPA, there has been no such 'scheme evaluation' study that has been conducted. Against this backdrop, there is no information regarding the year of evaluation, agency hired for evaluation, recommendations made and accepted and recommendations made but not accepted.

3. METHODOLOGY

The approach for the study took cognizance of the objectives, processes, and outcomes of the scheme. Parameters were designed to quantitatively and qualitatively assess the objectives of the scheme. The objective-based approach measured if the initially set goals of the scheme were duly met. Apart from the evaluation of the objectives of the scheme, its process, and its outcomes were also studied. Attempts were also made to assess whether the process of the scheme has been instrumental in achieving the desired objectives. Finally, the outcomes of the scheme, in addition to the objectives are evaluated to understand the impact of the scheme on the trainees receiving skill training in their states from the respective upgraded ITIs. The evaluation strategy made use of both primary and secondary data for the assessment of the scheme's goals, processes, and outcomes. Secondary information in the form of Scheme Budget, particularly actual budget from the Directorate General of Training, Ministry of Skill Development and Entrepreneurship was obtained. However, the release of an interest-free loan with a moratorium period of 10 years was made to 1227 IMC @ Rs. 2.5 crore from the year 2007 to 2012. One of the instruments for obtaining primary data was questionnaire. They were made available to the direct beneficiaries of the scheme to understand the effectiveness and gauge the overall success of the scheme. The upgradation work in terms of civil work and equipment procured etc. for 293 ITIs across six NSSO was physically verified to see whether they fulfilled the laid down norms of NCVT. Overall, the impact assessment involved a holistic approach to evaluate the benefits of the scheme and collated suggestions and recommendations received in the form of responses obtained from the candidates who availed the scheme benefits.

The selection of samples under any study was crucial for the evaluation strategy. The sample under study was selected based on the total number of ITIs upgraded. The total number of ITIs was statistically put to a 95% confidence level and a 5% margin of error. Based on this, a total of 293 upgraded sample ITIs were worked out across 12 states.

In accordance with the provisions and guidelines set out by the Ministry for conducting the evaluation study taking into account the set of key objectives of the scheme, structured questionnaires were prepared by the study team. The questionnaires were duly sent to the Ministry for approval before being administered to the beneficiaries and other stakeholders of the scheme.

Subsequent telephonic follow-ups were conducted with the beneficiaries at several stages of the evaluation study to mitigate concerns of attrition bias- a typical factor that tends to undermine scheme evaluation study. The several interaction rounds proved to be significantly effective in obtaining the feedback in terms of existential challenges faced by the stakeholders of the scheme under study. Telephonic conversation and video conferencing were commenced with many beneficiaries to arrive at objective findings. While interacting with the beneficiary trainees, the observation was also applied. As such, the study has used research tools like observation, questionnaires, and in-depth interviews with the representatives of IMC, State Steering Committee, Principals, Industry partners, near industry heads, and trainee beneficiaries. In primary sources, the study consisted of key-informant interviews and focus group discussions. The key-informant interviews with Ministry/Department Personnel at the National level, SSC at the state level, district and block level officials, other stakeholders supporting implementation or indirectly involved in enabling scheme's success and opinion makers at ground level were contacted.

The collected information in the excel sheet was sorted and objective-based findings were brought out. The measure of central tendency has been used to find the quantitative value of indicators with regard to the findings. We have also assessed the scheme to know the extent to which it has increased the employability of beneficiaries. The study is also backed with extensive meta-analysis to provide the scheme assessment.

3.1 Approach (Methodology Adopted), Division of Country into 6 Geographical Regions as Classified By NSSO

With the comprehensive methodology, and pragmatic approach, the evaluation "Upgradation of 1396 Government ITIs through PPP" was conducted. The methodology under the study was designed in such a way that it took the sample size representative of the population (universe). Since the scheme has been implemented in 30 states, so based on the number of the maximum ITIs upgraded, the states were selected from each of the six NSSO classified zones. The sample selection for the evaluation of the scheme by the state are as under:

Table 3.1: Sample size of the study

NSSO	State	Trainees	IMC	ITI Building	Bank	SSC	IP	Near IP	Total
Central	Chhattisgarh	13	16	16	16	1	1	2	65
	Madhya Pradesh	27	27	27	27	1	1	2	112
East	West Bengal	10	10	10	10	1	1	2	44
	Odisha	4	5	5	5	1	1	2	23
North	Uttrakhand	12	16	16	16	1	1	2	64
	Uttar Pradesh	34	43	43	43	1	1	2	167
North-East	Assam	5	6	6	6	1	1	2	27
	Tripura	2	3	3	3	1	1	2	15
South	Karnataka	23	28	28	28	1	1	2	111
	Tamil Nadu	10	12	12	12	1	1	2	50
West	Maharashtra	76	93	93	93	1	1	2	359
	Gujarat	28	34	34	34	1	1	2	134
Total		**244**	**293**	**293**	**293**	**12**	**12**	**24**	1171

Against the proposed sample size of 1167, the study has covered a total of 1171 respondents under the study. Based on the number of Government ITIs upgraded, a total of 293 ITIs have been selected proportionally. The ITIs were selected from 12 states of six regions as classified by the NSSO. However, out of the total ITIs covered under the scheme, with a 95% confidence level and 5% margin of error, 293 ITIs were proportionally been selected from a total of 1227 ITIs upgraded. Thus, the sample size for the study were 293 ITIs upgraded. Against each of the ITIs selected, a bank representative, selected ITI's building, and 244 beneficiary trainees were taken into account. From each of the states, one SSC representative, one industry partner, and 2 near industry heads were selected. As such, a total of 1171 respondents formed the complete sample size of the study.

3.2 Sample Size and sample selection process, tools used

In the first stage, a list of 1227 upgraded Government ITIs through PPP was populated. In the second stage, with a 95% confidence level and 5% margin of error, 293 ITIs were proportionally selected from the six NSSO classified zones. In the third stage, based on the sample size finalized, the proportional spread of beneficiary trainees were finalized so that the sample size statistically remains statistically scientific. The sample size also consisted of 293 ITI upgraded buildings, 293 IMC representatives, 244 beneficiary trainees, 12 representatives from each of the selected states as per the NSSO zonal classifications, 12 industry partners, 24 near industry heads. Thus, a total of 1171 sample size formed the entire unit of our study.

Table 3.2: Research tools used for data collection from various stakeholders

Beneficiaries, Bankers, Industry Partners, ITI Buildings, etc., and Near Industry heads	• Questionnaire • Observation
IMC Representatives and SSC representatives	• In-depth interview • Observation
MSDE	• In-depth discussion

a. Questionnaire

The questionnaire was divided into 4 sections, namely basic details, thematic details, process, and multiple issues. The first section dealt with the personal details of the respondents. The thematic section incorporates questions focusing on the training ecosystem. Emphasis was laid to document the responses against the five KPIs revised vide letter dated 21.07.2014.

b. In-depth Interview

The study team individually interacted with Institutional heads, representatives of IMCs, SSCs, and Ministry to elicit responses relating to the overall achievement of the scheme. The instrument provided qualitative information to the study team. The in-depth interview helped the study team to identify implicit bottlenecks that have been used in the recommendation part of the study.

c. Observation

Observation as a tool was used in understanding the issues and challenges of the scheme. It involved three processes, i.e. (i) sensation (ii) attention (iii) perception. The sensation was gained through the idea pre-conceived through secondary information. The attention was paid to the way stakeholders were found responding. The perception comprises the interpretation of benefits vis-à-vis and the way ITIs were upgraded on the yardstick fixed by the NCVT. Thus, the observation served the purpose of (i) studying collective behaviour and complex situations; (ii) following up of individual units composing the situations; (iii) understanding the whole and the parts in their interrelation; (iv) getting the out of the way details of the situation.

Thus, in the study, the research tools like questionnaires, in-depth discussions, interviews, and observations were used to document the overall performance of the scheme.

4. OBJECTIVE OF THE STUDY

As per the discussion with the programme division of the MSDE, the objectives of the study are as under:

1. To assess the revenue model of ITIs, particularly in terms of sustainability,
2. To evaluate the feasibility of the Institute Development Plan suggested by State Steering Committee, and the extent to which it has been executed on the ground,
3. To study the efficient use of interest-free loans of Rs. 2.5 crore by IMC for (a) Civil Construction, and (b) Tools and Equipment up-gradation.
4. To receive the feedback of Industry partners and similar, other than the industry partners on the trainings imparted by such Institutions,
5. To physically verify the state of art infrastructure have been created in line with NCVT guidelines for the target ITIs,
6. To study whether the structure and design of the scheme require any change, and
7. Suggestions to improve the effectiveness of the Scheme.

4.1 Performance of the scheme based on Output/Outcome indicators

The performance-based output/outcome indicators are as under:

1 Revenue Model of ITIs in terms of Sustainability

2 Execution of IDP on the ground

3 Use of Interest-free loan for Civil Construction and Tools and Equipment Upgradation

4 Employability of beneficiary trainee by Industry partner and Other Industry near ITI

5 State-of-the-Art Infrastructure creation with respect to NCVT Guidelines

1. Revenue Model of ITIs in terms of sustainability

The revenue model of ITI is based on two major components. These components are: (1) the interest part accrued on the 20% of the seed money which is to be used for the purpose of activities spelled out in the Institute Development Plan (IDP) after careful planning, and (2) using 20% of the seats by the IMC at the minimum fee of Rs. 5000/- per candidate per year under the provision given for the IMC. In this regard, at least 10% of the total seats are to be filled up at the minimum fee of Rs. 5000/- per candidate per year for admission in all the trades. However, the fulfilment of 10% to 20% of seats depends on the kind of trade being offered by the respective ITIs and its corresponding market demand. It has been shared by most of the principals of the ITIs that NCVT has allotted a bunch of trades of which some of the trades are not having market demand. At the same time, while filling up the seats, paid seats of government are filled-in first which creates a problem in finding a sufficient number of candidates for the 10% to 20% of IMC seats @ Rs. 5000/candidate/per year. The target revenue generation for the feasibility has to follow a linear progression that has been spelled out and fixed as Rs. 5 lakh, Rs. 10 lakh, and 15 lakh for the years 2014-15, 2015-16, and 2016-17, respectively. The IMCs can generate revenue more than Rs. 5 lakh, Rs. 15 lakh, Rs. 20 lakh and Rs. 25 lakh, respectively in years 2013-14, 2014-15, 2015-16, and 2016-17 may use 20% of the revenue generated for training in India for capacity building of the Principal/faculty (who has contributed the most to revenue generation, as decided by IMC) in courses of their choice. They can also send the contractual faculty for the purpose. If an IMC continues to be eligible for an incentive for consecutive two years, such training courses would be admissible even in foreign countries. Among the eligible IMCs, the highest achievers in every state would be given a special appreciation by DGET and would also be considered for other available training courses in foreign countries. The information garnered from the primary sources are as under:

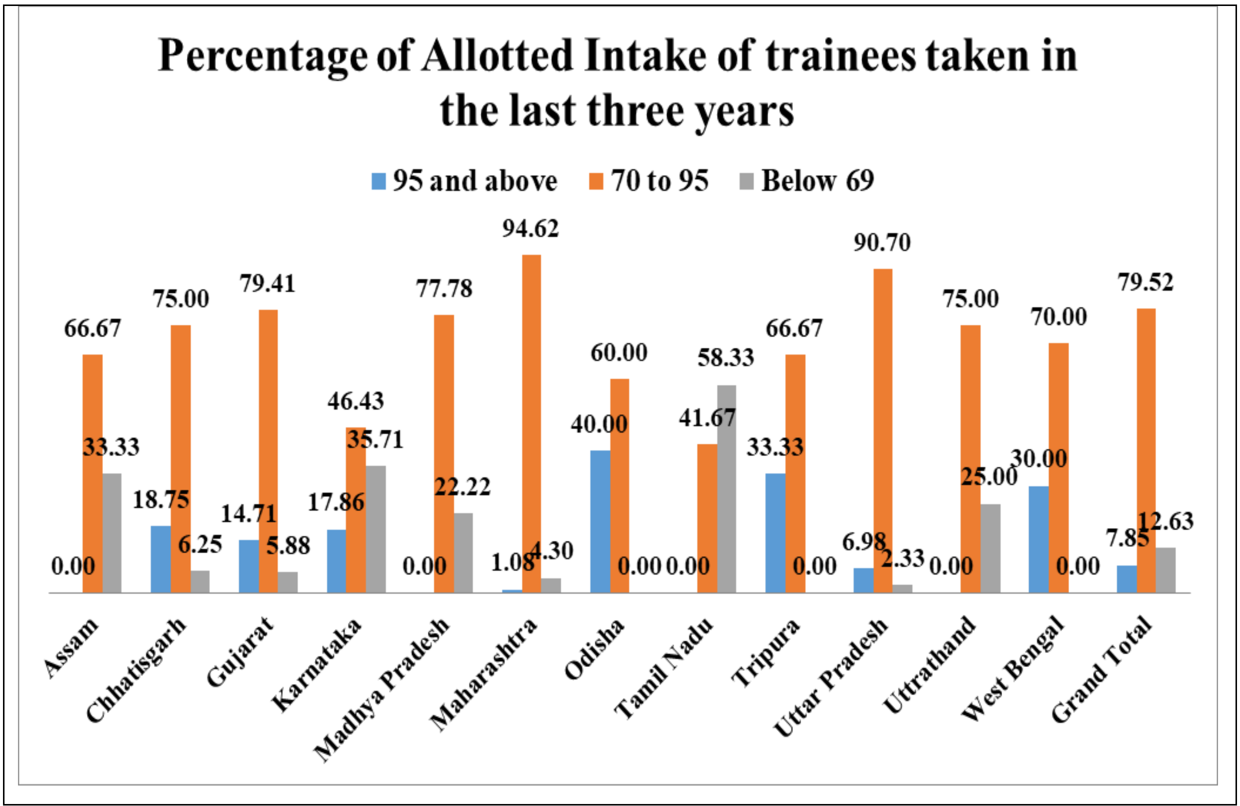

Figure 4.1: Percentage of allotted seats in sampled ITIs across the states

As per the bar graph drawn above the highest of ITIs rated ‘95% and above’ who have filled up their allotted seats are seen in the state of Odisha followed by Tripura (33.33%) and West

Bengal (30.00%) whereas there are no ITIs in Assam, Madhya Pradesh, Tamil Nadu and Uttrakhand who have filled the seats in the last three years. 70 to 95% of the ITIs in Maharashtra have filled in their seats for their trainees in the past three years whereas only 1.08% of ITIs in the state have filled more than 95% of their seats. The second state that follows Maharashtra is Uttar Pradesh where 90% of ITIs in the state have packed their institutes filling up to 70-95% of the seats. The ITIs which have underperformed in filling up of their allotted seats are in Karnataka, as 10 of their ITIs fall in the category of 69% and below, followed by Tamil Nadu(7), and Madhya Pradesh (6).

Table 4.1: Expected, actual, and predicted revenue for the IMCs in sampled government ITIs upgraded (In Lakhs)

States	Expected 20%	Expected 10%	Actual
Assam	10.28	5.14	10.2
Chhattisgarh	32.8	16.4	3.72
Gujarat	135.8	67.9	155.1
Karnataka	82.4	41.2	92.82
Madhya Pradesh	64.32	32.16	34.8
Maharashtra	368.28	184.14	427.92
Odisha	38.04	19.02	0
Tamil Nadu	64.04	32.02	59.1
Tripura	11.8	5.9	12.48
Uttar Pradesh	250.12	125.06	171.06
Uttarakhand	41.88	20.94	44.22
West Bengal	32.52	16.26	16.38

The table shows the revenue model of the Government ITIs upgraded. The calculation has been done based on the number of seats and its 20% or 10% to be fulfilled by the IMCs quotas. The first column is for expected revenue to be generated due to the fulfilment of 20% seats through IMCs. The second column is for the expected revenue to be generated by IMCs by filling 10% of the seats. The third column shows actual revenue generated by the 293 ITIs visited across the States.

Considering the relative monetary value, the Government ITIs of Maharashtra has generated more than expected revenue due to 20% of unpaid seats. The Government ITIs in the state of Odisha has scored an abysmal score on revenue generation. The Government ITIs in the state of Gujarat (155.1 lakh), Karnataka (92.82 lakh), Maharashtra (427.92 lakh), Tripura (12.48 lakh), Uttarakhand (44.28 lakh) have hit the benchmark of 20%. However, the Government ITIs in the State of Assam (10.2 lakh), Madhya Pradesh (34.8 lakh), Tamil Nadu (59.1lakh), Uttar Pradesh (171.06), and West Bengal (16.38lakh) have attained more than the minimum benchmark of 10%. There are only two States, namely Odisha (0.0 lakh) and Chhattisgarh (3.72 lakh) are below the target, as set by the State Steering Committee and endorsed by NSC.

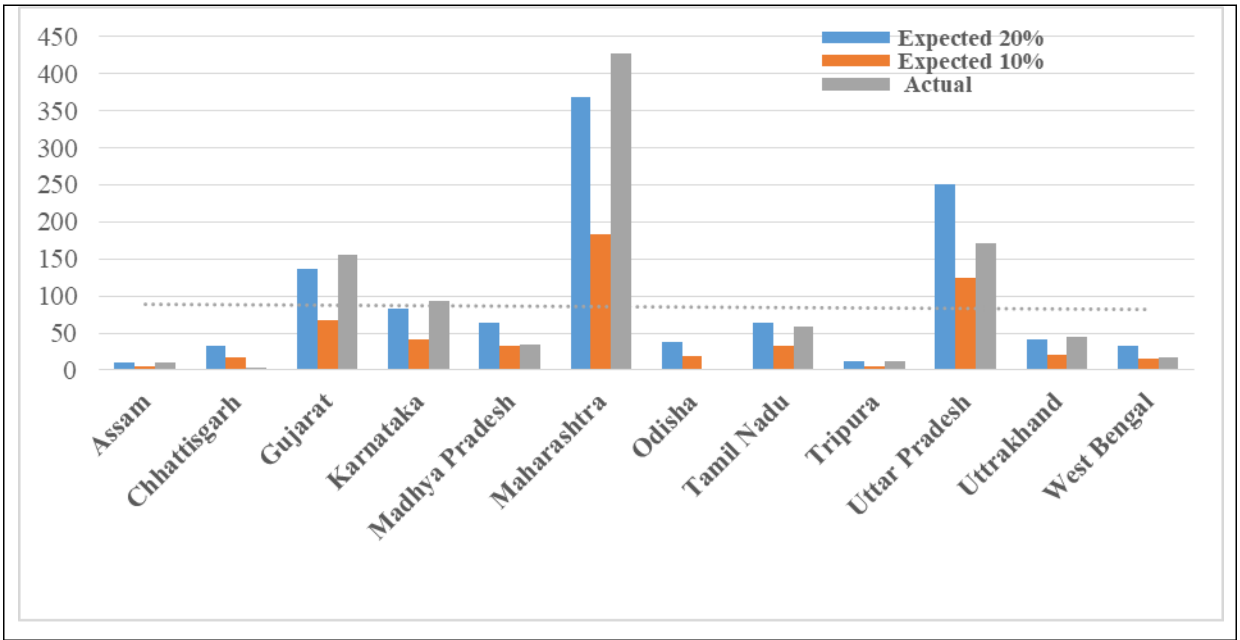

Figure 4.2: Expected 20%, 10% and actual revenue generated in the target ITIs

The bar diagram above shows the expected target of 20%, expected target of 10%, and actual revenue generated by the sampled government ITIs across States. The dotted line shows the range which should have been attained by the upgraded Government ITIs in the sampled States.

Simple linear regression is run to find out the significance of total expected (20%) is affecting the Actual revenue generated.

$$\mathbf{Y} = \alpha + \boldsymbol{\beta} X + e$$

Where Y = Total Actual and X= Total Expected 20%.

The results are given in the below table

Table 4.2: Linear regression model for the revenue generation as per the benchmark of 20% seats

R Square = 0.93 **Actual Revenue Generated (Y)**	**Coefficients**	**Standard Error**	**t Stat**	**P-value**	**Lower 95%**	**Upper 95%**
Intercept	-16.30	13.48	-1.21	0.25	-46.34	13.74

Total Expected 20% (X)	1.08	0.10	11.27	0.00	0.87	1.29

R- Square (0.93) indicates that the independent variable is explaining the dependent variable by 93%. It is found that a change in total expected revenue (20%) has got a positive influence on actual revenue generated. The expected revenue (20%) increases by 1 percent that leads to 1.08 percent rise in the actual revenue generation with vary a significant coefficient.

Table 4.3: Interest accrued on interest-free loan per IMC (In Rs. Lakh)

State	**Number of ITIs**	**Value of Interest accrued on Interest Loan**	**Interest accrued on Interest-Free Loan per IMC**
Assam	6	725.91	120.98
Chhattisgarh	16	2284.83	142.80
Gujarat	34	5290.40	155.60
Karnataka	28	4154.76	148.38
Madhya Pradesh	27	4904.76	181.66
Maharashtra	93	18524.13	199.18
Odisha	5	583.27	116.65
Tamil Nadu	12	539.93	44.99
Tripura	3	75.20	25.07
Uttar Pradesh	43	4019.20	93.47
Uttarakhand	16	1586.85	99.18
West Bengal	10	1484.04	148.40
Total	293	44173.28	123.03

To repay the loan, the financial potential of the IMCs was assessed. The information presented in the tabular form has been taken from the respective banks where the account of the IMCs are attached. As per the latest status, the accrued interest on the interest-free loan amount in the 293 sampled ITIs have been verified as Rs 44173.28 lakh. On average, per IMC across 293 upgraded ITIs, the accrued interest on the interest-free loan amount is Rs. 123.03 lakh. It has been during the study that on average the interest loan accrued on the interest-free amount is Rs. 123.03 lakh with a maximum of Rs.199.18 lakh and a minimum of Rs. 25.07 lakh. The IMCs having above the average of accrued interest on the interest-free loan are: Maharashtra (Rs. 199.18 lakh), followed by Madhya Pradesh (Rs.181.66 lakh), Gujarat (Rs. 155.60 lakh), West Bengal (Rs.148.40 lakh), Karnataka (Rs. 148.38 lakh), and Chhattisgarh (Rs. 142.80 lakh). Below the average accrued interest on the interest-free loan has been found with the IMCs in the state of Assam (Rs. 120.98 lakh), followed by Odisha (Rs. 116.65 lakh), Uttarakhand (Rs. 99.18 lakh), Uttar Pradesh (Rs. 93.47 lakh), Tamil Nadu

(Rs. 44.99 lakh) and Tripura (25.07 lakh). Overall, considering the revenue generated from 20% of the total seats of IMCs and available interest accrued on the interest-free loan, the amount may easily be repaid to the Central Government.

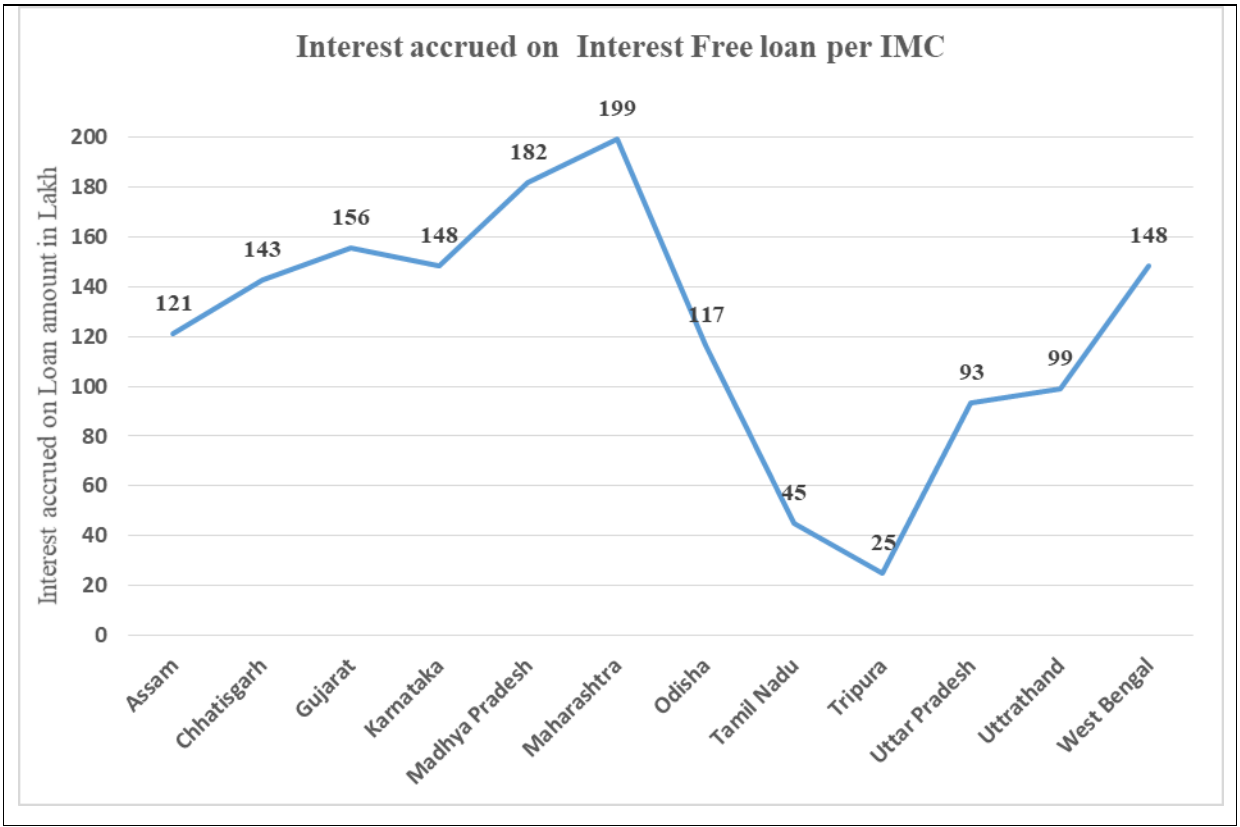

Figure 4.3: Interest accrued on loan amount in lakh

The line graph on the component shows the interest accrued on the interest-free loan amount. It indicates the trend of interest component in each sampled ITIs across the states. The maximum elevation of the line graph is evident against Maharashtra whereas, the minimum in Tripura.

2. Execution of IDP on the ground

After careful consideration of the upgradation of Government ITIs, the IMC formulates the Institute Development Plan. The IMC formulating the IDP may consist of 14 members out of which the chairman of the IMC and Secretary of the IMC (Principal of ITI) are the key functionaries. Four members in the IMC are nominated by the industry partner, five members by the state government along with three additional non-voting members. There are 23 sectors that the IDP has to consider, namely (1) automobile & auto components, (2) banking/insurance & finance services, (3) building and construction industry, (4) chemicals & pharmaceuticals, (5) construction materials/building hardware, (6) educational and skill development services, (7) electronics hardware, (8) food processing/cold chain/refrigeration,

(9) furniture & furnishings, (10) gems and jewellery, (11) health care and services, (12) ITES or business, (BPO) process outsourcing, (13) ITs of software services/products, (14) leather & leather goods, (15) media, entertainment, broadcasting, content creation & animation, (16) organized retail, real estate service, (17) Textiles, apparel & Garments, (18) Tourism, Hospitality & travel trade, (19) transportation Logistics, (20) warehousing & packaging, (21) Highly Dynamic Business/professional services, and (22) others. The trade specifications are revised by the SSC in the light of the above-mentioned trades for the IDP. There are six particulars covering which the IDP is prepared with the break-up of the fund to be utilized during the next five years. These are: (1) civil works, (2) equipment, (3) furniture, (4) books, learning resources and software, etc., (5) additional manpower, (6) consumables and training materials, and (7) misc. expenses subject to specifications. In view of the upgradation activities in many of the ITIs beyond the 5 years, it has been proposed that existing IDP may be revised to highlight the upgradation completed with respect to previous IDP. To ensure the feasibility of IDP prepared by IMC, the State Steering Committee may revise IDPs under the overall guidelines issued by DGET, and SIC needs to send a copy of revised IDP after approval of SSC to NIC for the record. However, the IMC may utilize the interest accrued on the interest-free loan for the purpose of activities spelled out in the Institute Development Plan (IDP) after careful planning and also ensuring that repayment is not affected due to the use of interest. As such, IDP happens to be a model document based on that the upgradation of ITIs is operationalized for the next five years. However, the SSC reviews the performance of each IMC every year by the end of December in accordance with the benchmark set against the five key indicators as well. The information received on the component is as under:

Table 4.4: Expenditure on the upgradation of 293 sampled ITIs (in Rs. Lakh)

Name of State	No. of ITIs	Civil Work	Tools and Equipment	Other Expenses	Total	Average Interest-Free Loan Utilization
Assam	6	394.37	261.78	367.63	1023.78	170.63
Chhattisgarh	16	831.75	915.05	1403.82	3150.61	196.91
Gujarat	34	1850.87	2111.39	1778.04	5740.3	168.83
Karnataka	28	2059.07	1987.85	1173.97	5220.88	186.46
Madhya Pradesh	27	1571.63	2995.40	1246.58	5813.61	215.32
Maharashtra	93	2252.10	2160.32	3588.99	8001.41	86.04
Odisha	5	479.19	1013.61	87.43	1580.23	316.05

Tamil Nadu	12	237.50	217.50	210.22	665.22	55.44
Tripura	3	176.73	664.27	22.49	863.49	287.83
Uttar Pradesh	43	1862.19	3734.64	3569.79	9166.62	213.18
Uttarakhand	16	640.00	390.00	490.00	1520	95.00
West Bengal	10	172.09	676.21	980.95	1829.25	182.93
Total	**293**	**12527.47**	**17128.02**	**14919.92**	**44575.4**	**152.13**

The above information in the tabular form has been obtained from the banks with regard to the IMCs' accounts and expenditure on various heads. The head mentioned are as per the bank record. A total of Rs. 12527.47 lakh on civil work, Rs. 17128.02 lakh on tools and equipment, and Rs. 14919.92 on other expenses have incurred. Thus, a total of Rs. 44575.41 lakhs have been incurred for the operationalization of the upgradation of 293 ITIs in the sampled states. For civil work, an average of Rs. 1043.96 lakh, a minimum of Rs. 72.09 lakh, and a maximum of Rs. 2252.10 lakh have been spent across the sampled Government ITIs. For tools and equipment, an average of Rs. 1427.34 lakh, a minimum of Rs.217.50 lakh, and a maximum of Rs. 3734.64 lakh have incurred. For other expenses, an average of Rs. 1243.33 lakh, minimum of Rs. 22.49 lakh, and a maximum of Rs. 3588.99 lakh have been spent as per the bank record. The maximum expenditure on civil work has been realized in the state of Maharashtra whereas, the minimum in West Bengal. The maximum expenditure on tools and equipment has been realized in the state of Uttar Pradesh whereas, the minimum in Tamil Nadu. The maximum expenditure on other items has been realized in the state of Maharashtra whereas, the minimum in Tripura. Out of the total expenditure, the maximum fund has been utilized as per the IDP in the state of Uttar Pradesh and the minimum in Tamil Nadu. Overall, an average of Rs. 3714 lakh, a minimum of Rs. 665.22 lakh and a maximum of Rs. 9166.62 lakh have been utilized in the sampled ITIs. The upgraded ITIs utilizing funds above the average are: Uttar Pradesh (Rs. 9166.62 lakh), followed by Maharashtra (Rs.8001.41 lakh), Madhya Pradesh (Rs. 5813.61 lakh), Gujarat (Rs. 5740.30 lakh), and Karnataka (Rs. 5220.88 lakh). The upgraded government ITIs utilizing below the average of Rs. 3714 lakh are: Chhattisgarh (Rs. 3150 lakh), followed by West Bengal (Rs. 1829.25 lakh), Odisha (Rs. 1580.23 lakh), Uttarakhand (Rs. 1520 lakh), Assam (Rs. 1023.78 lakh), Tripura (Rs. 863.49 lakh) and Tamil Nadu (Rs. 665.22 lakh).

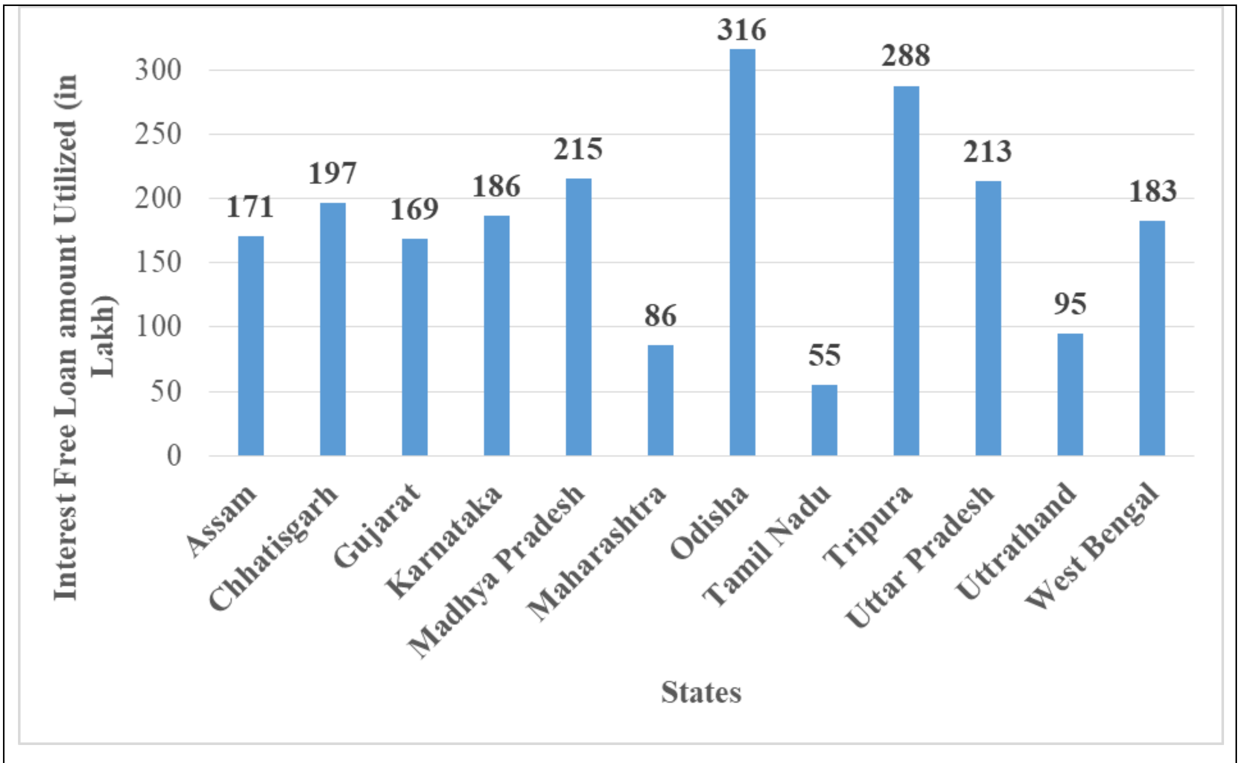

Figure 4.4: Interest-free loan utilized by each IMC in the sampled states

The bar diagram drawn above indicates per ITI interest-free loan utilized by the respective IMCs, as per the transaction details available with the banks. It has been found that an average of Rs. 181.22 lakh has been utilized by each IMC of the sampled states with a minimum of Rs. 55.44 lakh, and a maximum of 316.05 lakh. Each ITI utilizing above the average amount of Rs. 181.22 lakh are: Odisha (Rs. 316.05 lakh), followed by Tripura (Rs. 287.83 lakh), Madhya Pradesh (Rs. 215.32 lakh), Uttar Pradesh (Rs. 213.18 lakh), Chhattisgarh (Rs. 196.91 lakh), Karnataka (Rs. 186.46 lakh), and West Bengal (Rs.182.93 lakh). The below the average interest-free loan utilizing IMCs for the upgradation of government ITIs are: Assam (Rs. 170.63 lakh), followed by Gujarat (Rs. 168.83 lakh), Maharashtra (Rs. 86.04 lakh), Uttarakhand (Rs. 95 lakh), and Tamil Nadu (55.44 lakh). Overall, the central and eastern zone states have utilized the interest-free loan to a great extent, followed by western, southern, north-eastern & northern zones.

With effect from September 2014, the five Key Performance Indicators (KPIs) were stipulated to be strictly maintained by the IMCs. These are: (1) Percentage of candidates appearing in the examination vis-a-vis intake capacity, (2) Percentage of candidates passing out vis-à-vis candidates appearing in the examination, (3) Percentage of passed out students employed/self-employed within one year of pass out, (4) Revenue generation, and (5) Re-affiliation, if due.

For the first KPI, the findings are as under:

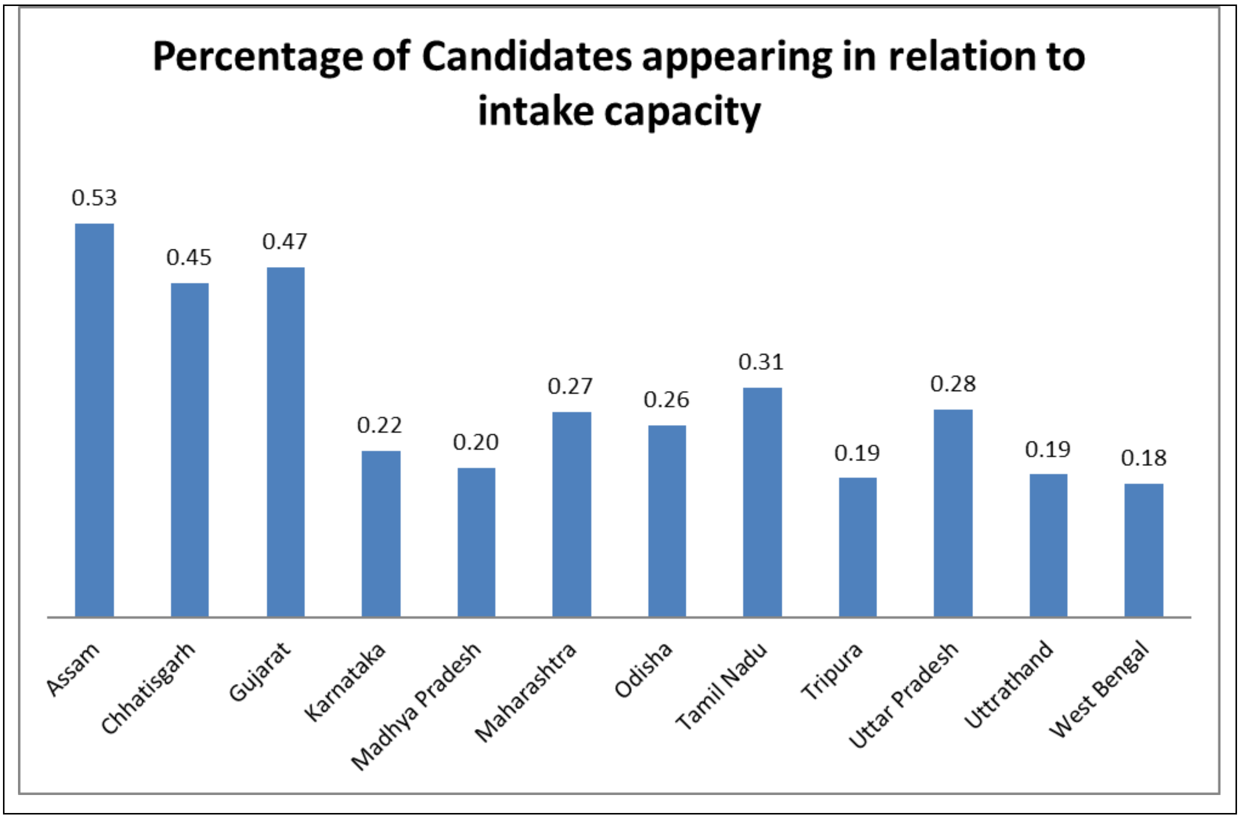

Figure 4.5: Percentage of candidates appearing in the examination vis-a-vis intake capacity

As per the bar graph shown above, Assam has the highest percentage of candidates who have appeared for the exam in relation to the intake capacity i.e. around 0.53% which is followed by Chhattisgarh (0.41%) and Gujarat (0.36%). The underperforming ITIs are from the state of Tripura whose percentage of candidates appeared for the exam in relation to intake capacity i.e. around 0.19%. The bar graph indicates a fathomless deficit in meeting the first KPI as laid down under the scheme. The benchmark fixed was 70% to be further taken to 95% in the next few years has not been done to even 1% across the states. Moreover, the first KPI seems to be unrealistic. However, the State Steering Committee which is entrusted with the task of reviewing the performance of each IMC every year by the end of December should have brought to the notice of the National Steering Committee. The delegated task to SSC has not properly been executed relating to the first indicator of the KPI.

The second KPI is about the percentage of candidates passing out vis-à-vis candidates appearing in the examination. The information required on the indicator has been garnered from the IMCs and the Principals of the ITIs. Based on the verification of records, the findings on the KPI is as under:

On the second KPI, the findings are as under:

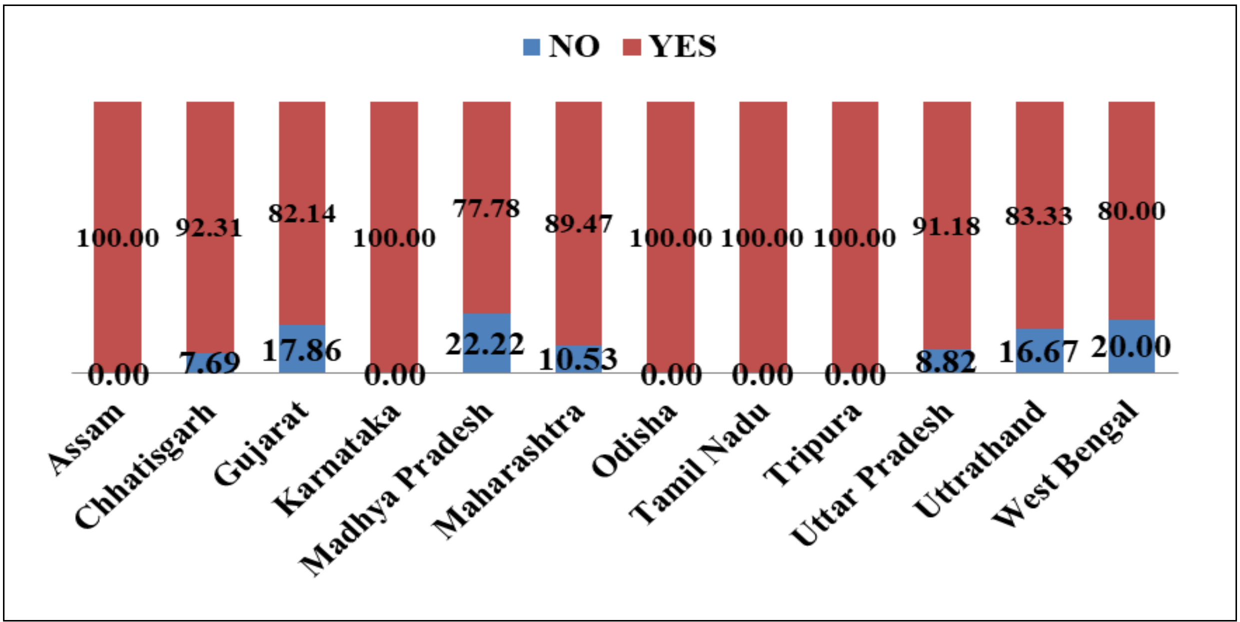

Figure 4.6: Percentage of candidates passing out vis-a-vis candidates appearing in the examination

As per the stacked bar graph shown above, the states of Assam, Karnataka, Odisha, Tamil Nadu, Tripura have a hundred percent success rate of trainees passing out the exam, followed by Chhattisgarh (92.31%), Uttar Pradesh (91.18%), Maharashtra (89.47%) and Uttarakhand (83.33%). All twelve states have fulfilled the criteria of candidates passing out i.e. more than 70-90%.

The third KP mentioned in the scheme is the percentage of passed out student employed/self-employed within one year of pass out. As per the stacked bar graph shown below, Tripura is the only state with a hundred percent success rate of candidates getting wage employment after the course. The other states that follow are Assam (80%), Uttar Pradesh (52.94%), and Maharashtra (51.32%). Chhattisgarh, Gujarat, Karnataka, Tamil Nadu, and Uttarakhand do not fulfil the criteria of the wage employment rate of above 50% after course completion in case of wage employment. However, self-employment is a little more evident in the beneficiaries sampled. Overall, the criteria laid down under the scheme of 70% of the overall employment have been covered the beneficiary students passed out within one year.

Figure 4.7: Percentage of passed out students wage-employed/self-employed within one year

The diagram shows the responses to the third KPI. It is evident from the graph above that the maximum percentage of wage employment has been received in the state of Tripura. The states performing close to the benchmark of 50% for wage-employment are: Assam, Maharashtra, Odisha, Uttar Pradesh, and West Bengal. However, for the overall employment against the set benchmark, all ITIs are performing above it.

In the sampled ITIs, no case of re-affiliation was found due.

3. Use of Interest-free loan for Civil Construction and Tools and Equipment Upgradation

The use of interest-free loans for civil construction and procurement of tools and equipment is operationalized by the IMC. The ceiling of using 40% of the interest-free loan i.e upto 1 crore has made available to IMCs for construction work. Accordingly, IMC has been delegated to use the interest accrued on the interest-free loan for the purpose of the salary of contractual staff and the limit of expenditure for manpower has been enhanced to Rs. 50 lakh. For equipment procurement, 40% of the interest-free loan is admissible as per the information shared by IMC. The details are as under:

Table 4.5: Use of interest-free loan by government ITIs by approved category of SSC

State	Civil Work	Equipment	Furniture	Books, Learning resources, etc.	Additional manpower	Consumable, maintenance & Training	Misc.

Chhattisgarh	3	4	0	1	4	5	0
Madhya Pradesh	7	8	0	3	4	5	0
West Bengal	3	4	0	0	2	1	0
Odisha	4	1	0	0	0	0	0
Uttarakhand	7	6	0	2	8	1	0
Uttar Pradesh	11	18	0	3	7	4	0
Assam	1	2	0	0	1	2	0
Tripura	1	0	0	1	2	1	0
Karnataka	25	1	0	0	0	2	0
Tamil Nadu	11	1	0	0	1	0	0
Maharashtra	13	29	0	4	15	32	0
Gujarat	10	8	6	0	2	7	1

The table above represents a total of 293 ITIs covered under the study and their expenditure made on approved items of IDP reviewed by SSCs. The maximum IMCs have upgraded ITIs through civil work in the state of Karnataka (25), followed by Maharashtra (13), 11 each in Uttar Pradesh and Tamil Nadu, and so on. The maximum number of the equipment has been procured in the government ITIs of Maharashtra (29), followed by Uttar Pradesh (18) and Madhya Pradesh (8). In the column of furniture, the six IMCs of Gujarat have responded. Expenditure by IMCs has been done in the States of Maharashtra, Uttar Pradesh, and Madhya Pradesh. The maximum number of IMCs have hired contractual staff in the ITIs of Maharashtra (15). The maximum number of ITIs in Maharashtra seems to have considered consumable items in their IDP. However, no Government ITIs have been found to have spent on misc. items. Overall, the civil work component is the one on which the upgradation work has highly been operationalized, followed by equipment and consumable items.

Table 4.6: Basic infrastructure available with upgraded ITIs in the sampled states

State	Lift Facility	Over two Floor	Tin Roof Workshop	Safety Material	Electricity Connection	IT Lab	Computer	Maintenance
Assam	1	1	6	6	6	4	5	6
Chhattisgarh	0	0	5	16	16	12	12	16
Gujarat	2	2	6	34	34	33	34	34
Karnataka	1	3	15	23	27	27	27	25
Madhya Pradesh	0	2	14	26	26	25	25	26
Maharashtra	2	2	67	91	92	80	80	92
Odisha	0	3	2	5	5	5	5	5
Tamil Nadu	0	0	0	12	12	12	8	12

Tripura	0	0	0	3	3	3	3	3
Uttar Pradesh	2	0	10	28	38	31	31	31
Uttarakhand	2	2	11	15	15	12	12	14
West Bengal	3	5	7	10	10	10	10	10

The table above represents the number of lift facilities with the building above two floors, the number of building over two floors, tin roof workshop, safety material, electricity connections, IT labs, computer nodes, and provision for the maintenance in the upgraded Government ITI buildings. It indicates that out of 17 buildings above two floors, a lift facility was found with 13 ITI buildings across the sampled states. 143 ITIs with tin-roofed workshops, 269 ITIs with safety materials, 284 electrified ITIs, 254 with IT labs, 252 ITIs with computer facilities, and 274 ITIs with the maintenance conducted were recorded during the physical visits of the study team to sampled states.

4. Employability of beneficiary trainee by Industry partner and Other Industry near ITI

Keeping in view the central thrust of the scheme, employability is the central motif threaded through the texture of the overall ecosystem of the skill training at the upgraded Government ITIs. In this connection, the scheme with its five Key Performance Indicators (KPI) stipulates under their 3rd KPI that the IMC has to ensure employment and self-employment within one year of passing out of the students. For the above performance indicator, the initial benchmark for the wage employment was fixed to 50%, and 70% for the overall employment. The information on the component has been garnered from the beneficiary students from 293 ITIs. The responses received from the 244 beneficiary respondents are as under:

Table 4.7: Employment status of beneficiary trainees

State	Wage Employment	Self-Employment	Total
Assam	5	0	5
Chhattisgarh	2	11	13
Gujarat	6	22	28
Karnataka	16	7	23
Madhya Pradesh	17	10	27
Maharashtra	42	34	76
Odisha	2	2	4
Tamil Nadu	10	0	10
Tripura	1	1	2
Uttar Pradesh	22	12	34
Uttarakhand	1	11	12
West Bengal	8	2	10
Total	**132**	112	244

The table above shows that 100% of beneficiaries have either received wage employment or self-employment. Post-training, no beneficiary is unemployed. It gives good information about the performance of the scheme. Out of the 244 beneficiary trainees surveyed, 132 received wage employment whereas, 112 got self-employment.

Table 4.8: T-test two-sample for wage employment and self-employment

t-Test: Two-Sample Assuming Unequal Variances		
	Wage Employment	*Self-Employment*
Mean	11	9.333
Variance	143.273	103.515
Observations	12	12
Hypothesized Mean Difference	0	
df	21	
t Stat	0.368	
P(T<=t) one-tail	0.358	
t Critical one-tail	1.721	
P(T<=t) two-tail	0.717	
t Critical two-tail	2.080	

The table above includes the t-test for wage employment and self-employment which estimates the significance of variance. The mean for the wage-employment and self-employment are 11 and 9.33, respectively. The variance for wage employment and self-employment are 143.27 and 103.52, respectively. It also indicates the observations across 12 sampled states. The degree of freedom has been calculated as 21 which is derived from deducting one from the total number of available observations. The P-value of one tail is 0.29 which shows that it is least significant. However, the critical t value of 2.81 against the t value 1.38 indicates the acceptance of the hypothetical view that both wage and self-employments are interrelated.

Table 4.9: Views of industry partner and near industry to employ beneficiary trainees

State	**Industry Partner**	**Near Industry**
Assam	1	2
Chhattisgarh	1	2
Gujarat	1	2
Karnataka	1	2
Madhya Pradesh	0	2
Maharashtra	1	2
Odisha	1	2
Tamil Nadu	1	2

State	Industry Partner	Near Industry
Tripura	1	2
Uttar Pradesh	1	1
Uttarakhand	0	2
West Bengal	1	2

The views of one industry partner and two heads of near industry from each of the sampled states were received by the study team. It has been found that out of 12 Industry partners, 10 industry partners prefer and employ the trained students from the Government upgraded ITIs. Out of 24 heads of industry near ITIs have expressed their positive approach to inducting the beneficiary trainees. It also indicates that the correlation coefficient for the industry near Government ITIs is -0.134 which shows a negative relationship for hiring the trainee students. In fact, in Madhya Pradesh and Assam, Industry partners have not shown their preference, the industry near Government upgraded ITIs have shown their maximum preference. Overall, the industry partner and industry near upgraded Govt. ITIs, the preference is given by both the parties to a great extent, separately.

5. State-of-the-Art Infrastructure creation with respect to NCVT Guidelines

To be able to effectively provide value & experience-based knowledge and skill training, it is of the utmost importance to have quality and standard state-of-the-art infrastructure. The state-of-the-art infrastructure efficiently provides for a vivid experience to build strong foundations and base for an avid learner. Specific facilities dedicated precisely for the need-based skill training and enhancement ensures holistic learning and easy grasping of required skills. Through the state of- the-art infrastructure, trainees are provided an opportunity to construct their understanding of the subject and be able to grow in an environment for conducive learning. Institutions equipped by the State-of-the-art propel rapid development and attract bandwidth of trainees to grow and cable their aspirations and requirements. This type of infrastructure provides a unique opportunity while coordinating with best practices around the country, and focuses on increasing the potential of a learner with affordable, accessible, and useable resources. During the physical verification of ITI buildings, the responses reported by the study team is as under:

Table 4.10: State-of-the-infrastructure construction in sampled ITIs

State	Building Not Constructed	State of the Art	Normal	Total
Assam	0 (0.0)	3 (50.0)	3 (50.0)	6 (100.0)

Chhattisgarh	0 (0.0)	10 (62.5)	6 (37.5)	16 (100.0)
Gujarat	0 (0.0)	31 (91.2)	3 (8.8)	34 (100.0)
Karnataka	0 (0.0)	10 (35.7)	18 (64.3)	28 (100.0)
Madhya Pradesh	0 (0.0)	21 (77.8)	6 (22.2)	27 (100.0)
Maharashtra	0 (0.0)	70 (75.3)	23 (24.7)	93 (100.0)
Odisha	0 (0.0)	5 (100.0)	0 (0.0)	5 (100.0)
Tamil Nadu	0 (0.0)	1 (8.3)	11 (91.7)	12 (100.0)
Tripura	0 (0.0)	3 (100.0)	0 (0.0)	3 (100.0)
Uttar Pradesh	1 (2.3)	25 (58.1)	17 (39.5)	43 (100)
Uttarakhand	0 (0.0)	0 (0.0)	16 (100.0)	16 (100.0)
West Bengal	0 (0.0)	10 (100.0)	0 (0.0)	10 (100.0)
Total	**1 (0.3)**	**189 (64.5)**	**103 (35.2)**	**293 (100.0)**

Out of the 293 ITIs physically verified, a total of 189 buildings were found with state-of-the-art infrastructure construction. The building of Govt. ITI Pratapgarh, Uttar Pradesh was found to be not constructed. The 103 ITIs in the sample-size was found to be not constructed as per the state-of-the-art infrastructure. The maximum percentage of state-of-the-art buildings have been constructed in the Government ITIs of Tripura (100%), West Bengal (100%), and Odisha (100%) followed by Gujarat (91.2%), Madhya Pradesh (77.8%), Maharashtra (75.3%), Chhattisgarh (62.5%), Uttar Pradesh (58.1%), Assam (50%), and Tamil Nadu (8.3%).

Most of the ITIs in Uttarakhand (100%) and Tamil Nadu (91.7%) have been identified as normal buildings. The same follows in descending order to the ITIs of Karnataka (64.3%), Assam (50%), Uttar Pradesh (39.5%), Chhattisgarh (37.5%), Maharashtra (24.7%), Madhya Pradesh (22.2%), and Gujarat (8.8%).

Overall, the state-of-art-infrastructure was found in 64.5% of the total ITI buildings visited. 35.2% of ITIs of the sample size were found with normal buildings. The above component has been calculated based on the availability of the tin roof workshop, lift facility, electricity connection, electricity bill (7200 Kwh), IT lab with 10 computers, rectangular-shaped workshop, disaster risk reduction measures, quality of water, and maintenance of machinery.

Thus, the infrastructure grading has been done primarily by the study team and on the same, the feedback of beneficiary students has also been taken to avoid any inadvertent error or bias.

4.2 Additional Parameters

a) Coverage of beneficiaries

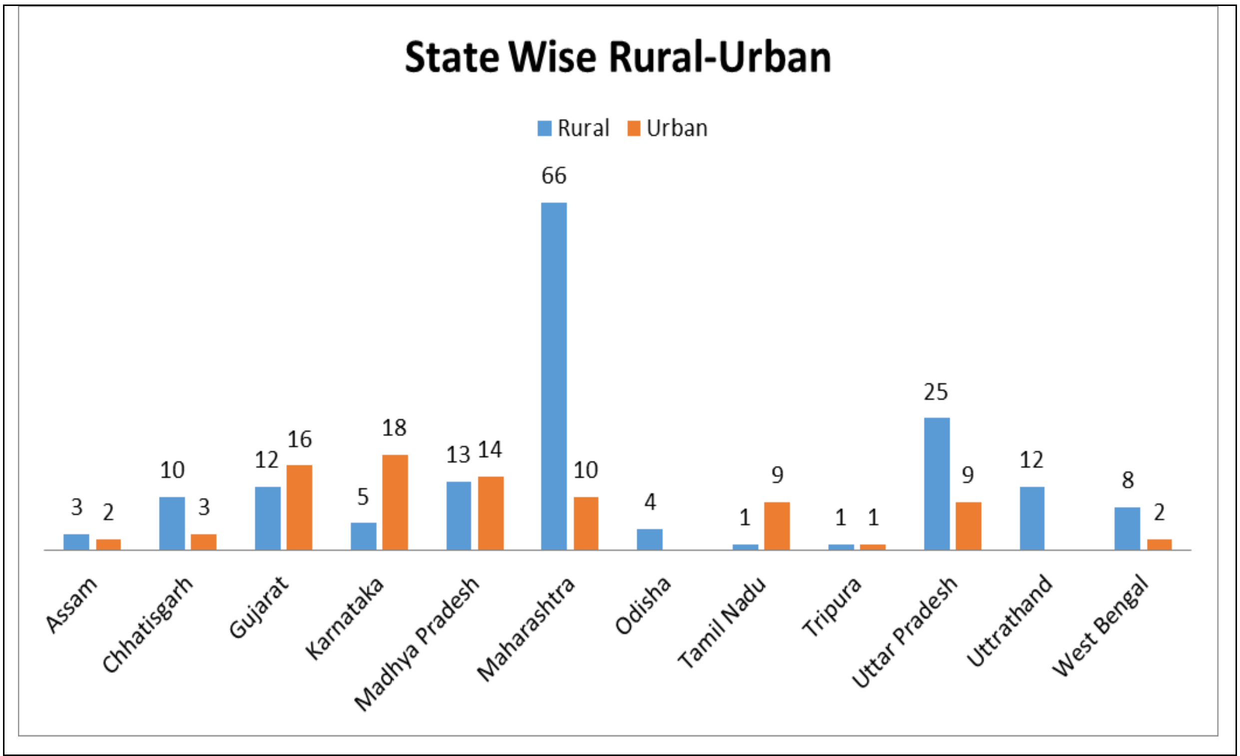

Figure 4.8: Distribution of sampled beneficiary trainees by location

As per the bar graph shown above the state of Maharashtra has the highest number of trainees coming from the rural areas i.e. 66, followed by Uttar Pradesh (25) and both Uttarakhand and Gujarat with 12 trainees, respectively. In urban areas, the numbers are low with the highest number of trainees coming out from Karnataka i.e. 18 and the other states that follow are Gujarat (16) and Madhya Pradesh (14). The state of Tripura produces the lowest number of trainees coming out from that state i.e. 2.

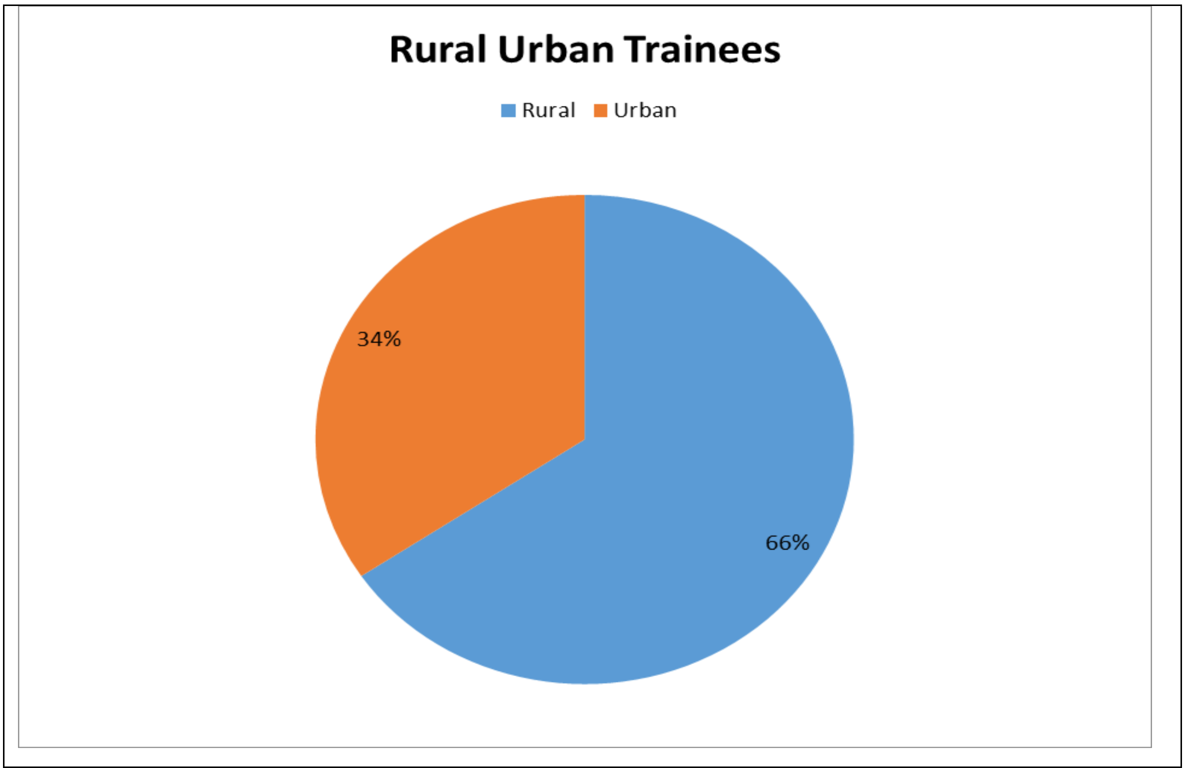

Figure 4.9: Rural-urban trainees in sample-size

As per the pie-chart shown above, the numbers of trainees coming out for skill development from the 12 states are more from the rural areas i.e. sixty-six percent while only thirty-four percent of people came from urban areas.

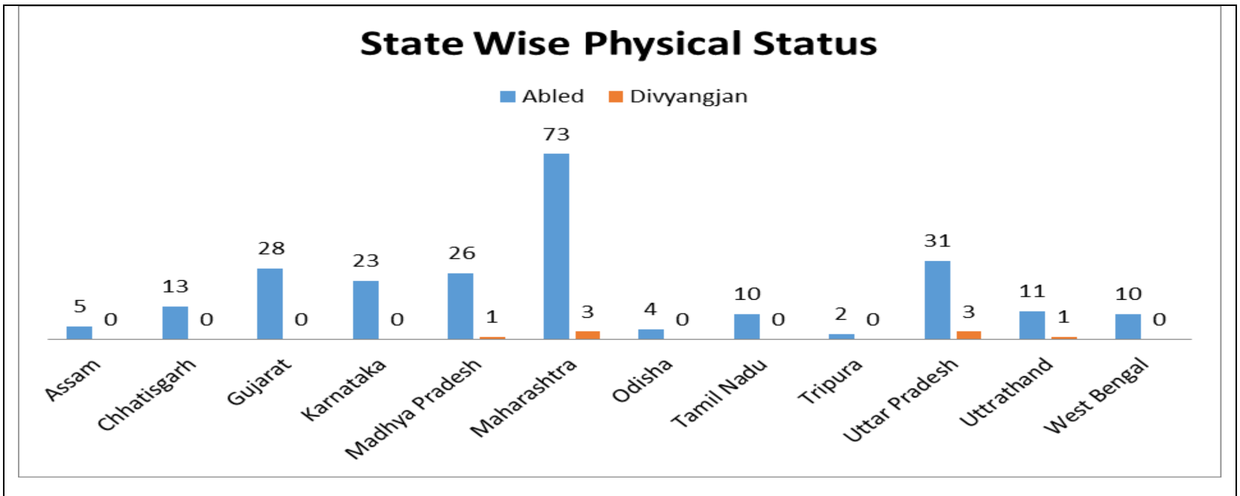

Figure 4.10: Distribution of beneficiary trainees by physical status

As per the bar graph shown above, the state of Maharashtra has produced the highest number of abled trainees for the skill development programme i.e. 73. The other states that follow by a marginal value are Uttar Pradesh (31), Gujarat (28), Madhya Pradesh (26), and Karnataka

(23). Uttar Pradesh and Maharashtra have 3 candidates each who belong to the 'Divyangjan' category who have come forward to join the skill development programme at ITIs.

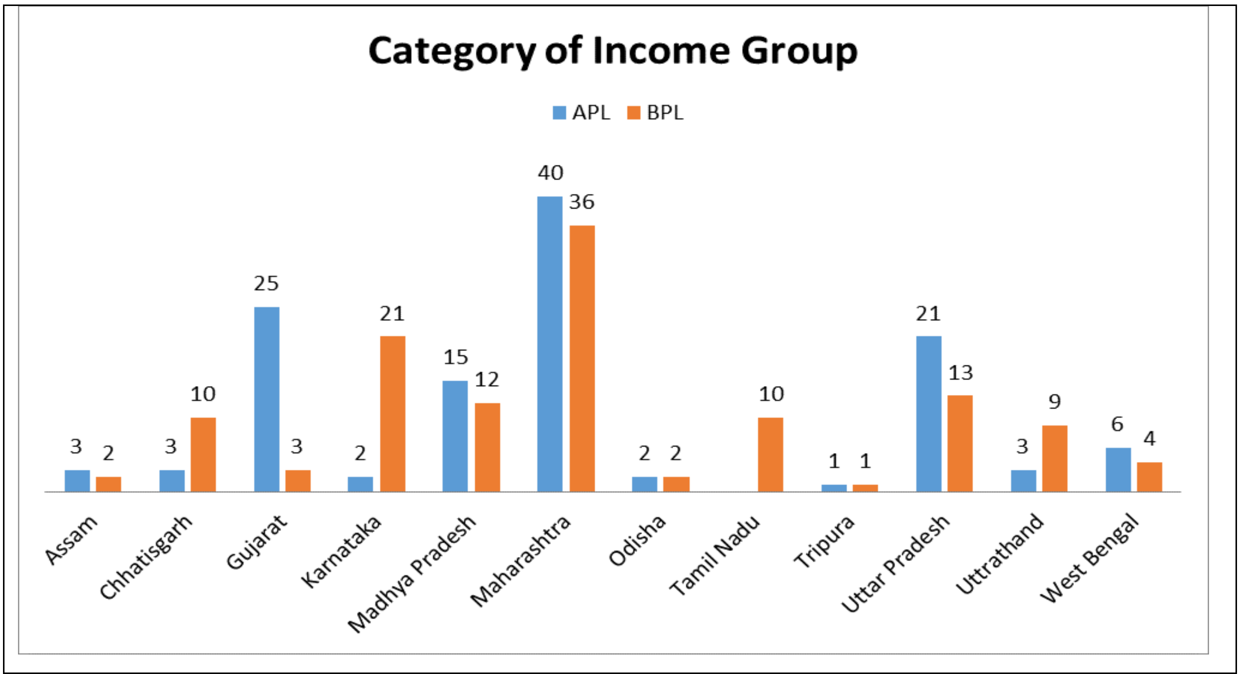

Figure 4.11: Profile of sampled respondents by APL and BPL

As per the bar graph shown above, the highest number of people from the APL and BPL categories come from the state of Maharashtra i.e. 40 and 36, respectively. The other states that follow are Gujarat (25), Uttar Pradesh (21), and Madhya Pradesh (15) for the APL category. For the BPL category, the states that follow Maharashtra are Karnataka (21), Uttar Pradesh (13), Madhya Pradesh (12), Chhattisgarh, and Tamil Nadu both at 10. No trainee from Tamil Nadu belonged to APL category.

Table 4.11: Distribution of beneficiaries by gender

State	**Male**	**Female**	**Total**
Assam	4 (80.0)	1 (2.0)	5 (100.0)
Chhattisgarh	9 (69.2)	4 (30.8)	13 (100)
Gujarat	19 (67.9)	9 (32.1)	28 (100.0)
Karnataka	21 (91.3)	2 (8.7)	23 (100.0)
Madhya Pradesh	21 (77.8)	6 (22.2)	27 (100.0)
Maharashtra	47 (61.8)	29 (38.2)	76 (100.0)
Odisha	3 (75.0)	1 (25.0)	4 (100.0)
Tamil Nadu	8 (80.0)	2 920.0)	10 (100.0)
Tripura	1 (50.0)	1 (50.0)	2 (100.0)
Uttar Pradesh	21 (61.8)	13 (38.2)	34 (100.0)
Uttarakhand	11 (91.7)	1 (8.3)	12 (100.0)
West Bengal	7 (70.0)	3 (30.0)	10 (100.0)
Total	**172 (70.5)**	**72 (29.5)**	**244 (100.0)**

Out of the total sampled beneficiaries covered, the women representation has accounted for 29.5%. Out of the total sampled states, the maximum women representation has been found in the state of Tripura (50%), followed by each 38.2% in Maharashtra and Uttar Pradesh, Gujarat (32.1%), Chhattisgarh (30.8%), West Bengal (30.0), Odisha (25%), Tamil Nadu (20%), Karnataka (8.7%), Uttarakhand (8.3%) and Assam (2%). On average, the representation of 6 women have been calculated across 12 sampled states. The male-female beneficiary students are presented in the pie chart below:

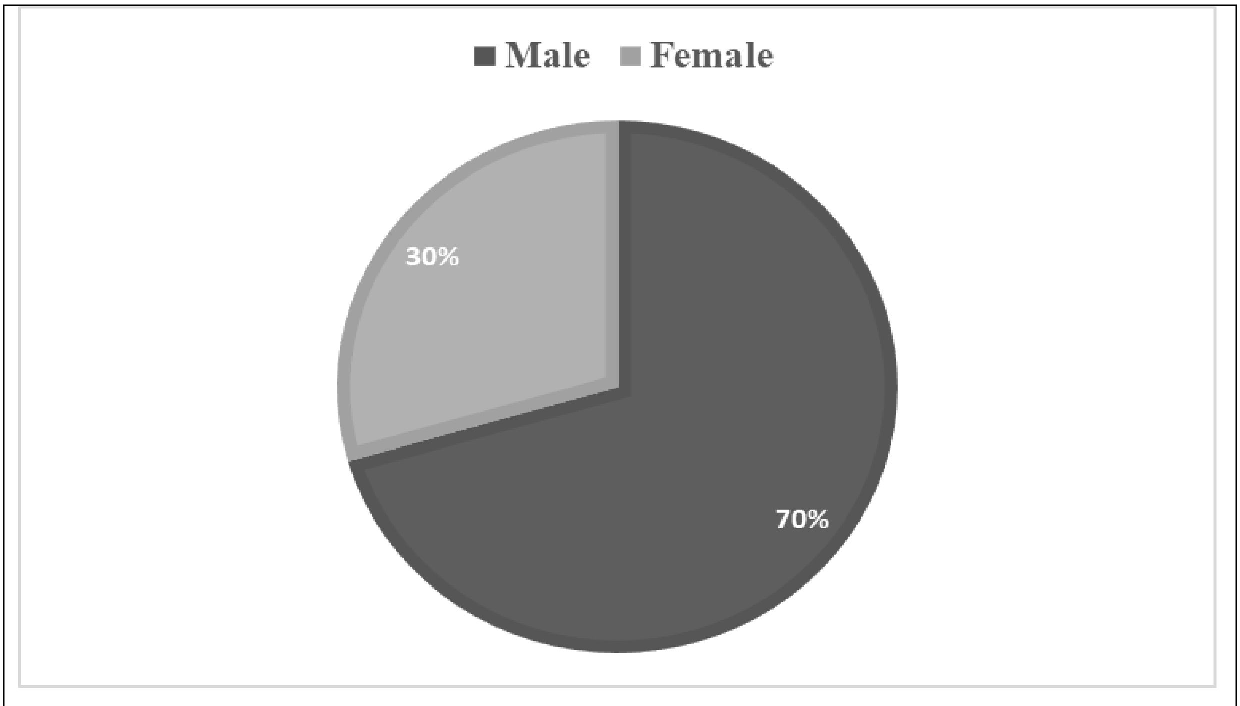

Figure 4.12: Percentage of male-female beneficiary students in sample-size

The pie chart above shows about 30% representation of women respondents in the sample size. Thus, the study has considered gender balance while selecting beneficiary responses.

b) Implementing Mechanism

The scheme of "Upgradation of Government ITIs through PPP" has been operationalized in 1227 Government ITIs throughout the country during the XI plan period. The scheme is implemented by the Directorate General of Employment & Training. Under the scheme, the ITIs established before 01.01.2007 with NCVT affiliation and having own building, ITIs established before 01.01.2007 with SCVT and having own building and ITIs established after 01.01.2007 with NCVT/SCVT, and having own building for starting new trades have been covered. For the upgradation of Government ITIs, an interest-free loan of Rs. 2.5 crore has been released to 1227 ITIs for the moratorium period of 10 years. The loan amount is credited to the IMC account, with a public sector bank with an RTGS facility. At the most, 20% of the loan amount may be kept as seed money by the IMCs. The Institute Development Plan (IDP) is prepared by the IMC on the seven identified parameters that have subsequently been fixed with allocations. The IDP is sent to the State Steering Committee for review. After the review, a copy is also sent to the Directorate General of Employment & Training for the record. The IMC may utilize 40% of the amount on the civil works i.e. Rs. 1 crore. The IMCs may use the interest accrued on the interest-free amount upto Rs. 50 lakh for the purpose of the salary of contractual staff. The action plan embedded in IDP is to be reviewed by the State Steering Committee at the end of December every year. Under the scheme, five Key Performance Indicators (KPI) have been laid down, namely, (1) Percentage of candidates appearing in the examination vis-a-vis intake capacity, (2)Percentage of candidates passing out vis-à-vis candidates appearing in the examination, (3) Percentage of passed out students employed/self-employed within one year of pass out, (4) Revenue generation, and (5) Re-affiliation, if due. The initial benchmark for KPI no.(1) & (2) has been fixed as 70% and is to be taken upto 95% in the next few years. For KPI no. (3), the initial benchmark is 50% for wage employment and 70% for overall employment. The target of revenue generation has been fixed as Rs. 5 Lakh, Rs. 10 Lakh, and Rs. 15 Lakh for the years 2014-15, 2015-16, and 2016-17 respectively. KPI number 5 has been fixed to be attained by August 2015-16, if due. For defaults relating for two years pertaining to: (1) non-achievement of 70% level of KPI, (2) non-fixing salary of contract Instructors to the level of prescribed, and (3) not ensuring that at least 10% of seats are filled at the minimum fee of Rs. 5000/- per year; the state will invariably change the chairman of the IMC within 6 months. In case, the state does not change the chairman of IMC within six months, the Central Government shall have the power to get the bank account of such IMC frozen and to issue instructions with respect to the utilization of the funds in the manner deemed appropriate. In addition, the Central Government may also ask the IMC to prepay Rs. 10 lakh to the central government for every default.

c) Training/ Capacity Building of Administration/ Facilitators

The scheme of "Upgradation of 1396 Government ITI through PPP" intends to develop ITIs on the commercial lines with the upgradation of the buildings under the leadership of an experienced industry partner. The revenue generation model based on 20% of the IMC seats @ Rs. 5000/seat/annum stipulates that after the upgradation, the ITI would attract a sufficient number of beneficiary students for skill training who within one year also receive the wage employment/self-employment. As such, the brownfield project requires proper monitoring so that the ITIs covered attain KPIs' set benchmark. The underutilization of funds by IMCs also indicates that they are not properly aware of the complete guidelines of the scheme. Thus, they are required to be put to some workshop where all the parameters set in the schemes can be explained to them. Though there is a provision of the capacity building programme for the faculty, and contract trainers, to attain the revenue generation to be able to be put to training seems unrealistic. There is a need to send all the stakeholders to customized training ranging from faculty to SSC members. However, no specific intervention relating to training/capacity building of administrators/facilitators have been carried out. Moreover, the details of the upgraded ITIs are available on the NCVT-MIS.

Economic growth often ignores the deprivation of the few existing segments in society in terms of their economic prosperity. This also leads to a significant underestimation of the economic contributions made by the deprived section of our society. Under this Scheme, an existing ITI in a State is being upgraded as Model ITI which will be evolved as an institution showcasing the best practices, efficient and high-quality training delivery, and sustainable and effective industry relationship by (1) becoming a demand centre for local industries for its expertise and best performance in training, (2) better engagement with local industries, (3) signing Flexi MoU with industry to conduct a training program to meet specific skill requirement of the Industry for such approved courses, examination/assessment and certification by NCVT, (4) training of unorganized sector workers, and (5) training of the existing industrial workforce.

d) IEC Activities

The Information, Education, and Communication (IEC) strategy aim to build awareness and transmit information pertaining to the various benefits available under the scheme for the socio-economic development of the youths. This strategy is one of the inevitable ways of taking government policies to the ground level and making the youth aware of the details of the schemes. The website Directorate General of Employment & Training Ministry of Labour & Employment provides detailed guidelines and timelines of the scheme. The Ministry significantly handles FAQs and publishes it on the website. The advertisement details are published in the leading newspapers and through the employment news. The scheme is also publicized through placing information to the community members. The stakeholders related to the scheme at the ground are: community leaders, principal of ITIs, IMCs' chairman, and staff members of the ITIs. The beneficiaries of the scheme are candidates who are willing to take admission in the ITIs. It consists of both boys and girls. The merit-based admission is done in the ITIs considering the marks sheet of X class. During the study, it has been identified that female representation in the beneficiary trainees was accounted for 29.5%, and male 70.5%. The maximum percentage of beneficiaries was found from OBC (38.9%), followed by General (29.5%), SC (24.6%), ST (5.7%), and Minority (1.2%). Amongst the beneficiaries, 96.7% were abled whereas, 3.3% Divyangjans. 65.6% of beneficiary respondents belonged rural whereas, 34.4% to the urban area. To gauge the qualitative feedback of beneficiary students, a rating scale has been used in the range of 1-5. One being the lowest score and five, the highest. The rating of 2.5 is considered to be a good fit for an average. If the rating score is higher than 2.5, is considered to be better. The feedback received on the rating scale by the beneficiary students are as under:

Table 4.12: Satisfaction level of beneficiary trainees on rating scale

State	Infrastructure	Training Kit	Receptivity	Participation	Course Content	Use of the Digital Tool	Reading Material	Placement Cell	Overall Training Eco System	Exposure to Marketable	Practical sessions	Overall
Assam	4.40	3.60	4.00	4.40	4.20	3.80	4.20	3.80	4.00	4.00	4.20	4.05
Chhattisgarh	3.62	3.62	3.69	3.69	3.92	3.15	3.85	3.00	3.54	3.15	4.31	3.59
Gujarat	4.04	3.93	3.89	3.96	4.04	3.89	3.96	3.93	4.07	4.00	4.14	3.99
Karnataka	3.26	3.30	3.26	3.30	3.22	3.35	3.30	2.87	3.48	3.04	3.26	3.24
Madhya Pradesh	4.00	3.67	3.70	3.70	3.74	3.56	3.81	3.44	3.74	3.48	3.81	3.70
Maharashtra	4.01	3.57	3.59	3.78	3.78	3.47	3.63	3.33	3.70	3.74	4.05	3.69
Odisha	5.00	5.00	4.25	4.25	5.00	3.75	4.25	4.00	3.50	4.00	4.75	4.34
Tamil Nadu	3.20	3.00	3.10	3.10	3.10	3.10	3.10	2.80	3.00	2.40	3.10	3.00
Tripura	4.50	4.50	4.50	4.50	4.00	4.00	4.00	4.50	4.50	4.00	4.50	4.32
Uttar Pradesh	4.00	3.94	4.00	3.91	4.03	3.94	4.00	3.85	3.91	3.82	3.97	3.94
Uttarakhand	3.58	3.83	3.67	3.92	3.75	3.50	3.92	3.33	3.75	3.58	3.75	3.69
West Bengal	4.30	4.50	4.20	4.40	4.40	4.00	4.30	4.00	4.20	3.80	4.20	4.21
Total	**3.91**	**3.71**	**3.70**	**3.79**	**3.82**	**3.59**	**3.77**	**3.46**	**3.75**	**3.61**	**3.93**	**3.73**

The above table shows the average ratings of different components of the training centres as per the responses given by the participants.

Following is the semiology of the Likert scale: 5 – Highly Satisfied, 4 – Satisfied, 3 – Neutral, 2 – Unsatisfied, 1 – Highly unsatisfied

Feedback recorded for all the components (Infrastructure, Training Kit, Receptivity, Participation, Course Content, Use of the Digital Tool, Reading Material, Placement Cell, Overall Training Ecosystem, Exposure to Marketable and Practical sessions) was documented and analyzed. The highest rating was received from the beneficiaries of Odisha (4.34), followed by Tripura (4.32), West Bengal (4.21), Assam (4.05), Gujarat (3.99), Uttar Pradesh (3.94), Madhya Pradesh (3.70), Maharashtra (3.69), Uttarakhand (3.69), Chhattisgarh (3.59), Karnataka (3.24) and Tamil Nadu (3.00). The minimum overall rating of 3.00 was recorded in Tamil Nadu, which signifies 'Neutral' satisfaction levels. A maximum score of 4.34 was recorded for Odisha, which signifies a satisfaction level between 'Satisfied' and 'Highly Satisfied', slightly leaning towards 'Satisfied'. The range of values was 1.34. The average overall rating for all the states combined was 3.81, which represents that the beneficiaries were almost reached the level 'Satisfied'. Statistical analysis of the above data showed that the standard deviation is found to be 0.41, which indicates that the ratings are spread to the mean (3.81) very closely. The skewness of the data is -0.59, therefore the data is fairly symmetrical, with a very slight negative skew. The kurtosis is found to be -0.12. Therefore, the data is Mesokurtic and is normally distributed.

For Infrastructure, the recorded feedback for Odisha was observed to be the highest (5.00), followed by Tripura, Assam, West Bengal, Gujarat, Maharashtra, Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Uttarakhand, Karnataka, and Tamil Nadu. The minimum rating was in Tamil Nadu (3.20) and the maximum in Odisha (5.00). The average Infrastructure rating was 3.99. In terms of training kit, Odisha was found to be the highest rated (5.00), followed by Chhattisgarh, West Bengal, Uttar Pradesh, Gujarat, Uttarakhand, Madhya Pradesh, Chhattisgarh, Assam, Maharashtra, Karnataka, and Tamil Nadu. Tamil Nadu had the lowest rating for training kit (3) and Odisha the highest (5). The average rating was 3.87. Receptivity rating was the highest for Tripura (4.50), followed by Odisha, West Bengal, Assam, Uttar Pradesh, Gujarat, Madhya Pradesh, Chhattisgarh, Uttarakhand, Maharashtra, Karnataka, and Tamil Nadu. The minimum rating was for Tamil Nadu (3.1) and the maximum for Tripura (4.5) while the average was 3.82. In terms of participation, the rating was the highest for Tripura (4.50), followed by West Bengal, Assam, Odisha, Gujarat, Uttarakhand, Uttar Pradesh, Maharashtra, Madhya Pradesh, Chhattisgarh, Karnataka, and Tamil Nadu. The minimum participation rating was the lowest in Tamil Nadu (3.1) and the highest in Tripura (4.5) with an average of 3.91. In terms of course content, Tripura was rated the highest (4.00), followed by West Bengal, Uttar Pradesh, Gujarat, Assam, Odisha, Madhya Pradesh, Uttarakhand, Maharashtra, Karnataka, Chhattisgarh, and Tamil Nadu. The maximum rating was for Tripura (4.0) and the minimum for Tamil Nadu (3.1). The average of all the states was 3.93. For the use of digital, Tripura (4.00) was rated highest, followed by West Bengal, Uttar Pradesh, Gujarat, Assam, Odisha, Madhya Pradesh, Uttarakhand, Maharashtra, Karnataka, Chhattisgarh, and Tamil Nadu.

Tamil Nadu was rated the minimum (3.1) and the maximum in Tripura (4.0). The average of all the states was 3.63. For reading material, the highest rating was given to Odisha (4.30) followed by Assam, Tripura, Uttar Pradesh, Gujarat, Uttarakhand, Chhattisgarh, Madhya Pradesh, Maharashtra, Karnataka, and Tamil Nadu. The minimum rating was given to Tamil Nadu (3.10) and the maximum to West Bengal (4.30). The average rating for reading material was 3.86. For the Placement cell, Tripura (4.50) was highest rated followed by West Bengal, Odisha, Gujarat, Uttar Pradesh, Assam, Madhya Pradesh, Uttarakhand, Maharashtra, Chhattisgarh, Karnataka, and Tamil Nadu. The minimum rating was for Tamil Nadu (2.80) and the maximum was for Tripura (4.50). The average was 3.57. For the overall ecosystem training, Tripura(4.50) was rated the highest followed by West Bengal, Gujarat, Assam, Uttar Pradesh, Uttarakhand, Madhya Pradesh, Maharashtra, Chhattisgarh, Odisha, Karnataka, and Tamil Nadu. The minimum rating was in Tamil Nadu (3.00) and the maximum, Tripura (4.50). The average rating was 3.78. The Exposure to market rating was the highest for Tripura, Gujarat, Assam, and Odisha (4.00 for all), followed by Chhattisgarh, West Bengal, Maharashtra, Uttarakhand, Madhya Pradesh, Chhattisgarh, Karnataka, and Tamil Nadu. The minimum rating was in Tamil Nadu (2.80) and the maximum was in Tripura (4.00). The average rating was 3.59. The Practical session showed the highest rating for Odisha(4.75) followed by Tripura, Chhattisgarh, Assam, West Bengal, Gujarat, Maharashtra, Chhattisgarh, Madhya Pradesh, Uttarakhand, Karnataka, and Tamil Nadu. The minimum rating was for Tamil Nadu (3.10) and the maximum was for Odisha (4.75). The average rating was 4.00. The same has also been processed through Cronbach’s alpha reliability test to assess the consistency of responses.

Table 4.13: Particulars of cronbach’s alpha reliability test

Number of Items/questions/components	10
Sum of the items variances	10.72
Variance of total score	84.49
Cronbach’s alpha	0.97

Components:

1. Trainee- quality of Training in terms of Training Kit
2. Trainee- quality of Training in terms of Receptivity
3. Trainee- quality of Training in terms of Training Method
4. Trainee- quality of Training in terms of Participation
5. Trainee- quality of Training in terms of Use of the Digital Tool
6. Trainee- quality of Training in terms of Course Content
7. Trainee- quality of Training in terms of Reading Material
8. Trainee- quality of Training in terms of Exposure to Marketable
9. Trainee- quality of Training in terms of Placement Cell
10. Trainee- quality of Training in terms of Overall Training Eco System

Cronbach's alpha is used to assess the reliability or internal consistency of a scale. Suppose that we measure a quantity which is the sum of k components:

$$X = Y_1+Y_2+\text{----------}+Y_K$$

Cronbach's alpha is defined as:

$$\alpha = \frac{K}{K-1}\left(1 - \frac{\sum Var(Yi)}{Var(X)}\right) \qquad ; 0<\alpha<1$$

Where,

K = Number of components,

Var(X): Variance of the observed total,

Var (Yi): Variance of ith component.

Rule of thumb for results of Cronbach's alpha: it ranges from 0 to 1. If alpha is zero then components are not correlated with each other, if alpha is one then all the items have high correlations and if alpha is negative then it indicates that something wrong in the data.

Table 4.14: Cronbach's alpha and internal consistency

Cronbach's alpha	Internal Consistency
$\alpha>0.9$	Excellent
$0.8<\alpha<0.9$	Good
$0.7<\alpha<0.8$	Acceptable
$0.6<\alpha<0.7$	Questionable
$0.5<\alpha<0.6$	Poor
$0.5>\alpha$	Unacceptable

Thus, the result derived from the Likert scale after processing through Cronbach's alpha reliability test of the above components has been found significantly consistent (0.97).

e) Asset/Service Creation & its maintenance Plan

A total of 1227 Government ITIs have been upgraded under the scheme. The revenue model designed is sufficient to maintain the buildings, tools, equipment, and the required number of human resources to conduct skill training. However, after the moratorium period of 10 years, the interest-free loan is to be repaid in 20 years with an equal installment of Rs. 12.50 lakh. It requires setting up of dedicated monitoring cell with skilled consultants to take up the matter with the ITIs through the State Governments. This is going to be a mammoth task at the end of the Central Government. Side by side, the State Governments may also be instructed to monitor the overall functioning of the IMCs to lead the institution with accelerated growth and development so that the momentum is not trapped by any spatial inertia.

f) Benefits (Individual, Community)

In the sampled states of six NSSO classified zones, approximately 30% have received wage employment. However, for the self-employed, the calculated percentage has been recorded to about 70%. This shows that as a result of the scheme the employability in beneficiary students has grown. As such, 100% beneficiary trainees have impacted the community members in terms of not only providing financial support to their households but also motivating others for the skill training.

g) Convergence with Scheme of own Ministry/ Department or the Ministry Department

The scheme is unique in its design and structure and there is no convergence with other schemes of the Ministry in a qualitative sense. However, the department also implements a number of schemes for skill training, particularly skill development in 47 districts affected by LWE. The equipment, tools, and manpower have been procured by the IMCs in the 293 sampled ITIs upgraded across the states.

Table 4.15: Tools and equipment etc. procured by sampled ITIs

States	Civil Work	Tools and Equipment	Other Requirements	Course Materials	Infrastructure
Assam	1 (1.0)	2 (2.3)	1 (2.6)	0 (0.0)	2 (3.3)
Chhattisgarh	3 (3.1)	4 (4.5)	3 (7.7)	1 (11.1)	5 (8.2)
Gujarat	10 (10.4)	14 (15.9)	1(2.6)	1 (11.1)	8 (13.1)
Karnataka	25 (26.0)	1 (1.1)	0(0.0)	0 (0.0)	2 (3.3)
Madhya Pradesh	7 (7.3)	8 (9.1)	5 (12.8)	2 (22.2)	5 (8.2)
Maharashtra	13 (13.5)	29 (33.0)	17 (43.6)	2 (22.2)	32 (52.5)
Odisha	4 (4.3)	1 (1.1)	0 (0.0)	0 (0.0)	0 (0.0)
Tamil Nadu	11 (11.5)	1 (1.1)	1 (0.0)	0 (0.0)	0 (0.0)
Tripura	1 (1.0)	0 (0.0)	2 (0.0)	1 (11.1)	1 (1.6)
Uttar Pradesh	11 (11.5)	18 (20.5)	9 (23.1)	1 (11.1)	4 (6.6)
Uttarakhand	7 (7.3)	6 (6.8)	1 (2.6)	1 (11.1)	1 (1.6)
West Bengal	3 (3.1)	4 (4.5)	2 (5.1)	0 (0.0)	1 (1.6)
Total	**96 (100.0)**	**88 (100.0)**	**39 (100)**	**9 (100.0)**	**61 (100.0)**

The table above presents that out of 293 sampled ITIs upgraded, the majority of civil works have been carried out, followed by procurement of tools and equipment, infrastructure development, other requirements, and course materials. Out of the total civil work operationalized, the maximum percentage has been done in the Government ITIs of Karnataka (26%), followed by Maharashtra (13.5%), 11.5% each in Tamil Nadu and Uttar Pradesh, Gujarat (10.4%), Uttarakhand (7.3%), Odisha (4.3%), 3.1% each in Chhattisgarh and West Bengal and 1% each in Assam and Tripura. Out of the total tools and equipment procured, the maximum percentage was operationalized in the ITIs of Maharashtra (33.6%), followed by Uttar Pradesh (20.5%), Gujarat (15.9%), Madhya Pradesh 9.1%), Uttarakhand (6.8%), 4.5% each in West Bengal and Chhattisgarh, Assam 92.3%) and 1.1% each in Odisha and Tamil Nadu. Out of the total requirements met, the maximum was found in the Government ITIs of Maharashtra (43.6%), followed by Uttar Pradesh (23.1%), Madhya Pradesh (12.8%), Chhattisgarh (7.7%), West Bengal (5.1%) and 2.6% each in Assam and Uttarakhand. Out of the total infrastructure developed in 61 sampled Government ITIs, the maximum percentage was operationalized in Maharashtra (52.5%), followed by Gujarat (13.15%), 8.2% each in Chhattisgarh and Madhya Pradesh, Uttar Pradesh (6.6%), 3.3% each in Assam and Karnataka and 1.6% each in Uttarakhand and West Bengal. The IMC has also spent on the course materials. Out of the total course material procured, the maximum percentage has been operationalized in the Government ITIs of Madhya Pradesh (22.2%) and Maharashtra (22.2%), followed by each 11.1% in Chhattisgarh, Gujarat, Tripura, Uttar Pradesh, and Uttarakhand.

However, the scheme under the Ministry of Skill Development and Entrepreneurship converges with many schemes namely, Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Jan Shikshan Sansthan, and so on. The main component of the scheme is to build a ‘New India’ which is at par with the high standards of the global market.

4.3 Gaps in achievement of outcomes

The gaps in achievement of outcomes identified are as under:

1. The sustainability of asset created under ITIs’ upgradation is conditioned and contingent upon the durability and sustainability. In the study, it was found that the quality component in civil work, maintenance, procurement of equipment and tools were little compromised. The civil construction works etc. should have been properly monitored by the IMCs.

2. In some of the IMCs, it was found that the larger part of the loan was fixed in accruing interest which could have been used in the developmental works, particularly for procuring modernized tools, equipment and creating art-of-the-infrastructure.

3. The KPI number one has not been achieved by any of the ITIs in the sampled States. The information was not furnished either to the NSC or the Central Government in this regard. For this, the State Steering Committee may be held responsible. It has also been reported that the State Steering Committee Members consider it as a liability instead of responsibility. It was also learnt that in one of the ITIs in Ghaziabad, a liquor shop was opened which remained unnoticed in the last four months.

4. The benchmark set for wage employment under KPI number three is 50% which few states have fulfilled. The matter would have been reported to the NSC by the SSCs.

5. The target revenue has not been generated by many of the IMCs. No information in this regard was furnished either to the NSC or the Central Government.

6. The availability of good quality trainers is a major concern to ensure quality training. There is a lack of focus on the development of trainer development programmes or induction programmes and further skill progression pathways for trainers.

4.4 Key-Bottlenecks & Challenges

1 Though the beneficiary students have got employment within one year of passing out, the earnings that they are receiving is not found impactful. The identified marketable skills were electrical mechanic, fitter, civil construction related requirements, electrician, wielding, and manufacturing. On the contrary, the beneficiary students had to join the skills available with the ITIs. The candidate should have been promoted to take up the skill training course in the area of marketability or their aspiration.

2 The outreach and quality of skill development should have been provided to rural workers, to improve their linkages to value chains, supporting the mandate of national policy on skill development.

3 The responses on the component of the Skill Development Initiative (SDI) was found bleak. However, the IMCs informed that they attempted many times to organise but it was never materialised due in-effective footfalls. Nevertheless, the SSC seems to have not considered this component seriously. The SSC was supposed to set the target for the component.

4 A market oriented skill deficit mapping was required within or outside the district, to ensure that courses were run in conformity with the requirements of the youth and their aspirations. Responses on this component were found silent.

5 Lack of promotional activities to attract youth into these ITIs was not effectively looked into. Many youths continued with traditional occupations because of a lack of demand and absence of marketing mechanisms pushing many of them to abject poverty.

6 The updated Skill training curriculum for various trades is not revised, further leading to discontentment in view that the absorption capacity of industries/organizations gets affected.

7 The Government ITIs upgraded though PPP requires care from the local administration where-in the ecosystem does not get impacted by external forces. The administration turned a deaf ear to the grievances raised by IMCs.

4.5 Input use Efficiency

Input use efficiency, also known as the productivity ratio refers to the extra unit of output generated from an additional unit of input. This indicates how efficient the input (funds disbursed in the context of the scheme evaluation) was in terms of generating the required output (the ITIs covered). The efficiency of input use can be computed by taking a simple ratio of output to input. A higher input use efficiency ratio indicates that output is maximized without requiring more of any input values or use of input is minimized while satisfying at least the given output levels.

Table 4.16: Input use efficiency ratio

Year	Actual Expenditure (Rs. in Crore)	No. of ITIs Upgraded	Input Use efficiency ratio
2007-08	₹ 750	300	0.4
2008-09	₹ 750	300	0.4
2009-10	₹ 750	300	0.4
2010-11	₹ 300	120	0.4
2011-12	₹ 517.5	207	0.4

In the table above, the input use efficiency ratio has been calculated. The input-use efficiency ratio has been 0.4 across the years. It shows that outcome-based, a fixed amount has been released for the upgradation of 1227 Government ITIs through PPP. Indeed, the interest-free loan of Rs. 2.5crore/ITI have been released to IMCs.

5. OBSERVATION AND RECOMMENDATIONS

The scheme of Upgradation of 1396 Government ITIs through PPP has been operationalized in 1227 Government ITIs. The key observation based on the objectives of the study are as under:

1. The revenue model of ITIs is sustainable to the extent that the Key Performance Indicators (KPIs) mentioned in amended guidelines are adhered to. The demand for 20% seats in the IMC quota can be filled-in provided the percentage of candidates passing out can be maximized along with their ensured placement. The ensured placement depends on the quality of training being imparted through updated trainers and amenable IT labs. It has been found during the study that the labs are neither updated with advanced tools and equipment nor bestowed with proficient trainers. However, in some of the cases, IT labs as well as the trainers were found very responsive.
2. The feasibility of the Institute Development Plan (IDP) reviewed by the State Steering Committee was partly executed so long as the hiring of contractual staff was concerned. It was fully accomplished in terms of the operationalization of civil work. However, some of the ITIs are still undergoing construction and maintenance works.
3. The interest-free loan of 2.5 Crore has been used efficiently in selected number of ITIs. In most of the cases, the Interest-free loan was found to be deposited in the banks to attract interest. The interest accrued on the interest-free loan has gone to such an extent that the ITIs are feasibly prepared to repay the amount. However, civil works, tools, and equipment, etc. have also been conducted in the ITIs in the sampled states.
4. The industry partners and similar other industry heads have been found being invited to the Government ITIs in their orientation courses. They are also invited to take classes. Most of the industry partners have been found giving preference to the trainee students after the successful completion of their courses.
5. Most of the ITI buildings are having state-of-the-art infrastructure, as prescribed by NCVT. However, in fewer cases, such buildings have not been found.
6. The scheme has completed its duration of releasing the funds for operationalizing the upgradation of 1227 ITIs through PPP. However, it requires re-structuring at the level of expediting the recovery of the interest-free loan amount.
7. The outreach of the scheme has been recognized in 30 States/UTs. The scheme is effective in the sense that it may fulfill our dream of ‘AatmaNirbhar Bharat’ through broad-based skilling to youth.

8. A dedicated project management unit (PMU) needs to be set-up with the department to take up the matter of loan recovery from the 1227 Government ITIs through the State Governments. The PMU may employ eloquent consultants to expedite the matter with the State Governments.

9. Based on the information received from the banks, on average the interest accrued on interest-free loan laying with IMC bank accounts is 123.03 lakh. In such cases, the moratorium period of 20 years is too long. As such, it is advised to the Ministry to issue an immediate letter to the State Governments that those IMCs having loan interest of Rs.125 lakh or above should repay the interest accrued against the loan, as the part payment. It would help the Government to use the resource for other key purposes and minimize the opportunity costs involved in it.

10. The repayment of a loan does not mean that KPIs are abrogated. To improve the effectiveness of ITIs, the SSCs should continue reviewing the performance of ITIs quarterly.

11. It is recommended that IMCs should take necessary steps in organizing Skill Development Initiatives. It would be the responsibility of the States to ensure that the ITIs are taking lead in organizing such initiatives.

12. ITIs should organize skill development certification program for the skill enhancement of students to bag-up the jobs in their respective fields.

13. A need-based professional agency may be hired by IMCs for a transitional period of two years. The agency hired should be able to provide multi-disciplinary support to a cluster of the IMCs regarding the direction in which the ecosystem of training is to be revitalized. During the two years of transitional phase, capacity building of the staff should be undertaken.

14. The Department may like to organize a workshop periodically with the SSCs to know the status of upgraded ITIs in terms of meeting the KPIs' benchmarks and challenges thereof. The best practice of ITIs upgraded may be shared amongst all ITIs for replication.

5.1 Thematic Assessment

The thematic assessment of the scheme deals with accountability, transparency, employment generation, use of IT, behavioral changes in the stakeholders, involvement /support of State Government. In this connection, the interest-free loan with 20 years of moratorium has been used on the approved items by State Steering Committee. To effectively attain the laid down Key Performance Indicators (KPI) requires transparency, as the same has to be reviewed annually at the end of December by the State Steering Committee. As a result of the upgradation, 100% direct-indirect employment has been generated. Though the earnings from the employment have not been impactful, the normal employment itself has paved the way for making one's skill marketable. The IT use has already been enabled through the NCVT MIS portal. The number of employed candidates within one year of pass out should also be accommodated in one of its columns. Given the expansionist nature of the scheme, the state of the art infrastructure being in consonance with the aspiration and demands of the beneficiaries ought to be created in line with NCVT guidelines for the target ITIs.

5.2 Externalities

Externalities occur in a scheme when the intended outcomes are not achieved or partly achieved due to unintended or latent reasons. The identified externalities under the scheme of Upgradation of 1396 Government ITIs through PPP are as under:

1. The IDP for the ITIs is not necessarily customized. This has been found very generic and requirements for the upgradation may vary from one geography to another. For some, the IDP reviewed by SSC may be functional but for some other, it may not be that functional keeping in view the size of the state.

2. The delay in the maintenance plan relating to civil work may trigger additional costs for which may other important tasks of ITIs may be compromised. The ITIs should also include community participation in its decisions.

3. The implications of the skill-gap survey in the curriculum design need to be integrated to revise the courses in consultation with the NCVT.

4. The not-in –use equipment and tools are major challenges. If the equipment is not used, it would be rusted and confront with induced depreciation. The skilled trainers need to be hired so that tools can be used and social return on the investment can be ensured.

6. CONCLUSION

The upgradation of the Government ITIs through PPP aims at improving the quality of infrastructure available at Govt. ITIs. Through upgraded ITIs, the improvement in the employment outcomes for the graduates from the vocational training system can be effectively attained by making the design and delivery of training more demand responsive. For each ITI to be covered under the scheme, one industry partner is associated to lead the process of upgradation in the ITI. The industry partner is identified by the State Government in consultation with industry associations. For each selected ITI, an Institute Management Committee (IMC) is constituted/ reconstituted. The IMC is converted by the State Government into a Society under the relevant Societies Registration Act. The IMC registered as a Society is entrusted with the responsibility of managing the affairs of the ITI under the Scheme. The IMC is led by an Industry Partner as the chairperson. Four members from the local Industry to be nominated by the Industry Partner in such a way that the IMC is broad-based. Five members nominated by the State Govt. (1) District employment officers, (iii) One expert from local academic circles, (iv) One senior faculty member (v) One representative of the students. The principal of the ITI happens to be an ex-officio member secretary of the IMC Society.

For proper monitoring of the ITIs, the laid down six Key Performance Indicators (KPI) in the original scheme guidelines were revised as: (a) percentage of candidates appearing in the examination vis-à-vis intake capacity, (b) Percentage of candidates passing out vis-à-vis candidates appearing in the examination, (c) percentage of passed out students employed/self-employed within one year of pass out, (d) revenue generation and (e) re-affiliation, if due. It has also been stipulated under the scheme that if the KPI (a) and (b) are to be achieved to the level of 70% and be taken upto the level of 95% in the next few years; and KPI no. (c), an initial benchmark of 50% for wage employment and 70% for overall employment along with the revenue generation of Rs. 5 lakh, Rs. 10 lakh and Rs. 15 lakh for the years 2014-15, 2015-16 and 2016-17, respectively and KPI no. (e) Re-affiliation by August 2015, if due.

The interest-free loan is released to the IMC is directly based on the Institute development Plan (IDP) prepared by it. The IDP is developed in such a way that it leads to upgradation of the ITI as a whole. Simultaneously, the upgradation in the particular trade sector is also taken up by the Institute Development Plan (IDP). The IDP has to define the long-term goals of the Institute, the issues, and challenges facing the Institute, and the strategies for dealing with them. The IDP is submitted to the State Steering Committee (SSC), which scrutinizes it and forwards it to the Central Government for the release of funds. The interest-free loan received by the IMC is kept in a separate bank account opened in the name of the IMC in a public sector bank.

A total of 900 ITIs were covered under the scheme during 2007-08 to 2009-10. Due to a ceiling of 300 crore in RE 2011, only 120 proposals were processed. To monitor the utilization of funds by the IMC societies and review the progress of implementation of the scheme, the coordination among industry partners and principals of ITIs was emphasized. After covering 1020 ITIs under the scheme up to 2010-11, the remaining 376 ITIs were taken forward during 2011-12. It was prescribed that ITIs established before 01.01.2007 with NCVT affiliation and having own building, ITIs established before 01.01.2007 with SCVT and having own building and ITIs established after 01.07.2007 with NCVT/SCVT and having own building for starting new trades were covered under the scheme. The creation of a dynamic and demand-driven curriculum framework is inbuilt in the modernization of the Govt. ITIs.

The scheme has been implemented in 30 States/UTs. These are: (1) Andhra Pradesh (2) Arunachal Pradesh, (3) Assam, (4) Bihar, (5) Chandigarh, (6) Chhattisgarh, (7) Gujarat, (8) Goa, (9) Haryana, (10) Himachal Pradesh, (11) Jammu and Kashmir, (12) Jharkhand, (13) Karnataka, (14) Kerala, (15) Madhya Pradesh, (16) Maharashtra, (17) Meghalaya (18) Mizoram, (19) Nagaland, (20) Delhi, (21) Odisha, (22) Puducherry, (23) Punjab, (24) Rajasthan, (25) Tamilnadu, (26) Tripura, (27) Uttrakhand, (28) Uttar Pradesh, (29) West Bengal, and (30) Dagar and Nagar Haveli. Out of the upgradation of 1227 ITIs operationalized, the maximum number of ITIs are falling under the state of Maharashtra, followed by Uttar Pradesh (250), Rajasthan (105), Gujarat (91), Punjab (76), Karnataka (76), Madhya Pradesh (74), Andhra Pradesh (61), Haryana (52) Uttrakhand (43), Chhattisgarh (42), Jammu and Kashmir (34), Himachal Pradesh (33), Tamilnadu (32), West Bengal (28), Kerala (26) and so on.

As per the discussion with the programme division of the MSDE, the objectives of the study were set up as: (1) to assess the revenue model of ITIs, particularly in terms of sustainability, (2) to evaluate the feasibility of the Institute Development Plan suggested by State Steering Committee, and the extent to which it has been executed on the ground (3) to study the efficient use of interest-free loans of Rs. 2.5 crore by IMC for (a) Civil Construction, and (b) Tools and Equipment up-gradation, (4) to receive the feedback of Industry partners and similar, other than the industry partners on the trainings imparted by such Institutions,(5) to physically verify the state of art infrastructure have been created in line with NCVT guidelines for the target ITIs, (6) to study whether the structure and design of the scheme require any change, and (7) suggestions to improve the effectiveness of the Scheme.

The sample under study was selected based on the total number of ITIs upgraded. The total number of ITIs was statistically put to a 95% confidence level and a 5% margin of error.

Based on this, a total of 293 upgraded sample ITIs were worked out across 12 states. Against the proposed sample size of 1167, the study has covered a total of 1171 respondents under the study. Based on the number of Government ITIs upgraded, a total of 293 ITIs have been selected proportionally. The ITIs were selected from 12 states of six regions as classified by the NSSO. From each of the states, one SSC representative, one industry partner, and 2 near industry heads and beneficiary trainees have been selected. As such, a total of 1171 respondents have formed the complete sample size of the study.

Regarding the revenue model, the highest of ITIs rated '95% and above' who have filled up their allotted seats were found in the state of Odisha, followed by Tripura (33.33%) and West Bengal (30.00%) whereas there are no ITIs in Assam, Madhya Pradesh, Tamil Nadu and Uttarakhand who have filled the seats in the last three years. 70 to 95% of the ITIs in Maharashtra have filled in their seats for their trainees in the past three years whereas only 1.08% of ITIs in the state have filled more than 95% of their seats. The second state that follows Maharashtra is Uttar Pradesh where 90% of ITIs in the state have packed their institutes filling up to 70-95% of the seats. The underperforming ITIs have been found in Karnataka, as 10 of their ITIs fall in the category of 69% and below, followed by Tamil Nadu(7), and Madhya Pradesh (6).

On average the interest loan accrued on the interest-free amount is Rs. 123.03 lakh with a maximum of Rs.199.18 lakh and a minimum of Rs. 25.07 lakh. The IMCs having above the average of accrued interest on the interest-free loan are: Maharashtra (Rs. 199.18 lakh), followed by Madhya Pradesh (Rs.181.66 lakh), Gujarat (Rs. 155.60 lakh), West Bengal (Rs.148.40 lakh), Karnataka (Rs. 148.38 lakh), and Chhattisgarh (Rs. 142.80 lakh). Below the average accrued interest on the interest-free loan has been found with the IMCs in the state of Assam (Rs. 120.98 lakh), followed by Odisha (Rs. 116.65 lakh), Uttarakhand (Rs. 99.18 lakh), Uttar Pradesh (Rs. 93.47 lakh), Tamil Nadu (Rs. 44.99 lakh) and Tripura (25.07 lakh). Overall, considering the revenue generated from 20% of the total seats of IMCs and available interest accrued on the interest-free loan, the amount may easily be repaid to the central government.

Assam has the highest percentage of candidates who have appeared for the exam in relation to the intake capacity i.e. around 0.53% which is followed by Chhattisgarh (0.41%) and Gujarat (0.36%). The poorest performing state is Tripura whose percentage of candidates who have appeared for the exam in relation to intake capacity i.e. around 0.19%. There exists fathomless deficit in meeting the first KPI as laid down under the scheme. The benchmark fixed was 70% to be further taken to 95% in the next few years has not been done to even 1% across the states. Moreover, the first KPI seems to be unrealistic. However, the State Steering Committee which is entrusted with the task of reviewing the performance of each IMC every year by the end of December should have brought to the notice of the National Steering Committee. The delegated task to SSC has not been properly been executed relating to the first indicator of the KPI.

The states of Assam, Karnataka, Odisha, Tamil Nadu, and Tripura have hundred percent success rate of trainees passing out the exam followed by Chhattisgarh (92.31%), Uttar Pradesh (91.18%), Maharashtra (89.47%) and Uttarakhand (83.33%). All twelve states have fulfilled the criteria of candidates passing out i.e. more than 70-90%. Out of the 293 ITIs physically verified, a total of 189 buildings were found with state-of-art-infrastructure construction. The building of Govt. ITI, Pratapgarh, Uttar Pradesh was found to be not constructed. The 103 ITIs in the sample-size were found to be not constructed as per the state of the art infrastructure. The maximum percentage of state-of-the-art buildings have been constructed in the Government ITIs of Tripura (100%), West Bengal (100%), and Odisha (100%) followed by Gujarat (91.2%), Madhya Pradesh (77.8%), Maharashtra (75.3%), Chhattisgarh (62.5%), Uttar Pradesh (58.1%), Assam (50%), and Tamil Nadu (8.3%). Most of the ITIs of Uttarakhand (100%) and Tamil Nadu (91.7%) have been identified as normal buildings. The same follows in descending order to the ITIs of Karnataka (64.3%), Assam (50%), Uttar Pradesh (39.5%), Chhattisgarh (37.5%), Maharashtra (24.7%), Madhya Pradesh (22.2%), and Gujarat (8.8%).

Recorded feedback for all the components (Infrastructure, Training Kit, Receptivity, Participation, Course Content, Use of the Digital Tool, Reading Material, Placement Cell, Overall Training Ecosystem, Exposure to Marketable and Practical sessions) was documented and analysed. The highest rating was given to Odisha (4.34), followed by Tripura (4.32), West Bengal (4.21), Assam (4.05), Gujarat (3.99), Uttar Pradesh (3.94), Madhya Pradesh (3.70), Maharashtra (3.69), Uttarakhand (3.69), Chhattisgarh (3.59), Karnataka (3.24) and Tamil Nadu (3.00). The minimum overall rating of 3.00 was recorded for Tamil Nadu, which signifies 'Neutral' satisfaction levels. A maximum score of 4.34 was recorded for Odisha, which signifies a satisfaction level between 'Satisfied' and 'Highly Satisfied', slightly leaning towards 'Satisfied'. The average overall rating for all the states combined was 3.81, which represents that the beneficiaries were almost reached the level of being 'Satisfied'. Statistical analysis of the above data showed that the standard deviation is found to be 0.41, which indicates that the ratings are spread to the mean (3.81) very closely. The skewness of the data is -0.59, therefore the data is fairly symmetrical, with a very slight negative skew. The kurtosis is found to be -0.12. Therefore, the data is Mesokurtic and is normally distributed.

6.1 Issues and Challenges

1. ITIs can be set up with more than 4 trades and the minimum plot-size can be increased from more than 1 acre, to acquire quality and standard state of the art infrastructure.
2. Vocational training must by definition be for a minimum of a year, which should include job training. Short-term training should be confined to recognizing prior learning of informally trained workers who are already working.
3. Though the present capacity of ITIs is very low compared to the demand, the quality of training imparted also has low standards, as a result of which even the employability gets perpetually affected.
4. Inadequate industry interface with unique curriculum development ought to be taken, Most of the training institutes have low industry interface as a result of which the performance of the skill development sector is poor in terms of placement records and salaries offered.
5. Promoting entrepreneurial spirit in trainees and trainers for meaningful application of skills acquired for societal gains was not found.
6. Specific indicators and techniques to evaluate the performance of training institutes should be regularised quarterly.
7. Lack of surveys to find the exact skill requirements from the employers was not found properly in place. Analysis of such surveys would help in designing course structures of the training programs and thus standardize course curriculum or training delivery systems can be developed.
8. Some skill programmes are biased towards trades which are more favourable to men reinforcing the exclusion of girls. There is a challenge of providing facilities like female teachers, hostels, and transport along with introducing flexible courses in terms of time for their better participation.
9. The employers generally prefer automation and contract labour over permanent to save themselves from labour laws. This growing practice impedes skill development in India.

6.2 Vision for the Future

The evaluation for the scheme suggests threefold visions for the future operation. These are: short, medium & long terms.

The short term vision manoeuvre to the demand for skill development as a priority sector. As per the Labour Bureau Report, 2014, the current size of India's formally skilled workforce is only 2 percent. This apart, there is also the challenge of the employability of large sections of conventionally educated youth. The Indian education system has been churning out brilliant minds but lacking in the skill set required for specific jobs. Therefore the scheme needs to be in convergence with the Skill India Mission and PMKVY, which emphasize bridging the gap between skill enhancement and employability.

The Medium-term vision is to create training capacity in the country; fund vocational training initiatives and create a market ecosystem for skill development. With the target demography for the skilling initiative being diverse with people, taking up need-based skills oriented towards securing employability should be a major component of the scheme.

Long term vision of the scheme requires alignment with the National Skill Development Mission, Pradhan Mantri Kaushal Vikas Yojana, and Skill India to build a 'New India', increasing participation from Corporate and PSUs who are coming forward and investing in the country's youth by supporting skill development through their CSR initiatives. That may provide a strong institutional framework at the Centre and States for the implementation of the skilling activities in our country. They are getting involved in a range of activities such as financing, providing infrastructure, recognition of prior learning, adoption of national qualification framework and occupational standards, etc. The idea is to create an ecosystem of empowerment by skilling on a large Scale at Speed with high Standards to promote a culture of innovation based entrepreneurship, generating wealth and employment to ensure sustainable livelihoods for all citizens.

6.3 Recommendation for Scheme with reasons

The scheme of "Upgradation of 1396 Government ITIs through PPP" has been operationalized in 1227 Government ITIs and an interest-free loan of Rs. 3067.50 crore has been released to the ITIs at the rate of Rs. 2.5 crore to each ITI. Considering 30% women and 60% rural share, 100% wage and self-employment with f value 1.38 and critical f value 2.81 (through F-test), 1.08 coefficient for expected revenue through 20% IMC quota (with R-square 0.93 and p-value 0.00), an average interest of 123.03 lakh accrued on interest-free loan for each ITI, the scheme has largely met its set objectives. **As such, the study team**

recommends the repayment of the interest-free loan by the IMCs of respective upgraded 1227 Government ITIs. Furthermore, the following recommendations are made to recover the loan as well as improve the effectiveness of 1227 Government ITIs upgraded. These are as under:

1. A dedicated project management unit (PMU) needs to be set-up with the department to take up the matter of loan recovery from the 1227 Government ITIs through the State Governments. A dedicated PMU with eloquent consultants needs to be set-up to follow-up with loan recovery.
2. Based on the information received from the banks, on average the interest accrued on interest-free loan laying with IMC bank accounts has been found to be 123.03 lakh. In such cases, the moratorium period of 20 years seem to be too long. As such, it is recommended to reduce the duration of loan pay-back. The Ministry is advised to issue an immediate letter to the State Governments that those IMCs having loan interest of Rs. 125 lakh or above should repay the interest accrued against the loan, as the part payment. It would help the Government to use the resource for other key purposes and minimize the opportunity costs involved in it.
3. The repayment of a loan does not mean that KPIs are abrogated. To improve the effectiveness of ITIs, the SSCs should continue reviewing the performance of ITIs on quarterly basis.
4. It is recommended that IMCs should take necessary steps in organizing Skill Development Initiatives. It would be the responsibility of the States to ensure that the ITIs are taking lead in organizing such initiatives.
5. Need-based professional agency may be hired by IMCs for a transitional period of two years. The agency hired should be able to provide multi-disciplinary support to a cluster of the IMCs regarding the direction in which the ecosystem of training is to be revitalized. During the two years of transitional phase, capacity building of the staff should be undertaken.
6. The Department may like to organize a workshop annually with the SSCs to know the status of upgraded ITIs in terms of meeting the KPIs' benchmarks and challenges thereof. The 'best practice of ITIs upgraded' may be shared amongst all the ITIs for replication.

7. RESEARCH TOOLS

Questionnaire IMC Representative:

Basic Details:

1. Name of the IMC Representative:

2. Mobile Number:

3. Designation in IMC:

4. General Designation, If any:

5. State:

6. District:

Thematic Issues:

1. What percentage of allotted intake of trainees have been taken in the last three years?
(i) 100% (ii) 99%-90% (iii) 89%- 80% (iv) 79% - 70% (v) 69%-60% (vi) 59%-50% (vii) less than 50%
2. Do you ensure the fulfillment of 20% paid seats at the ITI?
(i) Yes (ii) No
3. How do you rate the following with regard to ITI working (on rating scale: 1=Bad: 5=Best):

Items	1	2	3	4	5
Mobilization					
Selection of trainees					
Relevance of Training					
Infrastructure					
Assessment					
Training Ecosystem					
Monitoring					
Evaluation					
Placement of trained Trainees					
Arranging workshops, seminars and exhibitions					
Purchase of tools & equipments					
Machinery, furniture, raw-material etc.					

4. How do the IMC representatives ensure the course design as per the local market demand?

(i) Considering the recommendations of skill-gap analysis (ii) By taking into account the views of industry partners (iii) By surveying local market demand (iv) By following the guidelines of MSDE (v) By aligning with National Policy for Skill Development and Entrepreneurship - 2015

5. How often do you check & update the database (placement cell, trainee's details, attendance, certificate issued etc.) on website/webpage of ITI?

(i) 1= Not at all (ii) 2= Very little (iii) 3= Sometime (iv) 4= Many a time (v) 5= Always

6. Do you keep a database on employment status of training trained?

(i) Yes (ii) No

7. How do you assess the success rate of your course?

(i) By number of trainees joining the course (ii) By accessing employment figure of the state (iii) By receiving telephonic information of the trainees (iv) Others, please specify.

8. To what extent the training has led to plug-in your skill gap?

(i) To a limited extent (ii) To some extent (iii) To a large extent (iv) To a great extent

9. Rank answers from 1=Needs significant improvement, 2=Needs Improvement, 3=consistently better, 4= Good, 5=Outstanding

(i) Assessment & Examination of financial management and system of ITI's:

(ii) Examination of monitoring and supervision system in ITI's:

(iii) Relevance of courses conducted by ITI's as per the market demand:

10. Whether the fund flow is sufficient in catering to required needs of the ITI

(i) Yes (ii) No

11. Checklist:

S.NO.	DOCUMENTS	DATE OF ASSESSMENT	AUTHORITY	REMARK
1.	No. of established ITI's centres			
2.	Total no. meetings held at ITI since its inception			
3.	Meeting held during 2016-17			
4.	Meeting held during 2017-18			
5.	Meeting held during 2018-19			
6.	Meeting held during 2019-till date			
7.	No of members attended			

	the last three meetings			
8.	No. of Industry partners attending meetings conducted by IMC/ITI's			
9.	MoUs Signed by ITI			
10.	Type of assistance received from Industry Partners			

S. No	DOCUMENTS	DATE OF ASSESSMENT	AUTHORITY	REMARK
1.	Maintenance bill of materials			
2.	Expenditure/Account details			
3.	No. of intakes at ITI			
4.	No. of placement from ITI			
5.	Audit report			
6.	Number of skill courses			
7.	No. of trainers			

S. No	FACILITIES AVAILABLE	DATE OF ASSESSMENT	AUTHORITY	REMARK
1.	Availability of tools & equipment for trainee's			
2.	Available Computers			
3.	TCPC In Charge			
4.	Photocopy machine			
5.	Notice board			
6.	Printer			

S. No	TRAINING ACTIVITIES CONDUCTED AT ITI'S INCLUDES:	DATE OF ASSESSMENT	AUTHORITY	REMARK
1.	Aptitude test			
2.	Soft skill/interview skills			
3.	Personality development			
4.	Resume building			
5.	Presentation skills			
6.	Expert lectures			

S. No	PLACEMENT ASSISTANCE	DATE OF ASSESSMENT	AUTHORITY	REMARK
1.	Use of Computers at placement cell			

2.	Display of Posts information/vacancies			
4.	Apprenticeship			
5.	Campus Placement/ Job Fairs			

12. How often the functioning under the aegis of parent collaborating agencies and Industry partners is being assessed?

Rank from 1= Not at all 2= Very little 3= Sometime 4= Many a time 5=Always

13. Is the state of art infrastructure at ITI's created in line with NCVT guidelines?

(i) Yes (ii) No

14. How frequently inspection is conducted at ITIs by IMC representatives.

Rank from 1= Not at all 2= Very little 3= Sometime 4= Many a time 5=Always

15. How the major decisions are taken in the ITI?

(i) By IMC head (ii) By ITI head (iii) By Expert from local academic circles (iv) By senior faculty member (v) In consultation of all these.

QUESTIONNAIRE FOR INSPECTION OF ITI BUILDINGS:

Basic Details:

1. Name of the ITI:
2. Name of the Estate in-charge:
3. Mobile number:
4. Location: (i) In Naxal Area (ii) Around Naxal Area (iii) Considerable Distance (approx.10 kms).
5. Name of the state:
6. Name of the district :
7. State of Art Construction: (i) Yes (ii) No (at the first look)

Thematic Details:

1. What is the entry load of the Institute?
2. How many floors are there in the building? (i) One (ii) Two (iii) Three (iv) More than three
3. Do you have lift facility? (i) Yes (ii) No
4. Do you have tin-roof workshop? (i) Yes (ii) No
5. Do you have safety material like: Fire-buckets, extinguisher, Retro reflective signage, Evacuation drill, standing Fire Order? (i) Yes (ii) No
6. Do you have proper Electricity connection like earthing and bonding, earth leakage circuit breaker which will prevent various electrical hazards? (i) Yes (ii) No
7. Do you pay Electricity Bill? (i) Yes (ii) No-
8. If yes, the Electricity bill of last calendar year is equal to 7200Kwh (i)Yes (ii) No
9. Do you have IT Lab? (i) Yes (ii) No-
10. If yes, how many computers are available?
11. Quality of infrastructure

S. No	Quality of infrastructure	Very Low 1	Low 2	Neutral 3	High 4	Very High 5
1.	Rectangular shape workshop					
2.	No tin sheet workshop					
3.	Height of workshop must be 10 feet					
4.	Cemented/ tiled institute					
5.	Heavy machineries to be housed in the ground floor					
6	More than three floor building lift mandatory					

7	Safety material (Fire buckets, extinguisher, Retro reflective Signage, Evacuation drill, Standing Fire Order)					
8	Electrical hazard(Proper earthing and bonding, Earth leakage circuit breaker					
9	Quality of water, quality of food					
10	Electricity bill of last calendar year (should be equal 7200 Kwh)					
11	IT Lab with minimum 10 computers					
12	Other facilities					

12. How frequently machinery is maintained? (i) Every week (ii) Every month (iii) Quarterly (iv)Every 6 month (v) Yearly (vi) Others
13. What is the self-rating in the last two years of ITI's building? Rank answers on the scale of 1 to 5 where, 1= Very poor: 2= Poor: 3= Average: 4= Good: 5= Excellent
14. How many trainees have been inducted in the current year?
15. What are the other construction related works left to be undertaken?
16. Major area of Upgradation:
    (i) Building
    (ii) Infrastructure
    (iii) Tool and Equipment
    (iv) Course Materials
    (v) Others, please specify

QUESTIONNAIRE FOR STATE STEERING COMMITTEE REPRESENTATIVES

Basic Details

8. Name of the Official:
9. Designation:
10. Mobile number:
11. Name of the state:
12. Name of the district :
13. Years of experience in working with the Department:

Thematic Details

1. Have SSC helped preparing feasibility plan for the ITIs:
   (i) Yes (ii) No
2. How frequently do you visit the Govt. ITIs to see their overall performance?
   (i) Once in a week (ii) Once in fortnight (iii) Once in a month (iv) Occasionally (v) Never
3. How does Govt. ITIs ensure mobilize potential trainees?
   (i) Through door to door campaign (ii) Mobile van campaign (iii) Community group meeting/interaction (iv) Through village leaders (v) Posters/Pamphlets (vi) Peer group (vii) Advertisement on print/radio/audio-visual media (viii) Others
4. Do the Govt. ITIs ensure to fulfil the 20% paid seats
   (i) Yes (ii) No
5. How do you ensure quality training under the Govt. ITI s?

(i) Periodic assessment (ii) Ensuring induction of ToT trained trainers (iii) Ensuring conducive training eco-system (iv) Others, please specify.

6. To what extent the trained candidates get a job after the training under the target ITIs?

(i) Negligible (ii) To a limited extent (iii) To some extent (iv) To a great extent (v) Almost all

7. Whether the existing revenue model of ITIs are sustainable? (i) Yes (ii) No
8. If No, what changes are required to be put in the existing ITIs to make them financially sustainable?
9. To what extent the feasibility plan suggested by SSCs have been executed on the ground by the ITIs? Rate on the scale of 1-5 where 1 is ‘worst’ & 5 is the ‘best’

10. What are the strength and weaknesses of the Govt. ITIs in imparting training for the employability?

QUESTIONNAIRE FOR INDUSTRY PARTNERS (IP) & NEAR INDUSTRY

Basic Details:

1. Name of the Industry Partner:
2. Mobile Number:
3. Designation in IMC:
4. General Designation, If any:
5. State:
6. District:

Thematic Issues:

1. How actively are you associated with the Functioning of the ITI?

(i) To a limited extent (ii) To some extent (iii) To a large extent (iv) To a great extent

2. Which are the hub skill sectors projected in your industry?

3. Whether the projected human resource requirement is aligned with National Policy for Skill Development ad Entrepreneurship-2015?

(i) Yes (ii) No

4. What percentage (%) of manpower do you hire from the vulnerable sections like SC, ST, Divyangjan and Women?

5. Do you visit the linked ITI as a resource person?

(i) Yes (ii) No

6. If yes, how often you are invited to conduct the classroom sessions?

(i) Once in a week (ii) Once in a month (iii) Twice in a month (iv) Always

7. If yes, how often you are invited to conduct the practical sessions?

(i) Once in a week (ii) Once in a month (iii) Twice in a month (iv) Always

8. Do you find the trainees receptive to whatever is taught at the ITI?

9. Do you prefer the skilled trainees to be the part of your valuable human resource pool?

(i) Yes (ii) No

10. For how long, a trained manpower from target ITI is engaged with the industry?

(i) Three Months (ii) Six Months (iii) One year (iv) More than one year.

11. Do you hire the trainee in the same sector skill where they have been trained?

(i) Yes (ii) No

12. Do you incentivize skilled trainees to retain at the industry?

(i) Yes (ii) No

13. Which skill sector is popular amongst the other industries in the same locality?

14. How do you rate the efficiency in terms of quality component of beneficiary skilled?

Rank on the scale of 1-5

(i) Highly Unsatisfied ii) Unsatisfied iii) Neutral (iv) Satisfied (v) Highly satisfied

QUESTIONNAIRE FOR BANK REPRESENTATIVES:

Basic Details

1. Name of the Bank Representatives:
2. Name of Bank/Branch:
3. Designation:
4. Mobile number:
5. Name of the state:
6. Name of the district :

Thematic Details

7How frequently the ITI representative transacted with the account?

8On which date the amount was credited to the account of ITI?

9Please give the statement of expenditure since the loan of Rs. 2.5 crore was credited to the ITIs account?

10.What is the total value of interest accrual?

Questionnaire for Trainee (1396 Government ITI)

Basic Details:

1. Name of the trainee:

2. Mobile Number:

3. Age: (i) 14-25 ( ) (ii) 25-35 ( ) (iii) 35-45 ( )

4. Sex: (i) Male ( ) (ii) Female ( ) (iii) Transgender ( )

5. State:

6. District:

7. Residential Location: (i) Rural ( ) (ii) Urban ( )

8. Social Category: (i) General ( ) (ii) OBC ( ) (iii) SC ( ) (iv) ST ( ) (v) Minority ( )

9. Physical Status: (i) Abled ( ) (ii) Divyangjan ( )

10. Category of Income group: (i) APL ( ) (ii) BPL ( )

11. Your Educational Qualification: (i) Illiterate ( ) (ii) Primary (up to 5) ( ) (iii) Upper primary (up to 8) ( ) (iii) Secondary (up to 10th) ( ) (iv) Diploma (more than 12th but less than graduation) ( ) (v) Graduate ( ) (vi) Post Graduate ( ) (vii) Above Post Graduate ( )

12. Educational Qualification of Father: (i) Illiterate ( ) (ii) Primary (up to 5) ( ) (iii) Upper primary (up to 8) ( ) (iv) Secondary (up to 10th) ( ) (v) Diploma (more than 12th but less than graduation) ( ) (vi) Graduate ( ) (vii) Post Graduate ( ) (viii) Above Post Graduate ( )

13. Has your father undertaken any vocational/technical experience? (i) Yes ( ) (ii) No ( )

14. What was the primary occupation of your father in recent past? (i) Farmer ( ) (ii) Farmer based business ( ) (iii) Salaried employee ( ) (iv) Petty business ( ) (v) Wage ( ) (vi) Self-employed ( ) (vii) Unemployed ( ) (viii) Not alive ( )

15. Educational Qualification of Mother: (i) Illiterate ( ) (ii) Primary (up to 5) ( ) (iii) Upper primary (up to 8) ( ) (iv) Secondary (up to 10th) ( ) (v) Diploma (more than 12th but less than graduation) ( ) (vi) Graduate ( ) (vii) Post Graduate ( ) (viii) Above Post Graduate ( )

16. Has your mother undertaken any vocational/technical experience? (i) Yes ( ) (ii) No ( )

17. What was the primary occupation of your mother in recent past? (i) Farmer ( ) (ii) Farmer based business ( ) (iii) Salaried employee ( ) (iv) Petty business ( ) (v) Wage ( ) (vi) Self-employed ( ) (vii) Unemployed ( ) (viii) Not alive ( )

18**.** How many earning members do you have in your family: ( )

Thematic Details:

1. Did you receive training on (i) Paid seat (ii) Unpaid seat

2. What is the instrumental reason for your participation in the training at Industrial Training Institute?

(i) Interested in the course ( ) (ii) Beneficial to get employment ( ) (iii) Increase Income level ( ) (iv) Utilize the leisure hours ( ) (v) Predominance of training in neighborhood ( ) (vi) Family members encouraged ( ) (vii) In anticipation of stipend ( ) (viii) Got to know through Rojgar Mela () (ix) To start own venture ( )

3. How do you come to know about the training of the Industrial Training Institute?

(i) Through door to door campaign ( ) (ii) Mobile van campaign ( ) (iii) Community group meeting/interview ( ) (iv)through village leaders ( ) (v) Local academic circle ( ) (vi) Peer group ( ) (vii) Advertisement on print/radio/audio-visual media ( ) (viii) others ( )

4. What documents were taken for your enrolment?

(i) Aadhar Card ( ) (ii) Educational Certificates ( ) (iii) Income Certificate ( ) (iv) Residential Certificate () (v) Social Category Certificate ( )

5. Did you pay any money for the enrolment? (i) Yes ( ) (ii) No ( )

6. For how many hours per day the training programme was conducted? (   )

7. In which scheme/programme did you receive training?

(i) Craftsmen Training Scheme (CTS) ( ) (ii) Advanced Vocational Training Scheme (AVTS) ( ) (iii) Dual System Of Training ( ) (iv) Apprenticeship Training ( )

8. How do you rate the infrastructure of training centre on the scale of 1-5 wherein; 1= being the Worst & 5 = the Best. ( )

9. How do you rate the quality of training session at the training centre in terms of-

Items	1= Highly Unsatisfied	2=Unsatisfied	3= Neutral	4= Satisfied	5= Highly Satisfied
Training Kit					
Receptivity					
Training Method					
Participation					
Use of the Digital Tool					
Course Content					
Reading Material					
Exposure to Marketable Skills					

Placement Cell					
Overall Training Eco System					

10. How do you rate the practical sessions (On the scale of 1-5)?

(i) Very poor ( ) (ii) Poor ( ) (iii) Average ( ) (iv) Good ( ) (v) Excellent ( )

11. Do you frequently access the lab facilities? (i) Yes (ii) No

12. Did you give any assessment test after the training completion? (i) Yes ( ) (ii) No ( )

13. Did you qualify the assessment test? (i) Yes ( ) (ii) No ( )

14. How do you rate the assessment process at ITI on the scale of 1-5 wherein 1 being the worst and 5 the best. ( )

15. What is the mode of assessment?

(i) Digital ( ) (ii) Manual ( ) (iii) Oral ( ) (iv) Written ( )

16. Did you receive any certificate after the end of the course? (i) Yes ( ) (ii) No ( )

17. How many days after assessment did you receive the certificate: ( )

18. How fair is the training certification?

(i) Poor ( ) (ii) To a limited extent ( ) (iii) To some extent ( ) (iv) To a great extent ( ) (v) To an unlimited extent ( )

19. Were you provided with any pre-placement mentoring? (i) Yes ( ) (ii) No ( )

20. If yes, what kind of pre-placement mentoring were you provided?

(i) Communication skills ( ) (ii) Interview skills ( ) (iii) Resume building ( ) (iv) Expert lectures ( ) (v) Aptitude test ( ) (vi) End to end mock interview experience ( ) (vii) Mock group discussions ( ) (viii) Presentation skills ( )

21. Were you provided with any post training placement support? (i) Yes ( ) (ii) No ( )

22. If yes, what kind of post training placement support were you provided?

(i) Introduction to prospective employers ( ) (ii) Availed interview ( ) (iii) Monetary pay-outs ( ) (iv) Counselling for getting employment ( )

23. State your satisfaction level on the recruitment/placement process at the ITI?

(i) Highly Unsatisfied ( ) (ii) Unsatisfied ( ) (iii) Neutral ( ) (iv)Satisfied ( ) (v) Highly satisfied ( )

24. Are you placed? (i) Yes (ii) No

25. If you are placed, are you satisfied with the wage rate that you receive? (i) Yes (ii) No

26. Have you received the placement in the similar skill training (i) Yes (ii) No

27. Do you know any fellow trainee dropping the course? (i) Yes ( ) (ii) No ( )

Before Availing Training at Industrial Training Institutes:

1. Total work experience in months: ( )
2. Total working hours: ( )
3. Monthly Income: ( )
4. Monthly Expenditure: ( )
5. Marital Status: (i) Married ( ) (ii) Unmarried ( ) (iii) Widowed ( ) (iv) Separated ( )
6. Employment status: (i) Employed ( ) (ii) Unemployed ( )
7. Sector of Employment: (i) Govt. ( ) (ii) Private ( ) (iii) Self- Employed ( )
8. Status of Skill: (i) Skilled ( ) (ii) Unskilled ( ) (iii) Semi- Skilled ( )
9. Whether you are recognized by the market for a job? (i) Yes ( ) (ii) No ( )
10. Did you have your enterprise? (i) Yes ( ) (ii) No ( )
11. How do you rate your skill on the scale of 1-5 wherein 1 being the worst and 5 the best ( ).

After Availing Training at Industrial Training Institutes:

1. Total work experience in months: ( )
2. Total working hours: ( )
3. Monthly Income: ( )
4. Monthly Expenditure: ( )
5. Marital Status: (i) Married ( ) (ii) Unmarried ( ) (iii) Widowed ( ) (iv) Separated ( )
6. Employment status: (i) Employed ( ) (ii) Unemployed ( )
7. Sector of Employment: (i) Govt. ( ) (ii) Private ( ) (iii) Self- Employed ( )
8. Status of Skill: (i) Skilled ( ) (ii) Unskilled ( ) (iii) Semi- Skilled ( )
9. Whether you are recognized by the market for a job? (i) Yes ( ) (ii) No ( )
10. Did you have your enterprise? (i) Yes ( ) (ii) No ( )
11. How do you rate your skill on the scale of 1-5 wherein 1 being the worst and 5 the best ( ).

Multiple Issues:

1. Whether the acquired skills help you get a job? (i) Yes ( ) (ii) No ( )
2. Do you recommend others to join the training institute for skill training? (i) Yes ( ) (ii) No ( )

3. Does the training at Industrial Training Institutes have filled-in knowledge gap to ensure employability? (i) Yes ( ) (ii) No ( )

4. Are you asked to provide your feedback on every classroom/practical session that you attended

(i) Yes ( ) (ii) No ( ) (iii) Sometimes ( )

5. Does the training under Industrial Training Institutes ensure self-wage employment?

(i) Yes ( ) (ii) No ( )

6. Whether you receive the skill training as per the (i) Aspiration (ii) Market demand (iii) looking at the maximum member of enrollment in a sector (iv) All of these

7. To what extent do you agree with the time invested in training was a worth investment? (Rating Scale 1-5. 1=useless, 5= Very effective)

8. What are the strengths and weaknesses of the training imparted to you?

8. SCHEME GUIDELINES

"Upgradation of 1396 Govt.ITI s through Public Private Partnership"

A. Need for Launch of the Scheme:

Out of 1896 Government it is in the country (as on 1.1.2007), 500 Government ITIs are being upgraded into Centers of Excellence under a scheme started from 2005-06. In his Budget Speech 2007-08, Hon. Union Finance Minister announced Upgradation of remaining 1396 Government ITI s into Centres of Excellence through Public Private Partnership. Accordingly, this scheme with total outlay of Rs 3665 crore (Rs 3490 crore for upgradation of 1396 ITI s @ Rs.2.5 crore per ITI and Rs175 crore for management, monitoring and evaluation of the scheme) was framed. In its meeting held on 25.10.2007, CCEA had given 'in principal' approval for the Scheme for the xi Five Year Plan period and financial approval of Rs. 750.04 Crore for the year 2007-08 for the first batch of 300 ITI s.

CCEA, in its meeting held on 03.10.2008, had given approval for upgradation of remaining 1096 Government ITI s during the period 2008-09 to 2011-12 with a total outlay of Rs.2800 crore(Rs.2740 Crore for Upgradation of 1096 Government ITI s @ 2.5 crore per ITI and Rs.60 Crore for management, monitoring and evaluation of the Scheme).

B. Objective:

To improve the employment outcomes of graduates from the vocational training system, by making design and delivery of training more demand responsive.

C. Salient features of the Scheme:

1. Selection of ITI and industry:

For each ITI to be covered under this Scheme, one Industry Partner is associated to lead the process of Upgradation in the ITI. The Industry Partner is identified by the State Government in consultation with Industry Associations.

2. Formation of IMC and its registration as a society:

a) An Institute Management Committee (IMC) is constituted/ reconstituted for each selected ITI. The IMC is converted by the State Government into a Society under relevant Societies Registration Act. The IMC registered as a society is entrusted with the responsibility of managing the affairs of the ITI under the Scheme.

b) The IMC is led by the Industry Partner. In the IMC, the members are as follows:

- Industry partner or its representative as Chairperson.

- Four members from local Industry to be nominated by the Industry Partner in such a way that the IMC is broad based.
- Five members nominated by the State Govt. (i) District Employment Officer, (ii) One representative of the State Directorate dealing with ITI s, iii) One expert from local academic circles, iv) One senior faculty member, v) One representative of the students).
- Principal of the ITI, as ex-officio member secretary of the IMC society.

3. Signing of Memorandum of Agreement:

a) A Memorandum of Agreement (MoA) is signed among the Central Government, State Government and the Industry Partner in which the terms and conditions for participant in this Scheme and the roles and responsibilities of different parties are set out. This MoA is signed by the Industry Partner or its representative on behalf of the IMC also as its Chairman. The MoA is effective upto the repayment of the loan provided to the IMC. A copy of MoA is enclosed at **Annex-I.**

b) An interest free loan of upto Rs. 2.5 crore is given by the Central Govt. directly to the IMC for Upgradation of the ITI into a centre of excellence. The IMC is delegated the power to determine upto 20% of the admissions in the ITI. The specific functions and responsibilities of the IMC for Upgradation of the ITI are spelt out in the MoA and included in its Memorandum of Association and Rules and Regulations while registering it as a society.

4. Role of Industry Partner:

Though financial contribution by the Industry Partner is not a pre-condition to participate in the Scheme, however it is desirable if Industry Partner contributes financially in the Upgradation of the ITI. The Industry Partner may contribute machinery, tools and equipment, etc. which may be instrumental in furthering the objectives of this Scheme. It also arranges to provide training to the faculty members and on the job training to the students of the ITI.

5. Role of State Government:

The administrative control of the staff of the ITI remains with the State Government and it continues to pay their salaries and other emoluments. The State Government is required to ensure that the sanctioned strength of the instructors in the ITI is always filled up and in no case the vacancies exceed 10% of sanctioned strength at any point of time. They are required to ensure that all additional positions required by the ITI are sanctioned and filled up on priority. It has to ensure provision of funds to meet office, administrative and other running expenses of the ITI. The State Government, as the owner of the ITI, continues to regulated admissions and fees except upon 20% of the admissions which are determined by the IMC.

6. Monitoring Agencies:

a) The Central Government has constituted a National Steering Committee (NDC) with adequate representation from industry, State Governments and other Central Government Department to act as an Apex body for guiding implementation Cell (NIC) at the Central level for management, monitoring and evaluation of the Scheme.

b) To monitor implementation of the Scheme at the State level, the State Government has set a State Steering Committee (SSC) with adequate representation from the Industry. The SSC is assisted by a State Implementation Cell (SIC) with sufficient staff for management, monitoring and evaluation of the Scheme at State Level.

7. Institute Development Plan:

The interest free loan is released to the IMC is directly on the basis of an Institute Development Plan (IDP) prepared by it. The IDP is developed in such a way that it leads to Upgradation of the ITI as a whole. Simultaneous Upgradation in a particular trade sector may also be taken up. The IDP defines the long term goals of the Institute, the issues and challenges facing the Institute and the strategies for dealing with them. It sets targets for institutional improvement, define Key Performance Indicators and detail the financial requirement with year-wise break up to meet the needs. The IDP is submitted to the state Steering Committee (SSC), which scrutinizes it and forwards to the Central Government for release of funds. Format for Institute Development Plan is enclosed at **Annex-II**

8. Conditions for use of Funds of IMC:

The interest free loan received by the IMC is kept in a separate bank account opened in the name of the IMC in a public sector bank. Any private contributions, special grants received from State Government and revenue generated by the IMC is also deposited in this bank account. The loan amount may be used for providing additional civil work in the ITI, which shall not exceed 25% of the total loan amount; for use as seed money, which shall not exceed 50% of the total loan amount; for procurement of machinery and equipment and for other activities directly related to Upgradation of training infrastructure in the ITI. Any deviation from this pattern of use of funds has to be justified by the IMC and prior approval obtained from the NSC.

The following procedure is followed for utilization of funds received by them as interest free loan from the Central Govt. under the Scheme

a. Administrative Approval: Except for some contingent expenses of upto Rs. 5000/- at a time,all expenditure made out of the funds of the IMC Society shall have the administrative approval of the Governing Council of the IMC Society.

b. Financial powers of different authorities in IMC Society: The following authorities in the IMC Society have financial power to incur expenditure of any nature (works, procurement of goods, services, consultancy etc.) upto the monetary limits mentioned below:

1.	ITI Principal/Secretary, IMC Society.	-	Upto Rs. 15,000
2.	Works and Procurement Committee of IMC Society.	-	Above Rs. 15,000 and upto Rs. 10 lakh
3.	Governing Council of the IMC Society	-	Above Rs. 10 lakh

c. Works and Procurement Committee of the IMC Society shall consist of:

1. Chairperson/Vice- Chairperson of IMC - Chairperson
2. Member Secretary of IMC – Member
3. Senior faculty member nominated in IMC – Member
4. One Industry member nominated in IMC- Member

Detailed Guidelines regarding financial and procurement procedure is enclosed at **Annex-IV.**

9. Repayment of Loan and Books of Accounts:

a) For the repayment of loan, there is a moratorium of ten years from the year in which the loan is released to the IMC. After the moratorium, the loan is payable by the IMC in equal annual installments over a period of twenty years, the first installment repayable from the 11^{th} anniversary of the day of drawl. In case of default in payment of installment of the loan the NSC may impose penalty on such overdue payment or take any other action deemed fit.

b) The IMC maintains regular books of accounts, gets them audited and prepares annual reports and statements of accounts as required under the relevant Societies Registration Act. The Central Government may call for its books of accounts, vouchers, documents, etc. relating to any accounting year and also authorize an officer for their inspection.

10. Key Performance Indicators:

With the broad objective of improving the quality of training leading to better employability, all the three parties jointly agree and finalize key Performance Indicators (KPIs) as yearly targets for next five years, for improving the internal as well external efficiency of the ITI against the base line information. These parameters are used to evaluate the success of the scheme during and after the project period. The agreed KPIs signed by the IMC and the State Government are appended to the MoA.

11. Monitoring Mechanism:

The IMC is required to submit quarterly reports about the implementation of the Scheme to the SSC, which will in turn submit a consolidated report to the NSC about all the ITIs covered under the Scheme. In case of unsatisfactory performance in achieving the KPIs, the IMC will submit a detailed report to the SSC within 30 days of receipt of a notice in this regard, inter alia, indicating the reasons for failure and measures required to be taken. The SSC will forward this report to the NSC with their comments. The NSC will fix responsibility for such failure and ensure that necessary corrective action is taken.

D. STEPS FOR OPERATIONALISATION

The various steps required for operationalisation of the Scheme are as follows:

Step 1) For each ITI covered under the Scheme, one Industry Partner is to be identified by the State Government in consultation with the Industry Associations. The ITI s identified for Upgradation under the Scheme should be affiliated to National Council for Vocational Training (NCVT).

Step 2) If IMC does not exist in the selected ITI, it has to be constituted as per the composition given in the Memorandum of Agreement. If IMC already exists, it may have to be reconstituted in view of the fact that under this scheme, the Chairperson of the IMC will be Industry Partner or its representative. The other four members from the industry are also nominated by the Industry Partner in such a way that the IMC is broad based. The five members to be nominated by the State Government are as follows:- 1) District Employment Officer, ii) One representative of the State Directorate dealing with it is, iii) One expert from local academic circles, iv) One senior faculty member of the ITI, V) One representative of the trainees.

Step 3) Once the IMC is constituted/reconstituted, it has to be got registered as a society under the Societies Registration Act applicable in the State. For registration of the Society, model Memorandum of Association and Rules & Regulations of the Society as given in

Annex-II may be used after incorporating any changes which may be necessary in view of the requirements of the respective State Acts.

Step 4) After registration of the IMC as a society, the Memorandum of Agreement (MoA) has to be signed among the Central Government, State Government and the representative of Industry Partner (who will sign on behalf of Industry Partner as well as on behalf of the IMC as its Chairman). Simultaneously, a bank account is to be opened in the name of the IMC Society in a conveniently located Public Sector bank having CBS or RTGS facility so that the loan amount sanctioned to the IMC Society may be directly deposited in it.

Step 5) State/UT Government has to take steps to delegate powers to the IMCs as mentioned in Para 4 (c) of Section B of the Memorandum of Agreement.

Step 6) The State/UT Government has to constitute a State Steering Committee (SSC) and setup a State Implementation Cell (SIC) for management, monitoring and evaluation of this scheme as provided in the Memorandum of Agreement.

Step 7) The newly constituted/ reconstituted IMCs, under the leadership of the Industry Partner, have to prepare an Institute Development Plan (IDP) and have to decide their target Key Performance Indicators (KPIs) for next five years as given in Annex-A of the Memorandum of Agreement. The IDPs shall contain details about how much is to be utilized for different components such as civil works, purchase of machinery/equipment and other miscellaneous activities. The year wise break up for these components is also required to be given. IDP should be prepared after careful consideration of the available resources and requirements of the ITI.

Step 8) The IMC have to send the IDPs to the State Streering Committee who will examine them in terms of their feasibility and overall requirement of the State. The target KPIs for next five years also have to be examined by the SSC. The target KPIs for each ITI are to be jointly signed by the IMC and the State Government in the format given in Annex-A of the Memorandum of Agreement and appended to the already signed Agreement. The approved IDPs and KPIs together will be forwarded to the DGE & T by the SSC for expeditious release of funds.

Step 9) The IDPs and KPI targets are scrutinized and approved by the Central Government and the sanctioned loan amount released to the IMC Society directly.

Step 10) The released amount is utilized by the IMCs for Upgradation of their ITI s of their ITI s and the courses in the upgraded facilities are started from the academic session commencing next to the financial year in which the loan is released.

Step 11) The utilization of funds and performance of the ITI s is monitored regularly as per the monitoring mechanism set out in the Memorandum of Agreement.

E. IMPORTANT DOCUMENTS

The important documents and decisions used in this scheme are as follows:

i) Memorandum of Agreement (MoA) to be signed among the Central Government, the State Government and the Industry Partner- **Annex I**

ii) Model Memorandum of Association and Rules & Regulations for the IMC Society- **Annex II**

iii) Format for Institute Development Plan (IDP) **- Annex III**

iv) Guidelines for formation of State Steering Committee (SSC) & State Implementation Cell (SIC) **Annex- IV**

v) Guidelines regarding financial and procurement procedure **Annex-V**

vi) Proforma for Quarterly Progress Report **Annex-VI**

vii) FAQs **Annex-VII.**

viii) List of ITI s alongwith Industry Partners for 2007-08 **Annex-VIII**

ix) List of ITI s alongwith Industry Partner for 2008-09 **Annex-IX**

x) List of ITI s alongwith Industry Partners for 2007-08 **Annex-X**

Annex-I

MEMORANDUM OF AGREEMENT

BETWEEN

THE PRESIDENT OF INDIA;

THE GOVERNOR/ADMINISTRATOR

Of

THE STATE/UT……………

AND

INDYSTRY PARTNER

NAMELY…………….

IN CONNECTION WITH

“UPGRADATION OF 1396 GOVERNMENT INSUSTRIAL TRAINING INSTITUTES

(ITI s)

THROUGH

PUBLIC PRIVATE PARTNERSHIP”

---------------X----------------

Name of ITI…………………………..State/UT…………………..

MEMORANDUM OF AGREEMENT

THE MEMORANDUM OF AGREEMENT is made on this….. day of …….. between the President of Indi acting through shri…………………., Director General/Joint Secretary, Ministry of Labour & Employment, Government of India, Shram Shakti Bhawan, Rafi Marg, New Delhi (hereinafter called '**THE FIRST PART'**); THE Governor/ Adminstrator of the State/UT of …………… ………….. acting through Shri…………………………….. Secretary/ Principal Secretary, Government of………………………………. (address) (hereinafter called **'THE SECOND PARTY'**) and the Industry Partner/namely M/s………………. through Shri/Smt…………………. (designation) (who also acts as IMC Chairperson)…………………………………………….(complete address (hereinafter called **'THE THIRD PARTY').**

WHEREAS it has been the policy of THE FIRST PARTY that skill imparted by the Industrial Training Institutes (ITI s) must keep pace with the qualitative and technological demands of the industry & expanding universe of knowledge;

AND WHEREAS in pursuance of the aforementioned policy, it is proposed to take up a Scheme for **"Upgradation of 1396 Government ITI s through Public Private Partnership" (hereinafter called The Scheme)** with the main objective of improving the quality of training leading to better employability of trainees.

AND WHEREAS all the three above named PARTIES commit to upgrade the Industrial Training Institute……………… (name and full address) (hereinafter called **THE ITI)** into a centre of excellence under this SCHEME.

THE PARTIES HEREOF AGREE AS FOLLOWS:

SECTION A: ROLE OF THE FIRST PARTY

1. THE FIRST PARTY shall provide interest free loan of upto Rs.2.5 crore to the Institute Management Committee of THE ITI, as referred in Para 1 of Section B, based on the Institute Development Plan (hereinafter called THE IDP) developed by the Institute Management Committee and approved by the State Steering Committee (hereinafter called THE SSC). The IDP forwarded by the SSC will be examined by THE FIRST PARTY and the funds will be released within 30 days of receipt of the proposal.

2. THE FIRST PARTY shall establish a National Steering Committee (hereinafter called 'THE NSC') which will be an Apex body for guiding the implementation and monitoring of THE SCHEME. It shall comprise the following members:

i) Secretary, Ministry of Labour & Employment, Government of India as the Chairperson.

ii) Director General of Employment & Training, Ministry of Labour & Employment, Government of India as the ex-officio member Secretary

iii) Financial Adviser, Ministry of Labour & Employment as member

iv) Three representatives nominated by industry associations

v) Three representatives nominated by the Central Government

vi) Three representatives of State Governments (by rotation)

SECTION B:

ROLE OF THE SECOND PARTY:

1. To participate in THE SCHEME, THE SECOND PARTY has constituted/ reconstituted an Institute Management Committee (hereinafter called the IMC) in THE ITI and registered it as a Society under the relevant Societies Registration Act. THE IMC has been entrusted with the task of managing the affairs of THE ITI according to the terms and conditions set out in this Memorandum of Agreement and spelled out in the Memorandum of Association and Rules and Regulations of the Society so formed.

2. THE IMC Society consists of the following members:

i) A representative nominated by THE THIRD PARTY to act as the Chairperson

ii) Four other members from the local industries nominated by THE THIRD PARTY

iii) Five representatives nominated by THE SECOND PARTY..

iv) The Principal of the ITI, as the ex-officio Member Secretary.

3. THE IMC acts as the Governing Council of the Society. It may associate additional members in the society as per need.

4. Having undertaken the activities as per above mentioned paras, THE SECOND PARTY now agrees and undertakes to:

a). Establish THE SSC with the following composition:

(i) The Secretary/Principal Secretary, Department of Labour/Technical Education/Secretary (dealing with ITI s, as applicable) as the Chairperson;

ii) Financial Advisor/Financial Controller/any other authority dealing with the finances of the concerned Department, as member;

iii) Chief Engineer of the State PWD or other State approved agency for construction works or his nominee not below the rank of a Superintending Engineer, as member;

iv) Three industry representatives nominated by major industry associations, as members;

v) Three members having knowledge, expertise and interest in vocational training nominated by the State/UT Government, as members.

vi) The State Director dealing with ITI s shall be the ex-officio member, and shall act as Secretary of THE SSC.

vi) The State Director dealing with ITI s shall be the ex-officio member, and shall act as Secretary of THE SSC.

b). Establish and maintain a State Implementation Cell (hereinafter called 'THE SIC'), with adequate staff to discharge its functions.

c). Delegate to THE IMC adequate administrative and financial powers to

i) assess emerging skill requirements in the region and suggest changes in training courses being run in THE ITI.

ii) start short-term training courses and charge suitable fees for the same;

iii) review training needs and approve training of instructors,and of administrative/office staff;

iv) facilitate placement of ITI graduates;

v) generate, retain and utilize the revenue;

vi) appoint contract faculty as per need.

vii) make recommendations to THE SECOND PARTY on the funds provided by it to THE ITI out of its Annual Budget.

viii) make expenditure out of the interest free loan received from THE FIRST PARTY under THE SCHEME as per the prescribed terms and conditions.

ix) determine upto 20% of the admissions in THE ITI

d). Encourage and provide all assistance to THE IMC to establish training-cum-production centre and to start a second/third shift in THE ITI.

e). As the owner of the ITI, continue to regulate admissions and fees for the regular training courses except upto 20% of the admissions which are to be determined by THE IMC

f). Assist the IMC in any other manner to help achieve the objectives of improving quality of training and thereby provide better employment opportunities to the trainees.

g). Ensure that the sanctioned strength of instructors in THE ITI is always filled up and in no case the vacancies shall exceed 10 percent of the sanctioned strength at any point of time.

h). Ensure that all additional positions required by THE ITI in accordance with its IDP are sanctioned and filled up on priority.

i). Continue to have administrative control over the staff of THE ITI and pay their salary and other emoluments.

j). Ensure the provision of funds to meet office, administrative and other recurring expenses. However, THE SECOND PARTY is free to provide funds for any additional activities recommended by THE IMC for Upgradation of THE ITI.

SECTION C: ROLE OF THE THIRD PARTY

1. To participate in THE SCHEME, THE THIRD PARTY has:

i) nominated a representative as a member of THE IMC to act as Chairperson.

ii) nominated four other members from the local industries in such a way that THE IMC becomes broad based.

iii) ensured that THE IMC has at least one women industry representative as member.

2. Having undertaken the avove actions, THE THIRD PARTY agrees to provide training to faculty members and on the job training to trainees of THE ITI in industrial establishments.

3. The THIRD PARTY may contribute financially and /or in terms of machinery and equipment which may be instrumental in furthering the objectives of THE SCHEME.

SECTION D: THE ROLE OF THE IMC

1. THE IMC agrees and undertakes to, inter alia,:

i) develop, THE IDP for THE ITI. THE IDP shall define the long- term goals of the institute, the issues and challenges facing the institute and the strategies for dealing with them. It shall set targets for institutional improvement, define key performance indicators, and detail the financial requirement with year wise break up to meet the needs.

ii) obtain short term, medium term and long term requirement of skilled work force and take steps to produce graduates accordingly.

iii) identify training needs of faculty and depute them for training in associated industries/other institutes;

iv) ensure implementation of various activities of the scheme in time bound manner so as to adhere to the time schedule agreed in the IDP;

v) monitor the progress of implementation of the scheme at the Institute level and furnish periodical reports to the SSC.

vi) set up suitable mechanism to obtain feedback from the trainees and industry about quality of training and use the feedback for improvement in the training delivery;

vii) set up placement cells in THE ITI to guide/help the graduates in employment /self employment and develop suitable sustainable mechanism to trace the careers of the graduates for at least three years; and,

viii) furnish periodical reports with respect to the placement as mentioned in sub Para (vii) above to THE SSC

ix) Determine admissions in THE ITI upto 20% as provided in section B of this Agreement.

1.1 These responsibilities have been included in the Memorandum of Association and Rules and Regulations of THE IMC/Society.

SECTION E: MONITORING MECHANISM

All the three stakeholders shall be responsible for monitoring the implementation of the scheme. The responsibilities of all the PARTIES are as under:

i) With the broad objective of improving the quality of training leading to better employability, all the three parties shall jointly agree and finalize Key Performance Indicators (KPIs) as yearly targets for next five years, for improving the internal as well external efficiency of THE ITI against the base line information. These parameters shall be used to evaluate the success of THE SCHEME. The agreed KPIs in format enclosed at **Annex 'A'** and signed by the IMC Chairman on behalf of IMC and THE SECOND PARTY shall be appended to this Memorandum and shall be deemed to be an integral part of this Memorandum:

ii) THE IMC shall develop monitoring mechanism to review the performance of the ITI under THE SCHEME and submit quarterly reports to THE SSC.

iii) The SSC shall also monitor the implementation of THE SCHEME on the basis of reports submitted by THE IMC on quarterly basis and furnish a consolidated report to THE NSC for all the ITI s being upgrated in the State under THE SCHEME.

iv) In case of unsatisfactory performance in implementation of THE SCHEME, including achievement of KPIs, THE IMC shall submit a detailed report to THE SSC within 30 days of receipt of a notice in this regards, interalia indicating the reasons for failure and measures required to be taken.

v) The SSC shall forward this report to THE NSC with their comments. THE NSC shall fix responsibility for such failure and ensure that necessary action is taken.

SECTION F: RELEASE OF FUNDS, ITS UTILISATION & REPAYMENT OF LOAN

1. The interest free loan received by THE IMC shall be kept in a separate bank account opened in the name of THE IMC. Any private contributions, special grants received from

State Government and revenue generated by THE IMC shall also be deposited in this bank account.

2. The loan amount may be used for the following purpose:

i) Any additional requirement of civil works in the ITI, which shall not exceed 25% of the total loan amount received.

ii) As seed money kept in a corpus fund, which shall not exceed 50% of the total loan amount received.

iii) For procurement of machinery and equipment.

iv) For activities directly related to Upgradation of training infrastructure under THE SCHEME such as, engaging consultants for preparation of IDPs, hiring contract faculty for running training courses,etc.

3. Any deviation from the above pattern of use of funds has to be justified in the IDP and has to be approved by THE FIRST PARTY on case to case basis.

4. In no case shall the loan amount be used for paying salaries to faculty and staff for the existing courses and also meeting office, administrative and other running expenses related to existing facilities in the ITI such as electricity dues, water charges, municipal dues, etc.

5. The interest free loan received by the IMC Society and any revenue earned by it shall be deposited in a public sector bank only. The funds of the IMC Society shall not be utilized for acquiring any stocks, bonds or securities.

6. For the repayment of loan, there shall be a moratorium of ten years from the year in which the loan is released to THE IMC. After the moratorium, the loan shall be payable by THE IMC in equal annual installments over a period of twenty years, the first installment repayable from the 11^{th} anniversary of the day of drawl;

7. In case of default in payment of installment of the loan in accordance with sub para 6 avove, THE NSC shall have power to impose penalty on such overdue payments or take any other action deemed fit.

8. The FIRST PARTY shall have power to issue instruction in respect of utilization of funds of THE IMC.

SECTION G: MISCELLANEOUS

1. For effective implementation & monitoring of THE SCHEME as envisaged in the Memorandum, Director General Employment & Training will be the Nodal Officer on behalf of THE FIRST PARTY; the State secretary dealing with vocational training in the Government of ……. Will be the Nodal Officer on behalf of 'THE SECOND PARTY' and the……. (designation) and address will be the Nodal Officer on behalf of THE THIRD PARTY.

2. In order to ensure sustainability of THE SCHEME 'THE SECOND PARTY and THE IMC shall:

(a) ensure availability of sufficient funds for purchase of consumables and material for training.

(b) undertake measures to generate sufficient revenue not only for running of THE ITI but also for repayment of the loan taken under THE SCHEME

3. THE IMC shall maintain regular books of accounts as required under THE SCHEME/relevant Societies Registration Act. THE FIRST PARTY may call for its accounts relating to any accounting year and authorize an officer for inspection of its books.

4. This Memorandum of Agreement shall be effective upto the repayment of the loan provided to THE IMC.

5. THE KPIs for the first five years have been set out in Section E of this Memorandum. However, THE KPI target may be set in agreement with THE IMC & THE SCOND PARTY in the block of next five years till the period of repayment of loan.

6. The efforts of all the parties shall be to resolve the issues, if any, amicably. However, in case of disagreement, the matter shall be placed before Minister for Labour and Employment, Government of India, whose decision shall be final & binding on all the three parties.

7. Through this MEMORANDUM OF AGREEMENT, all the three parties affirm their commitment to carry out the activities and achieve the objectives as mutually agreed upon herein in true letter and spirit.

8. For successful implementation of THE SCHEME, this Memorandum may be amended by deleting, adding or revising the clauses during implementation of THE SCHEME, in consultation with all the three parties.

Signed at New Delhi on…. This day of………….. 2007.

For and on behalf of

The Governor/Administrator	For and on behalf of The Industry Partner and	For and on behalf of The President of India
State/UT Government of………	For and on behalf of IMC as Chairman	(…………………..) Director General/Joint

Secretary DGE&T,
Ministry of labour
& Employment,
Government of India

(…………………..) (……………….)
(Shri/Smt………)

Secretary
Government of……

Witnesses	**Witnesses**	**Witnesses**
1.	**1.**	**1.**
2.	**2.**	**2.**

Target Key Performance Indicators (KPIs)

This Addendum shall become a part of the Memorandum signed amongst the Central Government, State Government and Industry Partner once it is finalized by the three parties based on this Institute Development Plan (IDP) of the Institute Management Committee (IMC) of an ITI under the scheme for **UPGRADATION OF 1396 GOVERNMENT INDUSTRIAL TRAINING INSTITUTES (ITI s)**

We the following two parties have jointly agreed to year-wise targets of Key Performance Indicator (KPIs) mentioned below for the Industrial Training Institute -- (name and address)-- to be achieved under the scheme UPGRADATION OF 1396 GOVERNMENT INDUSTRIAL TRAINING INSTITUTE (ITI s).

		Target					
SL. NO.	**Key Performance Indicators**	**Base line in the year of release of loan**	**For the year next to loan release year**	**For 2nd year**	**For 3rd year**	**For 4th year**	**For 5th year**
1.	% of applications as compared to no. of seats						
2.	% of enrolments as compared to no. of seats						
3.	% of dropouts compared to no. of enrolments						
4.	% of students passed out compared to enroll students						
5.	% of passed out students employed within one year of pass out						
6.	Average monthly income of the employed/self employed students.						

Signed at New Delhi on…. This day of……. 200

For and on the behalf of **The IMC Chairman of ITI-------------**

The Governor/Administrator **(For and on behalf of IMC)**

State/UT Government of…… **(…………….)**

Annex-II

(Model)

Memorandum of Association and Rules & Regulations of the "IMC of ITI………"

Registered as a Society under Societies Registration Act------

<u>(Modal)</u>

<u>Memorandum of Association</u>

<u>Of the</u>

<u>"IMC of ITI…………"</u>

1. Name of THE SOCIETY: the name of the Society shall be "IMC of ITI………..".

2**. Registered Office OF the SOCIETY:** The Registered Office of the Society shall be situated at **_______** (full Address)

3. AIMS AND OBJECTIVES:

A. Aims of the Society

(i) The main aim of the Society is to assist in improvement of standard of vocational training and skill development in the country as a whole.

(ii) The Society has been formed with the specific aim of Upgradation of the Industrial Training Institute (ITI) ------- into a centre of excellence in such a way that the training provided in the ITI is improved and becomes demand driven leading in the ITI is improved and becomes demand driven leading to better employability of the passing out graduates.

(iii) In general the Society shall function 'on no profit-no loss' principle, However its affairs shall be managed in such a way that it becomes self supporting in due course and is able to meet all its expenses and liabilities on its own.

B. The main objects to be pursued by the Society are:

i) To manage the affairs of the ITI, ----- according to the terms and conditions set out in a Memorandum of Agreement to be signed among the Central Government, State Government and Industry Partner. The representative of the Industry Partner shall sign this Memorandum of Agreement on behalf of the Society also as its chairman.

ii) To develop an Institute Development Plan (IDP) for the ITI-------------. The IDP shall, inter alia, define long-term goals of the institute, the issues and challenges facing the institute and the strategies for dealing with them. It shall set targets for institutional improvement, key performance indicators, and detail the infrastructural, key performance indicators, and detail the infrastructural & financial requirement with year wise break up to meet the needs.

iii) To assess emerging skill requirements in the region and suggest changes in the training courses being in the ITI.

iv) To obtain short term, medium term and long term requirement of skilled work force and take steps to produce graduates in the ITI accordingly.

v) To identify short-term training courses, which can be offered in the ITI, develop infrastructure for the same, organize and run the courses and charge suitable fees for the same.

vi) To review training needs of instructors and administrative/ office staff of the ITI and arrange for their training programme.

vii) To plan & establish such production/ service centres in the ITI which help the trainees develop/learn their skill and also generate funds for the Society to be used in the task of Upgradation.

viii) To adopt innovative measures like providing consultancy/advisory services to the industry so as to generate revenue which can be utilized for development of training activities in the ITI

ix) To appoint contract faculty as per need and as per rules and regulations of the Society.

x) To assess the requirement of funds of the ITI and make recommendations to the State Governmnet on the funds provided by it to the ITI out of its Annual Budget.

xi) To make expenditure out of the funds of the Society, including interest free loan received from the Central Government under the Scheme ‘Upgradation of 1396 Government it is through Public Private Partnership’, as per the prescribed terms and conditions.

xii) To set up Placement Cell in the ITI to guide/help the graduates in employment/self employment.

xiii) To network, interact, establish and maintain working relations with other institutes within and outside Vocational Training System and participate in related activities so as to increase awareness in trainees and trainers in the area of Vocational Training.

xiv) To network and interact with local industry chambers, other industry associations, employment exchanges, lead banks, other Government departments and undertake measures, like job fairs, so as to increase the employability of ITI graduates.

xv) To undertake measures to achieve target Key Performance Indicators set out in the Tripartite Memorandum of Agreement as referred in the para (i) above.

xvi) To organize skill competitions in the ITI, take part in other skill competitions including State/National/World Skill competitions.

xvii) To undertake publicity and other measures, like organizing seminars in schools for potential candidates for it is, to increase awareness about vocational training and also to create a better image of vocational training courses.

xviii) To promote measures so as to increase the capacity of ITI by organizing second & third shift in the ITI.

xix) To determine admissions in the ITI to the extent provided in the Memorandum of Agreement referred to in para 3B (i) above.

C. The objects incidental or ancillary to attainment of Main objects of the Society:

(i) To make provision in the ITI, so that any of the services as mentioned in the main objects may be rendered.

(ii) To set up suitable mechanism for getting information on long term, medium term and short term skill requirement in the region and provide the same to the State and Central Government.

(iii) To institute and award prizes, medal and fellowship, in accordance with the rules and regulations of the Society.

(iv) To award certificates to those having successfully completed their respective training courses other than courses under NCVT & SCVT.

(v) To maintain a fund to which the funds provided by Central Government/State Govt. and any other amount received in the form of aids, grants, and gifts donations, benefactions, bequeath or transfers, fees, charges etc will be credited in accordance with the rules and regulations of the Society.

(vi) To ensure implementation of various activities of the Scheme refereed in Para 3B(xi) in time bound manner so as to adhere to the time schedule agreed in the IDP.

(vii) To monitor the progress of implementation of the above Scheme at the institute level and furnish periodical reports to the authorities as per the decided schedule.

(viii) To set up suitable mechanism to obtain regular feedback from trainees and industry about quality of training and using the feedback for improvement in the training delivery.

(ix) To develop suitable sustainable mechanism to trace the careers of the graduates for at least three years after passing out.

(x) To advise State Govt. to create administrative, technical, ministerial and other posts in accordance with the agreed Institute Development Plan.

(xi) To arrange and provide sufficient amount as corpus fund so that the Society may proceed for achieving its aims and objects confidently.

(xii) To solicit, receive and accept funds, aids, grants, services and contributions in kind from individuals, companies, foundations, governmental departments and agencies, other agencies and sources and in accordance with the rules and regulations of the Society, in furtherance of the aims and objects of the Society, subject to the applicable laws.

(xiii) To acquire, purchase, hire, take on lease, exchange, construct or acquire in any other manner property movable or immovable which may be necessary or convenient for the objects of the Society.

(xiv) To borrow and raise monies on mortgages, promissory notes or other securities founded or based upon all or any of the properties and assets of the Society or without any securities provided that prior approval in writing of the State Government is obtained in that behalf.

(xv) To open and operate bank accounts in public Sector Bank, draw, accept, endorse, discount and negotiate cheques, bills of exchange, promissory notes and other negotiable instruments.

(xvi) To invest funds of the Society in such manner, as proposed by the Society and in accordance with its rules and regulations.

(xvii) To create depreciation fund, sinking funds, insurance fund, whether for depreciation or for repairing, improving, replacing, renewing, financing, extending, or maintaining any of the properties of the Society or for any other purpose whatsoever deemed beneficial to the Society and as per rules and regulations of the Society.

(xviii) To pay all expenses preliminary or incidental to formation and registration of the Society and for its management and administration out of its fund.

(xix) to pay out of the funds of the Society or out of any particular part of such funds all expenses for carrying out any of the objects of the Society including payments of salaries and payments to persons employed or hired, if any.

(xx) To meet expenses of the Society out of its funds to buy materials/store that may be required to maintain the services of the Society as mentioned in the main objects as well as building and equipment belonging to the Society.

xxi) To negotiate and enter into contracts on behalf of the Society and vary or rescind such contracts and sign, execute and deliver such contracts, deeds and instruments as may be necessary.

xxii) To constitute such committee or committees as it may deem fit for the disposal of any business of the Society and tendering advice in any matter pertaining to the Society.

xxiii) To delegate any of its powers to the Governing Council of the Society or any of the committee or committees constituted by it.

xxiv) To promote, support, take-over, affiliate, amalgamate or merge with any other institution or body having object wholly or in part similar to those of the Society, with the prior approval of the State Government.

xxv) To make rules and regulations and bye-laws for the conduct of the affairs of the Society and to add, amend, vary or rescind them from time to time.

xxvi) To print, publish, distribute reports studies and brochures and other publications pertaining to the activities of the Society.

xxvii) To promote or associate with any other person, authority or body whether incorporated or otherwise for attainment of the objects herein stated and on that behalf also to invest funds of the Society.

xxviii) To subscribe money for any national, charitable and benevolent object useful for general public or for any exhibition or to any institution, club, Society or fund, but not intended for any political party or class with prior approval of State Government.

xxix) To institute, conduct, defend or compromise legal proceedings by or against the Society or its officers or employees in respect of any matters affecting the Society directly or indirectly.

xxx) To do all such other lawful things as are conductive or incidental to the attainment of any or all of the above objects and for furthering the purposes and growth of the Society or its resources.

4. INCOME AND PROPERTRY OF THE SOCIETY

The income and property of the Society, howsoever derived, shall be applied towards the promotion of the aims and objects thereof as set forth in this Memorandum of Association. No portion of the income and property of the Society shall be paid or transferred as dividends, bonus or by way of profits or otherwise, to any person who at any time are or have been members of the Society or to any one claiming through them, provided that nothing herein contained shall prevent the payment in good faith of honoraria, perquisites, facilities of any nature to the officers and employees as the Governing Council thinks fit in return of any services rendered to the Society.

5. GOVERNING COUNCIL:

The Governing Council of the Society shall be the Council constituted in accordance with the Rules and Regulations of the Society. The names, addresses, occupations and designations of the members of the first Governing Council to which the management of the society shall be entrusted as required under the Act i.e. the names, addresses, occupations and designations of the members of the first Governing Council:

<u>Rules and Regulations</u>

<u>Of the Society-</u>

<u>“IMC of ITI…..”</u>

1. The Society shall be known as ‘IMC of ITI………’

2. The address of the registered office of the Society shall be………….

3. The Society was formed on……

4. The Society is within the jurisdiction of the Registrar of Societies ………

5. The business hours of the Society shall be between….. a.m to …..p.m on all working days except Sunday and Government Holidays

6. These rules may be called “Rules of the Society –IMC of ITI….”

7. The aims and main objects of the Society shall be as set out in the Memorandum of Association.

8. In these Rules and Regulations, the language shall be interpreted according to its ordinary meaning provided, however, that unless the context necessarily indicates otherwise.

9. Definitions: For the purpose of these Rules and Memorandum of Association of the Society;

i) “Rule” means any of the Rules, regulations and bye laws of the Society, set out herein or in Memorandum of Association..

ii) ‘Society’ means the ‘IMC of ITI’…. As registered under……

iii) ‘Act’ means the…… Societies Registration Act, (as relevant)

iv) ‘Governing Council’ means Committee in terms of The……….. Societies Registration Act,…. to which the management of the affairs of the Society “IMC of ITI…. shall be entrusted.

v) ‘General Body’ of the Society shall mean the body consisting of the members of the Governing Council together with other categories of members mentioned hereinafter.

vi) ;Chairman’ means the Chairman of the Governing Council who shall also be the ex-officio President of the Society.

vii)’Vice Chairman’ means the Vice Chairman of the Governing Council who shall also be the ex-officio Vice President of the Society.

viii) ‘President means President of the Society whose functions and powers shall be exercised by the Chairman of the Governing Council.

ix) Secretary means the Principal of the Industrial Training Institute) (ITI) who shall also discharge the duties and responsibilities of the Secretary of the Society and the Governing Council and as such shall be referred to as **Secretary** hereinafter in the relevant context.

x) 'Central Government' means Government of India and 'State/UT Government' means the Government of the State/UT of------------.

xi) 'Industry Partner' means the Industry organization selected by the State Government for associating with the task of Upgradation of Industrial Training Institute------, under the Central Government Scheme "Upgradation of 1396 Government it is through public private partnership"

xii) 'ITI' means the Industrial Training Institute------------.

xiii)'Annual General Meeting' means the meeting of the members of the Society held once in a Year within six months after closing of the Financial year of the Society for adopting the accounts of the Society, appointing auditors and discussing such other issues as may be brought before the meeting.

xiv)'Special Resolution' means resolution passed by a majority of not less than three fourth of Society members present and entitled to vote as are present in person or by proxy at a General Body with a notice of not less than…. days specifying the intention to propose the resolution as been duly given.

xv)'NSC' means 'National Steering Committee', an Apex body for guiding the implementation and monitoring of the Central Government Scheme 'Upgradation of 1396 Government ITI s through public private partnership'. As defined in Memorandum of Agreement to be signed among Central Government, State Government and Industry Partner.

xvi) 'SSC' means 'State Steering Committee' a body at State level for guiding the implementation and monitoring of the Central Government Scheme "Upgradation of 1396 Government ITI s Agreement to be signed among Central Government, State Government and Industry Partner.

GENERAL BODY OF THE SOCIETY

10. The General Body of the Society shall be composed of members of the Governing Council together with such persons, from public and private bodies and individuals of ability or experience, subscribing to the aims and objects of the Society as may be nominated by the Governing Council and approved by the State Government, provided, however, that it will also be open for the State Government to nominate any individual as a member of the Society.

11. The Society shall keep a roll of the members with their addresses and occupations and every member shall sign the same.

12. If a member of the Society changes his address, he shall notify his new address to the Secretary and the entry in the roll shall be changed accordingly. If such member fails to notify his address, the address in the rolls of the Society shall be deemed to be his address.

13. Should any ex-officio or institution member of the Society be unable to attend or prevented from attending a meeting of the Society, the respective parent organization shall be at liberty to appoint a substitute in his place for that meeting of the Society. Such a substitute shall have all the right and privileges of a member of the Society for that meeting.

14. (a) When a person is appointed as a member of the Society by reason of the officer of appointment he holds, his membership of the society shall terminate when he ceases to hold that office or appointment. The respective parent organization shall, however, be entitled to remove their nominee at any time from membership of the Society and appoint others in his place.

(b) Members of the Society shall hold the office for such a period not more than three years or as many be prescribed by the Society at the time of their appointment or at any time thereafter.

(c) The Society may, not withstanding anything contained in sub-rule.

(d) Above, terminate the membership of any member or one and the same time the membership of all members. Upon such termination, the Rule, the members whose membership is so terminated, shall be eligible for reappointment.

15. A member of the Society shall loose his/her membership on the following grounds and reasons and the Governing Council is empowered to take such decisions:

i) If he/she does not attend three consecutive meeting of the Society without sufficient cause or leave of absence granted to him/her by the Chairman;

ii) If he/she dies, resigns, becomes of unsound mind or insolvent and is convicted of a criminal offence involving moral turpitude;

iii) If the tenure of his/her respective office as prescribed in these Rules and Regulations terminates.

iv) If he/she is hindrance in the achievements of the aims and objects of the Society.

16. The registration of a member shall be tendered to the Society through the Secretary and shall not be effective till it has been accepted in writing by the Chairman of the Governing Council on behalf of the Society.

17. (a) A vacancy in the membership caused by any of the reasons mentioned in rule 1 may be filled up by the Society.

(b) The members whose membership is terminated for the reason as mentioned in rule 15 (iii) shall be eligible for reappointment.

MEETING OF THE SOCIETY

18. There shall be two meetings of the Society, namely:

i) Annual General Meeting.

ii) Extra Ordinary General Meeting

19. a) The Annual General Meeting of the Society shall be held not later than six months after the expiry of each financial year at such date and time and place as may be determined by the President in consultation with the Governing Council.

b) The business of the Annual General meeting shall be:

i) To receive and adopt the audited statements of accounts prepared for the preceding financial year and the annual report of the Society:

ii) To consider he budget estimates and the action plan of the Society for the next financial year prepared by the Secretary and approved by the Governing Council, and to adopt the same;

iii) To appoint auditors of the Society; and

iv) To transact such other business which may be brought before the meeting by the Governing Council

20. The President can at any time summon an extra ordinary general meeting of the Society, if considered necessary for transacting business of important nature or if so requisitioned by not less than five members of the Society by request in writing and specifying the reasons for the requisition within one month from the date of request of requisition.

21. Except as otherwise provided in these Rules and Regulations,all meetings of the Society shall be called by notice under the hand of the Secretary who shall act in accordance with the directions of the Chairman in this regard.

22. a) Every notice calling meeting of the Society under Rule 18 shall state the date, time and place at which such meeting will be held and be served upon every member of the Society not less than 10 clear days before the day appointed for the meeting.

b) The accidental omission to give or non-receipt of such notice by any member shall not invalidate the proceedings of any such meetings.

c) A notice may be served upon any member of the Society either personally or by sending it by post in an envelope addressed to such member at his address as mentioned in the roll of members.

d) Any notice so served by post shall be deemed to have been served on 4^{th} day following that on which the envelope containing the same was posted and prove that the envelope containing such notice was properly addressed any duly posted.

23. Every meeting of the Society shall be presided over by the President/Vice President and in their absence,by a member chosen to preside over that particular meeting,

24. One- third of the total members of the Society present in person shall from a quorum at every meeting of the Society. Where the quorum is not present within half an hour after the time fixed for the meeting of Governing Council, the meeting shall stand adjourned and may be held at the same place after half an Hour following the adjournment. No quorum shall be necessary for such adjourned meeting.

25. Subject to provisions contained in Rule 78 supra, all disputed questions at the meeting of the Society shall be determined by majority of votes.

26. a) Each members of the Society shall have one vote,

b) In case of equality of votes for and against a particular issue, the Chairman shall have a casting vote.

27. a) The Society shall cause minutes of all proceedings of its Annual General Meetings, and of its Extra Ordinary General Meetings to be entered in a Minute Book kept the purpose.

b) Any such minutes, if purporting to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.

c) The minutes book shall be kept at the Registered Office of the Society and shall during business hours be open to inspection of any member free of charge.

28. a) In respect of the following business of the Society a special resolution as defined in section…. Of the Act would be required to be passed:

i) Amendment of the Memorandum of Association and Rules & Regulations;

ii) Change in the name of the Society, subject to approval of the Registrar.

iii) Amalgamation and division of the Society:

iv) Manner of distribution of any property left undistributed on dissolution of the Society.

b) A copy of the special resolution shall be filled with the Registrar within ……. Days from the date of passing of such resolution signed by the **Secretary** of the Society.

GOVERNING COUNCIL

29. a) The affairs of the Society shall be administered, directed and controlled by a Governing Council in accordance with its Rules and Regulations.

b) The members of the Governing Council shall become ipso facto members of the Society on their admission.

c) The members of the Governing Council shall not be less than and more than…….

COMPOSITION OF THE GOVERNING COUNCIL AND TENURE OF OFFICE

30. The Governing Council of the Society shall have the following members:

i) A representative nominated by the Industry Partner as the Chairman

ii) Four other members from local industries nominated by the Industry Partner, one of whom to be nominated as the Vice Chairman.

iii) Five representatives nominated by the State Government.

iv) The Principal of the ITI, as the ex-officio Member Secretary

31. The tenure of the Governing Council shall be for a period of not more than three years, and the outgoing members shall be eligible for reappointment.

32. The ex-officio and nominated members of the Governing Council shall hold their office by virtue of being the nominees on behalf of their respective parent organizations. Their membership of the Governing Council shall automatically terminate in case they cease to be in that Society or if they are removed by their respective nominating organization shall have power to nominate others as their representative instead of the previous ones.

33. a) The members of the Governing Council, except the ex-officio members, shall loose his/her membership on the following grounds and the Governing Council is empowered to take such decision;

i) If they do not attend three consecutive meetings of the Governing Council without sufficient cause or leave of absence granted to them by the Chairman;

ii) If they resign, become of unsound mind or insolvent and are convicted of a criminal offence involving moral turpitude;

iii) If in the opinion of the 'IMC of ITI…….' continued association of any member is not conducive to the interest of the Society and an order in writing is made to that effect.

b) Upon such termination of membership, the vacancies shall be filled in accordance with the relevant Rules and Regulations of the Society.

34. The resignation of a member of the Governing Council shall be tendered to the Secretary and shall not be effective till it has been accepted in writing by the Chairman of the Governing Council on behalf of the Society.

POWERS, FUNCTIONS AND RESPONSIBILITIES OF THE GOVERNING COUNCIL

35. With a view to attaining the aims and objects of the Society, the Governing Council shall discharge such duties and responsibilities, exercise such powers and undertake to carry out such activities as are considered essential in general and with particular reference to the following:

i) To prepare and execute plans and programmes and to carry on the administration and management of the Society.

ii) To receive grants and contributions and to have custody of the funds of the Society.

iii) To prepare the budget estimates of the Society each year and sanction expenditure within the limits of the budget approved by the Society at the Annual General Meeting.

iv) To prepare and maintain accounts and other relevant records and annual statements of accounts including the Balance sheet of the Society.

v) To fix, levy and receive such fees and other charges for service rendered by the Society.

vi) To make, inform, adopt, amend, vary or rescind from time to time rules and byelaws with the approval of General Body of the Society for regulation of any purpose connected with the management and administration of affairs of the Society and for the furtherance of its aims and objectives.

vii) To perform such additional functions and carry out such duties as may from time to time be assigned to it by the Society.

viii) To establish procedure in respect of services and technical advice to be rendered by the Society and the levy and collection of charges for the same.

ix) To institute and award scholarship, prizes and medals.

x) To recommend to the State Government:

a) For creating of post and other infrastructure for the ITI as per IDP

b) For filling up of the posts

xi) To co-operate with any other organization in the matters of education, training management and allied subjects.

xii) To enter into arrangements for and on behalf of the Society.

xiii) To sue and defend all legal proceedings on behalf of the Society.

xiv) To appoint committee or committees for disposal of any business of the Society or for advice in any matter pertaining to the Society.

xv) Subject to sub-rule (xvii), to delegate to such extent it may deem necessary any of its powers to any officer or committee of Governing Counil.

xvi) To consider and pass such resolution on the annual report, the annual accounts and the financial estimates of the Society as it thinks fit.

xvii) To delegate to such extent it may deem necessary any of its powers to any officer or committee of the Governing Council.

xviii) To delegate powers as it may consider appropriate but not the powers for:

a) Altering, extending or abridging the aims and objects of the Society;

b) amalgamating either wholly or partially with any other Society having same or similar aims and objects;

c) altering, extending or abridging the Rules and Regulations;

d) making capital investment exceeding the approved budget;

e) borrowing money except for working capital exceeding the approved budget;

f) Transferring by way of mortgage, pledge, hypothecation or otherwise any assets, movable or immovable, except as security for working capital;

g) appointing bankers and auditors and

h) generally anything extraordinary and of major importance.

xix) To determine admissions in the ITI to the extent provided in the Memorandum of Agreement referred to in para 3B(i) of Memorandum of Association of the Society.

36. The Governing Council shall abide by any instructions issued by the Central Government in respect of any matter related to Upgradation of the ITI.

37. a) In the event of any matter not being provided for herein, the Governing Council have the power to make bye-laws, as it deems necessary, with the approval of General Body of the Society.

b) The Governing Council shall be the sole authority for resolving any doubts as to the interpretation of these provisions and its ruling shall be final and binding.

38. Subject to the provisions of the Act, no member of the Governing Council shall be held personally liable for any loss damage or harm that may be caused by reason of any act or omission done by him in good faith, in course of discharging his functions and powers.

39. No member of the Governing Council shall in that capacity be entitled to receive remuneration except travel allowance for attending the meeting the quantum for which shall be fixed from time to time by the Governing Council with the approval of the Society.

MEETING OF THE GOVERNING COUNCIL

40. The meetings of the Governing Council shall be held as frequently as is considered necessary by the Chairman but in any case not less than one meeting every three months for considering the progress of the Society, solving problem, if any, that may arise in the way of achieving the desired aims and objects, if any, that may arise in the way of achieving the desired aims and objects as mentioned in the Memorandum of Association of the Society and planning future course of action. However, during the first one year of the formation of the Society when the process of Upgradation of the ITI is underway the Governing Council is expected to meet once every month.

41. The agenda for all meeting shall including confirmation of the minutes of the preceding meeting shall be prepared by the Secretary in consultation with Chairman of the Society.

42. a) Members of the Governing Council shall be served notice in writing….. days before the date of all the meetings. The Chairman shall have powers to reduce the notice period if the circumstances so warrant.

b) The notice of the meeting shall set out the date, time and venue of the proposed meeting of the Governing Council and shall be accompanied by the agends of the meeting.

c) Any accidental omission and /or non receipt of the notice for any meeting shall not itself invalidate the proceedings of any meeting of the Governing Council.

43. The Governing Council may frame such bye laws as it may deem necessary for holding and conduct of its meetings.

44. a) The Chairman shall preside over all the meetings of the Governing Council.

b) If the Chairman is unable to attend a meeting of the Governing Coyncil, the Vice Chairman will preside over the meeting.

c) If there is no Chairman/Vice Chairman or the Chairman/Vice Chairman is not present within half an hour of the time appointed for the meeting,the members present shall choose one of themselves to function as acting chairman of that meeting.

45. All questions in the meeting of the Governing Council where unanimity can not be reached, shall a casting vote in addition to his ordinary vote.

46. a) The quorum for all the meetings of the Governing Council shall be one third of the total number of its members.

b) Where the quorum is not present within half an hour after the time fixed for the meeting of Governing Council, the meeting shall stand adjourned and may be held at the same place after an hour following the adjournment. No quorum shall be necessary for such adjourned meeting.

47. The Chairman of the Governing Council may himself call or by resolution in writing signed by him require the member secretary to call a meeting of the Governing Council at any time.

AUTHORITIES OF THE SOCIETY

48. The following shall be the authorities of the Society:

1) The Chairman of the Governing Council, who shall also be ex-officio President of the Society.

ii) The Vice-Chairman of the Governing Council, who shall also be the ex-officio Vice-President of the Society.

iii) The Governing Council.

iv) The **Secretary** of the society who shall also be the ex-officio secretary of the Society and the Governing Council.

v) Such other authorities as may be constituted as such by the Governing Council.

49. The Governing Council shall have powers to appoint financial and other committees/sub committees for carrying out the objects of the Society, and by resolution delegate to the committees or sub-committee(s) so constituted such of its powers for conduct of business as it may deem necessary.

THE CHAIRMAN

50. The Chairman of the Governing Council shall be nominated by the Industry Partner.

51. The Chairman shall have the following powers, functions and responsibilities:

a) The chairman shall provide vision to the Society and lead the IMC for Upgradation of the ITI.

b) The chairman may direct the Secretary to call a special meeting at a short notice in case of emergency.

c) The Chairman shall see the affairs of the Society are run efficiently in accordance with the provisions of the Memorandum of Association, Rules & Regulation and bye laws of the Society as may be framed.

d) One such matters, which the Chairman thinks are of sufficient importance and urgency and cannot wait for being placed in the next meeting of the Governing Council, and which he anticipates would get the approval of the Council, the Chairman shall take decisions and place the same before the Governing Council at its next decisions and place the same before the Governing Council at its next meeting.

e) The Chairman shall be the sole and absolute authority to judge the validity of the Votes cast by the members of the Governing Council and General Body.

f) The chairman may in writing delegate such of his powers as he may consider necessary to the Secretary.

g) The Chairman shall be entitled to invite any other person to attend the meeting of the Governing Council but such person shall not have power to vote.

h) The Chairman shall have the authority to review periodically the work and progress of the Society and to order inquiries into the affairs of the Society and to pass necessary orders on the recommendations of the inquiry committee.

i) The chairman shall plan, direct and coordinate the overall working, of the Society.

THE MEMBER SECRETARY

52. a) The Secretary shall be the Chief Executive Officer of the Society.

b) The Secretary will be member secretary to the Society as well as the Governing Council and shall, in consultation with, the Chairman prepare agenda for the meetings of the General Body and Governing Council, convene such meeting, keep a true and accurate record of the proceedings of the same and forward all such documents, papers and related information as may be required in the discharge of his duties.

53. a) The Secretary shall be charged with the responsibility of day to day management and administration of the Society.

b) The Secretary shall perform his duties and functions and exercise his powers under the overall direction, superintendence and control of the Chairman of the Governing Council under the Rules and Regulations, of the Society.

54. In discharge of his functions, duties and powers, the Secretary, shall in particular do the following:

a) plan, direct, co-ordinate, organize and supervise day to day work of the Society.

b) Prepare concrete operational plan of action for the year together with the revolving action plan for subsequent period of time to be determined by the Governing Council and budget estimates for the concerned period.

c) determine operational targets, measures and methods to achieve such targets and implement them after the approval of Governing Council

d) submit annual budget of the succeeding year at least six months prior to the closing of the Financial YEAR AND Furnish the same to State Government for getting funds from them, if any, after approval of Governing Council.

e) submit audited statement of accounts of the preceding year not later than three months after the close of the Financial year.

f) suvmit all such other reports as may be required by the Governing Council or otherwise.

g) report to the Governing Council on all capital and recurring expenditure.

h) sanction and incur expenditure in accordance with the procedure laid down in the bye laws framed for the purpose and within the authority as may be delegated by the Governing Council.

i) sign all deeds and documents for and on behalf of the Society

j) sign all documents and proceedings requiring authentication by the Society.

k) with the approval of the Governing Council delegate any of his powers and functions and duties to any member the staff of the Society/ITI which are not inconsistent with the provisions of these rules.

l) do all such things as may be required for day to day management and administration of the Society

FUNDS OF THE SOCIETY

55. The funds of the Society shall consist of the following:

i) Interest free loan received from the Central Government under the Scheme “Upgradation of 1396 Government ITI s through Public Private Partnership”.

ii) Income from investments and savings.

iii) Receipts by way of fees and charges for any short term or long term training courses run by the Society in the ITI.

iv) Income earned by running production/service centres by the Society in the ITI.

v) Charges for consultancy services provided by the ITI.

vi) Grants, contributions, and donations received by the Society from Government of Indian, State Governments, Public Undertaking, private parties or any other sources.

vii) Extra charges allowed to be collected by the State Government to the Society for any paid seats in the ITIO for any training course.

56. a) The bankers of the Society shall be the bank as may be decided by the Governing Council and prescribed by the Central Government in the instructions issued from time to time.

b) All funds shall be paid into accounts of the Society which shall be operated upon by such officer(s) as may be duly authorized by the Governing Council.

57. Subject to the provisions of Section…… of the Act, and with the approval of Governing Council, any portion of the Funds of the Society, not immediately required, maybe invested or deposited.

i) In a special account opened by the Society for the purpose in a banking company as defined in the Banking (Regulation) Act,1949 and prescribed by the Central Governmnet.

ii) In any other mode permitted by the Central Government in its instructions issued from time to time.

PROPERTY OF THE SOCIETY

58. All funds and assets transferred to the Society shall be at the disposal of the Society.

59. All the properties of the Society shall be acquired and registered in the name of the Society.

60. All funds and properties of the Society shall be used only for the aims and objects of the Society.

61. No property of the Society shall be disposed of except on the recommendations of the Governing Council. Disposal of any immovable property shall be approved by the Society as well.

ACCOUNTS AND AUDIT

62. a) The Society shall maintain proper accounts and other relevant records and prepare annual statements of accounts for each of the financial year ending 31st March in such from as may be prescribed by the auditors appointed by the Society.

b) The audited accounts of the Society shall be placed before General Body within six months from the date of closing of financial year for approval and the reports shall be filled with the Registrar within three months from the date of conducting the General Body of the Society.

63. Books of accounts of the Society shall be kept at the registered office of the Society and shall be open to inspection of any member free of charge during the business hours.

64. The accounts of the Society shall be audited annually by auditors and any expenditure incurred in connection with the audit of accounts of the Society shall be payable by the Society.

65. The audited Statements of Accounts together with the Audit Report shall be placed before the Governing Council for consideration and approval and thereafter the same shall be put up before the General Body for approval.

66. The Central Government shall have the right to demand production of books, accounts, connected vouchers and other document of the Society relating to any accounting year.

67. Every member of the Society on an application made and payment of prescribed fees shall be entitled to receive a copy of the bye-laws, balance sheet and receipts and expenditure account.

ANNUAL REPORT

68. a) A draft of Annual report and the yearly accounts of the Society shall be prepared by the Secretary for consideration and approval of the Governing Council and shall thereafter be placed before the General Body at its Annual General Meeting for consideration and adoption;

b) Copies thereof as finally approved by the Society shall be supplied to the members of the Society.

c) The books and Registers of the Society shall be kept ready for inspection by Registrar at all reasonable hours.

ALTERATION OF THE AIMS AND OBJECTS OF THE SOCIETY AND THE RULES AND REGULATION

69. Whenever it appears to the Governing Council that it is advisable to alter extend or abridge the aims and objects of the Society either wholly or partially, the Governing Council may take necessary action in accordance with the provisions of section…… of the Societies Registration act with the prior approval of the State Government.

AMALGAMATION WITH OTHER SOCIETIES

70. If in the opinion of the Governing Council it is desirable to amalgamate the Society either wholly or partially with any other Society having similar aims and objects, it can be done as per provision of section……. Of the Societies Registration Act, ….. And with the prior consent of the Registrar and the State Government.

SEAL OF THE SOCIETY

71. The Governing Council of the Society shall provide a seal and also its safe custody and the seal shall never be used except with the authority of Governing Council previously given and one member of the Council shall sign every instrument to which the seal is affixed and every such instrument shall be countersigned by the **Secretary** or by some other person appointed by the Council.

DISSOLUTION OF THE SOCIETY

72. The Society shall not be dissolved without the consent of the State GOVERNMENT AND UPON SUCH DISSOLUTION, THE ASSETS OF THE Society shall dealt with in accordance with the provisions contained in the Societies Registration act as applicable to the State of ……………. .

SUBMISSION OF ANNUAL LIST

73. Once in every year a list of members shall be filed with the Registrar of Societies as per provisions of (Section--------) of the Societies Registration Act.

LEGAL PROCEEDINGS

74. The Society may sue or may be sued in the name of the Chairman or the **Secretary** of the Society as per provisions laid down under (Section---) of the Societies Registration Act.

APPLICABLITY CLASUSE

75. All the provisions of the Societies registration Act, --------- shall apply to this Society.

POWERS OF THE GOVERNMENT

76. a) The Central Government shall have the following powers in the conduct of the affairs of the Society:

i) to issue instructions for bringing about any changes in the Memorandum of association and Rules and Regulation of the Society.

ii) to call for such reports, documents and papers with respect to the activities of the Society as may be required from time to time.

iii) to issue instructions regarding the utilization of the funds of the Society.

b) The State Government shall have the following powers and performance of the functions of the Society in matters involving substantial public interest, education and training policies.

ii) to evaluate from time to time the relevance, effectiveness, impact and efficiency of the Society in fulfilling its aims and objectives.

c) The above mentioned powers will be exercised only on the recommendations of the NSC/SSC.

RESTRICTIONS OF THE POWERS OF THE SOCIETY

77. The Society shall be precluded from making amends, varying or rescinding such Rules and regulations and byelaws which provide for the prior approval of the Central Government or the State Government for doing or performing any act by the Society.

GENERAL

78. The Society shall function notwithstanding that any person who is entitled to be a member by reason of his office is not a member of the Society and not withstanding any other vacancy in its body whether by non- appointment or otherwise and no act or proceedings of the Society or its Governing Council shall be deemed to be invalid merely for the reasons of any vacancy or defect in the constitution of the General Body, Government Council or Committee as the case may be.

CERTIFIED THAT THIS IS THE CORRECT COPY OF THE RULES AND REGULATIONS OF THE SOCIETY

Witnessess:

Governing Council **Members**

<u>Annex-III</u>

UPGRADATION

OF

1396

GOVERNMENT ITI s

THROUGH PUBLIC PRIVATE

PARTNERSHIP

INSTITUTE DEVELOPMENT PLAN

(This IDP proforma is to be completed by IMC Society of the ITI seeking interest free loan under the scheme. It shall then be forwarded to State Steering Committee which will approve it and the scheme. It shall then be forwarded to State Steering Committee which will approve it and send it to DGE&T, Ministry of labour & employment for release of funds.)

SECTION-A: INFORMATION ABOUT IMC OF ITI

1	**STATE/UT**	
2	ITI (Name/Address)	
3	Name of Principal:	
	Contact details- Phone:	
	Fax:	
	Email:	
4	Industry Partner (Name/Address)	
	Details of Nodal officer (Name/Address)	
	Designation in parent org.:	
	Contact details- Phone:	
	Fax:	
	Email:	
5.	IMC Chairman (Name/Address)	
	Designation in parent org:	
	Contact details- Phone:	
	Fax:	
	Email:	
6.	Affiliation of Industry Partner	CII/FICCI/ASSOCHAM/Other (pl. specify)
	Local level	
	State level	
	National level	
8	Details of Bank Account of IMC Society-Account No: Bank & Branch:	

Composition of Institute Management Committee (IMC)

S. NO		**Name of member**	**Additional information about the member**
1	Chairman of the IMC		
2	Secretary of the IMC (Principal of ITI)		
	Members nominated by Ind. Partner		
3	Member 1		
4	Member 2		
5	Member 3		
6	Member 4		
	Member nominated by State Govt.		

7	Member 1		
8	Member 2		
9	Member 3		
10	Member 4		
11	Member 5		

SECTION-B EXECUTIVE SUMMARY OF THE DERAILS OF THE EXISTING ITI:

1. Year of Establishment: ----------

2. Affiliation Number given by DGE&T ------------

3. Building/Premises: (Owned/Rented) ------------

4. Total land Area (in sq. m) ------------

5. Total Constructed area: (in sq.mts)

Office: -----------------

Workshop: ------------------

Hostel: ------------------

6. Types of industries available in the region --

7. Whether Placement cell available in ITI--------------------------------------- Yes/No

8. Percentage of passed out trainees employed/self employed during last two years--------
----

9. Trades having high employment potential in the region-----------------------

10. Trades having low employment potential in the region-------------------

11. Total yeasrly fees collected from trainees (average of last two years)-----Rs------------

12. Revenue generated during last two years through other sources/activities (Pl specify)-----Rs. …… (Year___________) Rs…….. (Year___)

Trainees Details (Trainees as on date)

13.

Total Number	Males	Females	Scheduled Caste		Scheduled Tribe		OBC	
			Males	Females	Males	Females	Males	Females

details: Trades available in ITI s	No. of trainees			Instructors					
				Availability				Training (out of filled posts)	
	1st year	2nd year	3rd year	Sanctioned	Filled	vacant	Total	Trained	Untrained

NCVT **1.**									
2.									
3.									
4.									
Others									
SCVT **1.**									
2.									
3.									
Others									

15. Expenditure details:

(Rs in Lakh)

Exp for the Year….		Exp for the Year…..	
Recurring	Non recurring	Recurring	Non recurring

SECTION C: SUMMARY OF THE FUTURE PLAN FOR UPGRADATION OF ITI:

(I) Skill requirements of the region

a. How the skill needs of the region has been determined

(i) Through study/survey-- Yes/No

(ii) Data collected from--- Yes/No

b. Estimate of the yearly skill requirement (in terms of number of workers)

Skill requirement	For the region	For outside the region which can be met by the ITI
Short term		
Medium Term		
Long term		

(II) Proposed changes in training programmes:

(a) Upgrade the ITI into a Centre of Excellence in -------- trade sector.

(b) Upgrade the following trades.

List of Trades **No. of units**

- ………… ………..
- ………… ………..
- ………… ………..

(c) Add the following new trades

List of Trades | **No. of units**

- …………… …………………
- …………… ……………….
- …………… …………………

(d) Delete the following trades

List of Trade | **No. of units**

- ……………. ………………….
- …………… ………………….

(III) Details of the additional resources required and the total loan amount sought by the IMC society under this scheme:

1. Total interest free loan amount sought: Rs…….. (lakhs)

2. Seed money to be used as a corpus: Rs……….. (Lakhs)

3. Manner in which the remaining amount is proposed to be used:

Item	**For CoE**	**For upgradation**	**For new trades**	**Total**
Civil Works				
Equipment furniture learning material etc.				
Recurring expenditure				
Total				

4. Additional Manpower requirement:

S. No	Trade	Instructors	Other staff

(IV) Details of any revenue generation facilities proposed to be set up in the ITI:

(1). Whether any Business Plan to generate revenue has been prepared?

(2). If yes, please give the details interalia indicating the year when the facilities for the same is envisaged to be developed, funds requirement & how the expenditure is likely to be met, etc. in a separate Annexure.

(V) KEY PERFORMANCE INDICATORS (KPIS)

The details to the Key Performance Indicators set as targets under this scheme during next five years are as follows:

SI. NO.	Key Performance Indicators	Base line in the year of release of loan	Target				
			For the year next to loan release year	For 2nd year	For 3rd year	For 4th year	For 5th year
1.	% of applications as compared to no. of seats						
2.	% of enrolments as compared to no. of seats						
3.	% of dropout as compared to no. of enrolments						
4.	% of students passed out compared to enroll students						
5.	%of passed out students employed/self employed within one year of pass out						
6.	Average monthly income of the employed/self employed students.						

SECTION D: DESCRIPTION OF THE MEASURES FOR IMPROVING THE PERFORMANCE OF THE INSTITUTE

(a) What changes would you like to introduce for better management of the ITI?

(b) What sort of training do teaching and non-teaching staff of the ITI required?

(c) What improvements in teaching and learning resources does the ITI required?

(d) Can you improvement the number of female students in ITI courses? How would this be done?

(e) Can you improve the number of students from disadvantaged background in the ITI courses? How would this be done?

(f) How can you improve your linkages with the local labour market? Do you need to improve your linkages with labour markets outside your locality and if yes, how could you go about it?

SECTION E: ACTION PLAN FOR UPGRADATION

(a) Do you intend to establish a Centre of Excellence? Yes… No

If Yes: Which trade sector do you prefer? .... Why did you choose this sector?

(b) In addition to above or otherwise which trades would you prefer to upgrade?

1 ……………………………………. 2 ……………………………………. 3 ……………………………………. Why did you choose these trades?

(c) What resources do you need to upgrade your institution as a COE or to upgrade selected trades?

(i) Civil works- describes and justify any civil works you want to undertake.
(ii) Equipment, Tools & other items- describe and justify all goods you want to procure. (a) Equipment (b) Furniture

(c) Books, Learning Resources and Software (Pl add annexure if required)

(d) Training of Staff-describe and justify the training needed by your staff and indicate how this could be implemented. (Please fill-up the **Annexure to IDP)**

(i) Training of Teaching Staff (ii) Training of Non-Teaching Staff

(e) Additional Staff- describe and justify any additional staff you need.

(f) Consumables and Training Materials- describe and justify the consumables and any maintenance you need.

SECTION F: YEARWISE BREAKUP OF RESOURCES REQUIRED

(I) what finances do you need to procure the resources you describe in the previous section?

(a) for CoE: (Figures in lakh of Rupees)

		Year 1	Year 2	Year 3	Year 4	Year 5	Total
		Non-recurring costs					
1	Civil Works						
2	Equipment						
3	Furniture						
4	Books, Learning Resources and Software etc						
5	Sub Total (1+2+3+4)						
6	Additional manpower	**Recurring Costs**					
7	Consumables, Maintenance and Training Materials						
8	Misc exp. (Pl specify)						
9	Sub Total (6+7+8)						
	TOTAL (5+9)						

(b) for Upgradation of trades:

		Year 1	Year 2	Year 3	Year 4	Year 5	Total
		Non-recurring costs					
1	Civil Works						
2	Equipment						
3	Furniture						
4	Books, Learning Resources and Software etc						
5	Sub Total (1+2+3+4)						
6	Additional manpower	**Recurring Costs**					
7	Consumables, Maintenance and Training Materials						
8	Misc exp. (Pl specify)						
9	Sub Total (6+7+8)						
	TOTAL (5+9)						

(c) for new trades:

		Year 1	Year 2	Year 3	Year 4	Year 5	Total
		Non-recurring costs					
1	Civil Works						
2	Equipment						
3	Furniture						
4	Books, Learning Resources and Software etc						
5	Sub Total (1+2+3+4)						
6	Additional manpower	**Recurring Costs**					
7	Consumables, Maintenance and Training Materials						
8	Misc exp. (Pl specify)						
9	Sub Total (6+7+8)						
	TOTAL (5+9)						

TOTAL requirement of funds (a) + (b) + (c)

		Year 1	Year 2	Year 3	Year 4	Year 5	Total
		Non-recurring costs					
1	Civil Works						
2	Equipment						
3	Furniture						
4	Books, Learning Resources and Software etc						
5	Sub Total (1+2+3+4)						
6	Additional manpower	**Recurring Costs**					
7	Consumables, Maintenance and Training Materials						
8	Misc exp. (Pl specify)						
9	Sub Total (6+7+8)						
	TOTAL (5+9)						

SECTION G: MISCESSANEOUS

(a)	How do you see the future of the Institution and what action would you suggest for achieving its growth and sustainability.

(b)	Any outstanding achievement/success stories of the Institute?

(Besides the information asked for in this performa, if any other relevant information is to be submitted, it may be enclosed)

ITI Principal (Secretary of IMC) Industry Partner (IMC Chairman)

Signature Signature

Annexure to IDP

Details of the Instructional Staff in the Institute

SI No.	Name of the Instructional Staff	Educational/ Technical Qualification	Email ID	Mobile No./ Phone No.	Instructor in which Area and how long	Is the Instructor Trained in Principal of Teaching-POT (Yes/No)	Is the Instructor Trained in Trade area(s) (Yes/No)
a	b	c	d		e	f	g
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							

13							
14							
15							
16							
17							
18							

Additional sheets may be added, if required

Annex-IV

Guidelines for formation of State Steering Committee (SSC) & State Implementation Cell (SIC):

The guidelines for formation working and funding of SSC and SIC under the Scheme for "Upgradation of 1396 Government ITI s through Public Private Partnership" are as follows:

State Steering Committee (SSC):

1. State/UT government involved in the Scheme are required to establish State Steering Committee (SSC) of ten members. The SSC will have following members:

(i) The Secretary /Principal Secretary, Department of Labour/Technical Education /Secretary dealing with the ITI s (as applicable as the Chairperson;
(ii) Financial Advisor/ Financial Controller/any other authority dealing with the finances of the concerned Department, as member,
(iii)Chief Engineer of the State PWD or other State approved agency for construction works or his nominee not below the rank of a Superintending Engineer, as a member;
(iv)Three industry representatives nominated by major industry associations, as members;
(v) Three members having knowledge, expertise and interest in vocational training nominated by the state/UT Government, as members.
(vi)The State Director dealing with ITI shall be the ex-officio member, and shall act as Secretary of the SSC.

2. The operational cost of the SSC, including sitting fees for industry representatives, are financed by the Scheme.

3. At the State level, the Scheme will be guided and guided and facilitated by the State Steering Committee 9SSC), under the Chairmanship of the Principal Secretary /Secretary/ Commissioner for vocational training. The responsibilities of SSC would be as follows:

❖ Guiding overall implementation and monitoring of the Scheme at the State level.

- ❖ Assessing and recommending the IDPs of the IMCs for financing under the Scheme to the Central government.
- ❖ Authorizing submission of reports to the NSC or central Government, wherever required, under the scheme.
- ❖ Reviewing and approving the training plans for the staff of SIC.
- ❖ Coordination with the Industry/Industry Partner/Industry Associations at the State level to solve their problems in implementation, if any.
- ❖ Performing any other specific functions as provided under the tripartite MoU to be signed amongst the Central Government, State Govt. and Industry Partner.

It is understood that for the ongoing Scheme of DGE&T, MoL & E for upgradation of 400 ITI s into COEs through World Bank assistance, the "State Steering Committee" scheme at the State level. The scheme Committee may be used under this scheme with the additional roles and responsibilities.

State Implementation Cell (SIC):

1. For management, monitoring and evaluation of the Scheme at the State level, a State Implementation Cell (SIC) has to be set up for a five period from 2007-08 to 2011-12. The SIC would be responsible for implementation of the Scheme under the guidance of State Steering Committee. Some of the major function of the 'SIC' will be:

i) to register IMC as Society after identification of Industry Partner.
ii) to ensure signing of Memorandum of Agreement (MoA) by industry Partner State Govt. and Central Govt.
iii) to guide and support of IMC Society in preparation of IDPs
iv) to scrutinize the Institution Development Plans of IMCs, submit them to SSC for recommendations and finally forward them to NSC for approval and release of loan to the concerned IMCs.
v) to regularly monitor all the aspects of implementation of the scheme, take corrective actions and convey the same to concerned IMCs wherever required.
vi) to build capacity of the ITI s and IMCs wherever required and facilitate the sharing of information among IMCs.
vii) to ensure that accurate and timely information is fed into IT based MIS maintained at DGE&T for the scheme.
viii) to assist and prepare documents for Joint Review Meetings.
ix) to prepare timely Progress reports and furnish to DGE&T,MoL&F.
x) to act as a secratariate for the SSC.
xi) To seek funds from Central Govt. for activities of SIC/SSC.
xii) To ensure compliance of activities conveyed in MoA on the part of State Govt.

2. The office and administrative expenses including salaries and other remuneration of the staff of the SIC will be born out of management, monitoring and evaluation component of the outlay of the Scheme. The funds for this purpose will be released by the DGE & T on receipt of suitable proposals from the SICs.

3. SIC Structure and composition:

As the number of ITI s to be covered under the scheme will vary from State to State, the structure of SIC in each State shall be decided depending upon the number of ITI s to be covered. The SIC will be headed by State Director dealing with ITI s and may consist of full time officers and staff as following:

SI.No.	No. of it is to be covered during the entire Project Period	No. of Posts in SIC	Details of Posts in the SIC	
1.	200 & above	7	Joint Director	2
			Dy Director/Asstt. Director	4
			Section Officer/Assistant for establishment matters	1
2.	150 to 199	6	Joint Director	1
			Dy Director/ Asstt. Director	4
			Section Officer/ Assistant for establishment matters	1
3.	100 to 149	5	Joint Director	1
			Dy Director/Asstt. Director	3
			Section Officer/Assistant for establishment	1
4.	50 to 99	4	Joint Director	2
			Section Officer/Assistant for establishment matters	1
5.	10 to 49	3	Joint Director	1
			Dy Director/Asstt. Director	2
6.	5 to 9	1	Assistant Director	1

NOTE: In addition to the above, contract staff (part time or full time) could be utilized for specific activities such as computer/Data entry operations, housekeeping, secretarial work and other specialized activities.

Annex-V

Guidelines regarding Financial and Procurement Procedure

During formulation and operationalisation of the Scheme, the issue of the manner in which the interest free loan of Rs.2.5 Cr. is to be spent by the IMC Societies was discussed. It was felt that some guidelines be issued in this regard.

2. Accordingly, the following guidelines/instruction are issued to the IMC Societies in respect of the procedure to be followed for utilization of funds received by them as interest free loan from the Central Govt. under the Scheme '**Upgradation of 1396 Govt. it is through Public Private Partnership'.**

3. Administrative Approval: Except for some contingent expense of upto Rs. 5000/- at a time, all expenditure made out of the funds of IMC Society shall have the administrative approval of the Governing Council of the IMC Society.

4. Financial powers of different authorities in IMC Society: The following authorities in the IMC Society shall finanxial power to incur expenditure of any nature (works, procurement of goods, services, consultancy etc.) upto the monetary limits mentioned below:

1. Upto Rs. 15,000	- ITI Principal/Secretary, IMC Society
2. Above Rs.15, 000 and upto Rs.10 lakh	- Works and Procurement Committee of IMC Society
3. Above Rs. 10 lakh	- Governing Council of the IMC Society

4.1 Works and Procurement Committee of the IMC Society shall consist of

1. Chairperson/Vice-Chairperson	- Chairperson
2. Member Secretary	-Member
3. Nominated Senior Faculty members	- Member
4. One nominated Industry member	- Member

5. **Procurement Procedure:** The authorities mentioned in para. 4 above shall carry out works and procure goods and services according to the procedure mentioned below:

S.No.	Type and amount of Expenditure	Procurement Procedure
1.	**Works (Civil/Electrical)** (i) Upto Rs.5 lakh	Limited tender enquiry: More than three tenders/quotations shall be called from # [the contractors registered with the Central Govet. Department such as CPWD or State Government Departments such as PWD or Indian Railways or Military Engineering Services or Border Road Organization or Public Sector Undertaking set up by the Central Govt. or State Govt. to carry out civil or electrical works.]
	(ii) Above Rs. 5 lakh *Note: For works IMC may take assistance from State Public Works organizations or hire consultants to assist in preparing estimates, tendering, supervision of work, clearance of bills and payments. However, the rate for different items of work shall not exceed the Scheduled rates of relevant State PWD*	Open tenders to be called by advertising in at least one national daily having wide circulation.

2.	**Goods** (i) Upto Rs. 15, 000/- on each occasion (ii) Above Rs. 15,000/- and upto Rs. 1 lakh on each occasion (iii) Above Rs. 1 lakh and upto Rs.25 lakh (iv) Above Rs.25 lakh *Note: Directorate General of Supplies & Disposal (DGS&D) rate contacted goods can be procured from suppliers. The prices to be paid for such goods shall not exceed those stipulated in the rate contract and the other salient terms and conditions of purchase should be in line with those specified in the rate contract. The IMC should make its own arrangement for inspection and testing of such goods where required.*	Prudent shopping without inviting quotation or bids. A certificate of satisfaction about the quality of goods and reasonableness of their prices to be recorded by the competent authority. Prudent shopping by a Committee of 3 members chosen by the Works and Procurement Committee who will survey the Market to ascertain reasonableness of rate, quality and specifications and identify the appropriate supplier. A certificate of satisfaction about the quality of goods and reasonableness of their prices to be recorded by the 3 member committee.
3.	**Engaging Consultants** (i) Upto Rs. 25 lakh (ii) Above Rs.25 lakh	By calling for bids from more than three potential consultants, identified on the basis of formal/informal inquires. By seeking "Expression of Interest" from consultants by publishing in at least one national daily having wide circulation and then following a two bid-Technical and Financial bid, procedure.
4.	**Outsourcing of Services** (i) Upto Rs. 10 lakh (ii) Above Rs. 10 lakh	Limited tender enquiry-by inviting offers from at least six contractors/service providers. Open tenders to be called by advertising in at least one national daily having wide circulation.

6. The cheques of the Bank Account of the IMC Society should be signed by the following authorities of the Society:

i) Cheques of amount up to Rs. 15,000/- by the Member Secretary (ITI Principal) and one Industry member nominated by the Chairperson who is regularly available locally.

ii) Cheques of amount larger than Rs.15, 000/- by the Member Secretary (ITI Principal) and the Chairperson of the Society.

7. In case of financial decisions taken by the Works and Procurement Committee and Governing Council, the Member Secretary (ITI Principal) will sign all the required documents.

8. Overall, the IMC Society should ensure that the funds of the Society are spent in the most efficient manner; only for the purpose mandated in the Memorandum of Association of the IMC Society; and in accordance with the Institute Development Plan.

Substituted for “State Govt. qualified contractors” vide DGE&T letter No. 35 (1396)/Guidelines/2007-NIC dated 22.05.2008.

Annex-VI

FORMAT FOR QUARTERLY PROGRESS REPORT {QPR}

(For quarter ending--------- 200)

Upgradation of 1396 Government it is through Public Private Partnership

A. General Information

1. Name and address of ITI with District & State:

2. Year of release of Loan:

3. Industry Partner:

4. Name of IMC Chairman:

Contact no., e-mail ID

5. Name of ITI Principal:

Contact no., e-mail ID

6. Dates of the IMC meetings:

Held during the quarter

B. FINANCIAL IN FORMATION

S.NO	Description	During the Quarter	Cumulative during the Financial Year	Total since beginning of the scheme
1.	Expenditure incurred			
2.	Interest received			
3.	Revenue received (other than interest)			
4.	Other funds received			

5. SB a/c no. and Bank Branch : --

6. Balance in SB a/c at the end of the quarter: --------------------------------------

7. Details of amount kept in STDR/LTDR

STDR/LTDR No.	Amount	Date of investment	Rate of Interest	Period of depodit

8. Details of revenue collection

S. No.	Description	During Quarter	Cumulative during the FY	Total since beginning of the scheme
i)	Regular Training Courses			
ii)	Short term Training Courses			
iii)	Training-sum-Production Centre			
iv)	Consultancy			
v)	Others			
	Total			

C. EXPENDITURE INFORMATION

S.No.	Type of Expenditure	Description of Expenditure	Expenditure during the Fin. Quarter (Rs.)	Cumulative Expenditure During the year (Rs.)	Total since beginning of the scheme
1.	Civil Works				
2.	Tools, Machinery & Equipment				
3.	Furniture & furnishing				
4.	Books and Learning Resources				
5.	Additional man Power				
6.	Consumables, maintenance and Training Material				
7.	Miscellaneous expenditure.				
Total Expenditure					

D. INFORMATION ABOUT ADMISSIONS

Intake capacity: Trainees on roll:

SI. No.	Name of Trade	Date of Commencement of the course	No. of applications received	No. of applications received No. of Trainees admitted	Remarks
i)					
ii)					

2. Admissions in new trades opened under the scheme

SI. No.	Name of Trade	Date of Commencement of the course	No. of applications received	No. of Trainees admitted	Remarks
i)					
ii)					

3. Admission in CoE courses opened under the scheme

SI. No.	Name of Trade	Date of Commencement of the course	No. of applications received	No. of Trainees admitted	Remarks
i)					
ii)					
iii)					

4. Other admission in the ITI (in courses/trades not directly covered under the scheme)

SI. No.	Name of Trade Sector	Date of Commencement of the course	No. of applications received	No. of Trainees admitted	Remarks
i)					
ii)					
iii)					

E. INFORMATION ABOUT PASS %, PLACEMENT %, ETC.

1. For existing trades taken up for Upgradation under the scheme

(For academic year 200-- - --)

S. No.	Name of the Trade	No. of the trainees studied	No. of trainees passed	Pass %	Remarks
i)					
ii)					

2. For new trades opened under the scheme (For academic year 200--- - ---)

S. No.	Name of the Trade	No. of the trainees studied	No. of trainees passed	Pass %	Remarks
i)					
ii)					

3. Admission in CoE courses opened under the scheme (For academic year 200-- - ---)

S. No.	Name of the Trade	No. of the trainees studied	No. of trainees passed	Pass %	Remarks
i)					
ii)					

4. For trades/courses not directly covered under the schemer (For academic year 200--- - ----)

S. No.	Name of the Trade	No. of the trainees studied	No. of trainees passed	Pass %	Remarks
i)					
ii)					

5. Please provide information about the percentage of the passed out trainees employed/self employed within next one year and the range of income being earned by them.

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F. MISCELLANEOUS INFORMATION

1. Details of the revenue generation activities carried out during the quarter.

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2. Details of the short term courses run during the quarter.

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3. Details of instruction in the ITIa) For trades taken up for Upgradation under the scheme

S. No.	Trade	Sanctioned Strength	Filled up	Vacant

Remarks: --

----

b) New trades opened under the scheme

SI. No.	Trade	Required Strength	Filled up by regular appointment by State Govt.	Vacant
1				
2				

Remarks: --

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c) New trades sector opened on CoE pattern under the Scheme

SI. No.	Trade	Required Strength	Filled up by regular appointment by State Govt.	Vacant
1				
2				

Remarks: --

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4. Details of the contract faculty engaged by the IMC

SI. No.	Trade/Courses	No. of persons engaged	Period of engagement	Remuneration
1				
2				

Remarks: --

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5. Any other information which the IMC Society may like to Submit.

Chairman
IMC Society
(Signature)

Secretary
(IMC Society)
(Signature)

ANNEX-VII

FAQs

S. No.	Issues/Questions	Clarifications/Responses
1.	Can the Industry Partner change the nominated industry members of IMC after Society Registration?	In normal circumstances such changes should be avoided. However, if it is essential such changes may be carried out with the approval of the States Govt.
2.	Can the SCVT trades be taken up for Upgradation with the funds of the Scheme?	No, the SCVT trades being run in the ITI can not be taken up for Upgradation under this Scheme. The scheme envisages that the ITI should be affiliated to the NCVT.
3.	Amount allowed for Civil work i.e. up to Rs. 62.5 lakh is very less. Can this amount be increased?	The expenditure on civil works can exceed Rs. 62.5 lakh but for this the IMC will have to send a proposal with full justification to the NSC for its proposal with full justification to the NSC for its approval. This proposal should be sent through the SSC.
4.	Can IMC Society sell old goods and scarp of the ITI?	No, because old goods and scrap are the property of the State Govt. who are the owner of the ITI.
5.	Are repair works included in the civil works?	Yes, repair works are included in civil works.
6.	What is the role of the SIC in financial and procurement decisions of the IMC	Normally SIC does not have any direct role in financial and procurement decisions of the IMC. They have the responsibility for monitoring the utilization of funds under the scheme. However, to take advantages of economies of scale the SIC can be involved in financial and procurement decisions of a group of IMCs with prior approval of the State Steering Committee (SSC).
7.	Can IMC Society transfer funds into other banks for earning	Under normal circumstances the funds should not be transferred out of the Public sector bank where

	more interest or getting better facilities.	the interest free loan has been deposited in the first instance. However, due to some unavoidable reasons if such a decision is to be taken a proposal with full justification should be sent for approval of NSC.
8.	Do the members of the General Body of the IMC Society have voting rights in Governing Council?	The additional members nominated to the General Body of the IMC Society will not have any voting rights in the Governing Council.
9.	Can IMC Society purchase a built up structure or empty plot for ITI?	No and IMC Society should not acquired any immovable property in its name.
10.	Is every tender floated by IMC required to be put on website as required by the CVC?	No, the IMC Society is not a Ministry/Department and therefore will not be required to follow CVC guidelines for putting tender inquiries on the website. However, the process of tendering should be as transparent as possible as possible as per the financial and procurement guidelines.
11.	Can IMC Society purchase goods directly from manufactures at DGS&D rates?	The IMC Society can purchase goods directly from manufactures at DGS&D Rate Contract but it has to makes its own arrangements for inspection of goods so purchased.
12.	Can IMC Society let out some of the existing properties of ITI to generate extra revenue?	No. The existing properties of the ITI belong to the State Govt. Therefore it cannot let them out. However, if letting out is done in connection with a training related activity the same may be permitted.
13.	Can IMC Society do the Job work to generate extra revenue?	Yes, IMC Society can do job work to generate extra revenue. They can start production service centres also.
14.	Will the IMC Society be required to get a Permanent account Number (PAN) UNDER THE Income Tax Act?	The IMC Society should get a Permanent Account Number (PAN) because it is an independent entity who may earn income from interest and other sources. If it gets itself registered under Section

		12A of the IT Act, 1961 and utilize its income as per the provisions of Section 11 of the IT Act then its income may become exempt from income tax. In this respect a chartered Accountant may be consulted.
15.	Will the IMC Society be required to get a TDS Account Number (TAN)	Yes, they should get Tan from the income tax department because they may be required to deduct TDS out of certain payments made to contractors /suppliers/consultants etc. and file TDS return with the Income Tax Department.
16.	Can IMC, engage a part time accountant on contract to attend its accounting work?	Yes, they can, but they should follow the laid down procedure for engaging such an account and the charges should be reasonable.
17.	Can IMC engage their own support staff to carry on their work?	Yes, they can engage but the laid down procedure should be followed and the charges should be reasonable.
18.	Can IMC construct office for itself and install telephone facilities, computer, faxes etc. for its office?	The IMC should not construct any new building as its office. However, for this purpose minor changes/repairs in the existing structure can be made using the scheme funds. The scheme funds can be used for installation of telephone facilities, computer, faxes etc. for IMC office but these facilities should be bare minimum, with a view to functional efficiency.
19.	Can they spend on organizing meetings refreshments in those meetings and incidental expenditure?	Yes, they can spend, but it should be directly related to creation of training infrastructure and improvement of training facilities in the ITI.
20.	Who will pay for TA/DA of IMC members in connection with the implementation of the scheme?	For the State Govt. nominated members the TA/DA may be claimed from their respective organizations. The TA/DA for student representative and industry members may be met out of the funds of the IMC Society, if the journey is undertaken for activities

		related to this scheme.
21.	What will be the entitlement of the IMC members for TA/DA?	For State Government nominated members the entitlement may be as per the State Government rules. The student representative can be paid as per the entitlement of the senior faculty member nominated in the IMC. The Chairman and other industry members can be paid TA/DA as per the TA/DA rules applicable to Central Govt. Class I Officers drawing pay in ther4ange Rs. 8,000/- to Rs. 16,399/- (Rs. 12,300 to Rs. 16,400 for air travel) and modified from time to time. **(These rules are available on Finance Ministry website www.finmin.nic.in)**
22.	Can IDP be modified by the IMCs after release of the funds?	For the ITI s covered during 2007-08, minor modifications by the IMC Society can be allowed because the IDPs had to be prepared in a very short time period. But for 2008-09 onwards the IDPs should be prepared after through study/research and discussions and will be allowed to be modified in normal circumstances. The modifications in the IDPs should be carried out in the next few days and sent to DGE&T after approval of the SSC.
23.	The assets purchased from Scheme funds will be in the name of ITI or IMC- who will be in the name of ITI or IMC?	The assets purchased from the funds of the IMC Society will be owned by the IMC Society and not by the ITI. Therefore, they should be acquired in the name of the IMC Society only through they will be installed and used in the ITI premises.
24.	The activities done by the IMC will be in the name of ITI or	All the activities done, such as issuing of advertisement, issuing of work order, placing of

	IMC?	purchases order, signing of a contract etc. using the funds of the IMC Society should be carried out in the name of the IMC Society.
25.	Will there be separate asset registers, stock registers etc. for the IMC.	Yes, the IMC Societies should maintain separate asset register, stock register, books of accounts and other documents as may be required for effective functioning of an organization. IMCs can provide training over and above what is prescribed by the NCVY for a particular trade/sector.
26.	What kind of academic freedom does the IMC have? Can it make changes in the curriculum of a course? Can it provide training on machinery which is not prescribed under NCVT but is required as per present market conditions?	If IMC wants to introduce changes in any NCVT courses, they should intimate DGET through the SSC. If these changes are found necessary they will be introduced at the national level. Training on machinery other than NCVT machinery may be provided in industry establishments but such machinery should not be purchased out of the scheme funds unless it is approved by NCVT.
27.	How will the books of accounts of the IMC Society be maintained and audited.	The books of accounts of the IMC Society shall be maintained on a doubt entry accounting system. These books of accounts and corresponding documents should be got audited by a qualified Chartered Accountant for every accounting year. The audited financial statements shall be submitted/ placed before the relevant authorities as per the requirements of Society Registration Act and the scheme.
28.	Will the books of accounts and documents of the IMC Society be audited by Comptroller and Auditor General of India?	The Comptroller of Auditor General of India may audit the books of accounts and documents of the IMC Society. On this issue, the matter has been referred to the Office of C&AG. Guidelines on this aspect will issued once the response is received from them. (*The accounts of the IMC Society are auditable*

		by the C&AG of India clarified vide letter No. G 25014/48/08/MF.CGA/COE/Insp / 500 dated 11.8.2008.)
29.	Whether the IMC has the authority to manage the entire ITI or manage only the affairs related to this scheme.	The purpose of forming an IMC is to manage the affairs of the ITI with a new approach wherein the expertise of the private sector and experience of the Government are used together. That is why; the IMC Society has members from the State Govt. and the Private Sector both. It is expected that IMC should be in a whole and not restricted top funds received under this scheme. However, in respect of the activities which are being funded by the State Govt. the IMC will have a recommendatory role. It is expected that in normal circumstances these will be acceptable to the State Govt.
30.	How will the 20% admissions be determined by the IMC Society in the ITI? Are there any guidelines for this?	Different State Govts. Have different methods for admissions in the ITI s. Therefore, in a letter dated November 5/8 issued by the DGE&T State Govts. Have been requested to decide a uniform procedure to be followed by all the IMCs in their State in consultation with the IMCs and the State Steering Committee. State Governments are requested to call for a meeting of SSC and IMCs and take a decision in this regard.
31.	The 20% admissions to be determined by IMC Society will be related to trades/ sectors covered under this scheme or far all trades being run in the ITI.	The requirement of 20% admissions to be made by IMC Society will apply to only those trades/sectors which are being covered by the funds of this scheme.
32.	Will the 20% admissions to be determined by IMC be over and above regular seats being filled in different trades or will it be	The 20% seats to be determined by the IMC will be out of the number of regular seats being filled up in a trade and not over and above them.

	out of the number of regular seats?	
33.	Are the funds received under this scheme to be used for opening Centre of Excellence (CoE) in a trade sector and opening of new trades only or can it be used for Upgradation of existing trades.	There is no restrictions on the purpose for which the funds under this scheme should be used. The funds can be used for opening a Centre of Excellence (CoE) type of course in a trade sector OR OPENING OF new regular trades under NCVT or Upgradation of existing NCVT trades or combination of any of these.
34.	How will the meeting of the Governing Council of IMC Society be conducted when the Chairman and the Vice-Chairman both are not present. Can the meeting of the Governing Council still will be held?	From Rule 44 (c) of Rules and Regulations of the Society, it can be seen that if Chairman and Vice-Chairman both are not present in the meeting then the members present will choose an acting Chairman for that particular meeting and the business of the meeting will be conducted. However while fixing the meeting of Governing Council if should be ensured that all the requirements in this respect provided in the Rules have been taken into account.
35.	Is there any time frame within which the interest free loan received under this scheme is to be spent?	The interest free loan is to be spent in the manner as provided in the IDP prepared by the IMC and approved by the DGE&T while sanctioning the loan amount. In the IDP, the time frame for spending the loan amounts on different items is to be specified.
36.	In case of some Industry Partners, it has been observed that they have nominated one person as their representative to act as Chairman of 3-4 ITI s. Such Chairmen are not able to devote sufficient time to all the ITI s. should this be allowed?	Chairman of the IMC, as the representatives of the Industry Partner, is expected to devote sufficient time to the process of Upgradation of the ITI. One person may act as Chairman of more than one IMC devotes sufficient time to all the IMCs without compromising on the quality of working of these IMCs.

37.	Who the nodal officer of the Industry Partner is as provided in the IDP and the MoA.	Nodal officer is a person within the organization of the Industry Partner who is dealing with the Central and State Govt. in connection with the scheme. He may be a person other than the Chairperson of the IMC Society who can be contacted in the Organization of the Industry Partner in connection with any matter related to this scheme.
38.	In what name should the bank account of IMC be opened and who should be authorized to sign the cheque for this bank account.	The bank account should be opened in the name of the IMC Society only. As provided in the financial and procurement guidelines the cheque signing authority should be the chairman, the Member Secretary (ITI Principal) and one Industry Member, nominated by the Chairman, who is regularly available as per the monetary limits provided in the guidelines.
39.	If a Charted Accountant is an industry member in the IMC Society, can he be engaged to maintain audit books of accounts of the IMC Society.	If the Chartered Accounted member is prepared to provide his service free of change then he can be engaged by the IMCX Society. However, if he is to be hired on payment basis, he has to participate in the procedure to be followed by the IMC Society for hiring a consultant as provided in the financial and procurement guidelines. It is advisable not to engage such person in view of consideration of transparency and objectivity.
40.	In some of the ITI s covered under the Scheme, regular Principals are not posted and additional changes are being held by Principals of other ITI s. It is difficult to implement the scheme effectively in such cases.	The Principal of ITI has to pay a very important role in this Scheme as the Member Secretary of the IMC. The STATE Government are advised to post regular Principals in all the it is being covered under this Scheme.
41.	There is different work culture	The IMC is an autonomous body which is fully

	in Govt. and industry. The dual control of the State Govt. and the STATE Govt. and the Industry Partner over the ITI staff may be a hurdle in achieving the desired results.	empowered to take its own decisions for development of the ITI. The State Govt. is requested not to interfere with its functioning but to make an enabling environment for effective and successful implementation of the Scheme to make ITI self-sustaining.
42.	Who will pay for recurring expenditure such as raw material, office expenses and the salaries to the staff appointed for the new trades started under the Scheme?	The State Govt. as owner of ITI is responsible for all recurring expenditure including salaries of staff. However, wages of the contract faculty may be paid by the IMCX from its own funds till the regular posts are created and filled up by the State Govt. Any other expenses required to improve the quality of training may also be included.
43.	Whether PAN and TAN number of the ITI can be used for IMC or a separate PAN and TAN numbers are required for IMC?	The IMC Society is required to obtain a separate Permanent Account Number (PAN) because it is an independent entity which may earn income from interest and other sources. If it gets registered itself under Section 12A of Income Tax Act, then its income may get exemption from income tax. TAN number may also be obtained from the IT Department because IMC may be required to deduct TDS out of certain payments made to contractors/suppliers, etc.
44.	Can IMC have more than 11 members for efficient working?	Extra members may be nominated in the general body of the Society. Co-opted members may be invited to the Governing Council meetings. However, they will not have right of voting.
45.	Whether purchases from IMC funds need approval of Government or approval of IMC?	Approval of only IMC is required. It is omnipotent to take all its decisions in the interest of the ITI under the Scheme.
46.	Whether IMC Society can publish/award tenders for	IMC being a Society is not covered under the purview of model code of conduct. However,

	renovation of building, new works and purchasing of machinery, equipments during the model code of conduct for the election of Lok Sabha?	Election Commission of India should be informed.
47.	In preparation of accounts, should the expenses of the entire ITI be considered or only the activities pertaining to the IMC Society?	Separate account books are required to maintained for the activities of IMC Society.
48.	Whether the purchases of machinery, equipment and tools can be kept about Rs. 2 crore, if yes, how it will be possible to stick to the figure of seed money of 50%	The provision of seed money is for sustained income to IMC for the Upgradation of ITI. As per the guidelines of the Scheme, the upper limit for the seed money is not exceeding 50% , however, there is no minimum limit.
49.	Whether 100% payment can be made before the dispatch of machinery and equipments by the Supplier?	100% payment is only applicable after installation and inspection of the machinery and equipment, not before dispatch of machinery.
50.	Whether the interest money earned of the deposits out of Rs. 2.5 Crore can directly be utilized for the expenses of IMCs?	Interest money earned on the deposits can be plough back for the Upgradation of ITI and can be used for all purposes for which the original amount can be used.
51.	Whether the repayment of loan period is increased up to 30 years?	For the repayment of loan, there shall be moratorium of 10 years. After the moratorium , the loan shall be payable in equal installments of Rs. 12.5 lakh per annum over a period of next 20 years.
52.	Can the Industry Partner change the Chairperson of IMC?	Yes, Industry Partner can change the Chairperson of IMC.
53.	In financial guidelines, it is suggested that open tenders to	As per the financial guidelines, limited of Rs.1 to 25 lakh and above 25 lakh is the amount for which the

	be called for the goods to be procures above Rs. 25 lakh and limited tender for the goods to be procured from Rs. 1 to 25 lakh. Please clarify that the limit of Rs. 1 to 25 lakh, above 25 lakh are the amount for one item or for all item or amount for per year or for one occasion.	goods can be procured at **one occasion.**
54.	Whether IMC Society should get registered for VAT/Trade Tax/service Tax?	The matter is being taken up with concerned authorities and a clarification will be issued later.
55.	Whether IDP can be modified?	The IMC can modify the IDP and should get it approved by SSC and send a copy to Central Govt.
56.	Shortage of Principal and Instructors in the ITI s.	State Govt. are required to take immediate action to fill the vacant posts of Principals and instructors. However, guest/ contract faculty of these trades may be engaged by the IMC.
57.	In the State of Haryana, IMC is required to take permission from the State Governments/Directorate for doing any new work.	IMC is an autonomous body which can take its own decision for Upgradation of ITI. The State Govt. should withdraw such order, if any.
58.	Whether training of Principals on Society management (Rules and Regulations of Society), accounting procedure, financial management for Rs. 2.5 Crpore, and writing of minutes, etc. will be organized?	Training of Principals & senior faculty members of ITI s is being organized in premiere institutes of the country.
59.	Can the construction work be executed only through PWD?	No, the construction work can be executed through the contractors registered with the Central Govt. Department such a CPWD and State Govt.

		Department such as PWD or Indian Railways or Undertaking setup by the Central/State Govt. to carry out civil or electrical works.
60.	Who is liable for repayment of loan?	The repayment of loan is the collective responsibility of IMC Society.
61.	Can off-campus training programmes be organized by IMC for revenue generation?	Yes.
62.	Can any building/machinery or equipments, etc. donated by Industry/Industry partner be recognized by the name of its donor?	Yes.
63.	Can IMC be revise the fee structure?	The fee structure for conducting short term courses for revenue generation may be fixed by the IMC. It may also decide separate fee structure for 20% admissions which are required to be determined by the IMC under the Scheme.
64.	Whether IMC Society is exempted from Service Tax?	The Vocational Training Institutes are exempted from Service Tax vide Notification No.24/2004-ST dated 10.09.2004 provided in the letter No. F.NO. 137/23/2007-CX.4 dated 28.01.2009 of Central Board of Excise and Customs, Department of Revenue, Ministry of Finance.
65.	Whether 20% admissions by IMC s can be over and above the sanctioned strength?	The State Government has to take decision based on the limitation of reservations, etc. and DGET has no objection if it is within 30% supernumeries.
66.	Whether financial norms to be followed as per Government of India or as per the State Governments?	Government must be withdrawn.
67.	Dual administrative control on the ITI staff.	The functional control should be with the IMC and transfer/posting with the State Government.

68.	Industry Partner are not spending sufficient time with the IMCs.	State Government should take up such matters with the Industry Chambers.
69.	Difference of opinion between the Chairmen and Principals.	A lot of clarifications should have been provided in the regional workshops. The Industry partners and the Principals should as work as a team.
70.	Trades are to be revamped and mordernized.	State Governments to make reference with respect to the trades which are obsolete so as to make modifications. It state Government makes such reference, steps can be taken by the D.G.E&T.
71.	Whether the trainers from the Industry can be recruited as Instructors?	State Government may take necessary action in this matter by modifying the service rules.
72.	In case of estimate prepared by the PWD is very high, how to bridge the gap?	The estimates can be prepared through outside consultant by following the guidelines. Extra amount if required for civil works should be provided by the State Government. The limit of 25% for civil works may be relaxed by DGE&T on case to case basis on receipt of proposal.
73.	Whether the NCVT affiliation is compulsory for starting new courses?	NCVT Affiliation is mandatory before starting new courses. The proposal in this regard should be received before 31st May, 2009.
74.	Vacant posts of Principals.	The vacant posts of the Principals should be filled by the State Government, so that the quality of training does not suffer. Similarly the frequent transfer of Principals should be avoided.
75.	Please clarify whether the certificate given for the short term courses which are to be run by IMC, would be recognized by DGET	It is NCVT which recognize the courses based on affiliation. The certificates issued by the IMC for short term courses other than NCVT affiliated trades/MES trades shall not be recognized by DGET.
76.	Can the IMC purchases a bus for industry visit of ITI	Since the purchases of a bus and its operation involve much expenditure, the IMC can hire an

	trainees?	appropriate vehicle for this purpose.
77.	Can the IMC charge additional fee for the 20% admissions determined by IMC?	IMC may decide separate fee structure for 20% admissions which are required to be determined by the IMC under the Scheme. Already clarified vide FAQ-63.
78.	Does the 20% admission to be determined by the IMC cover all trades running in the ITI?	Since, this scheme is for overall Upgradation of ITI, therefore, 20% admission to be determined by IMC, should cover all trades. However, clarification issued by the DGET vide letter dated 28.05.2008 under clarification No. 31, it has been mentioned that "The requirement of 20% admissions to be made by IMC Society will apply to only those trades/sectors which are being covered by the funds of this scheme". Since, this contradicts the concept of overall Upgradation, it may be modified.
79.	In case of State Government does not fill the vacancy of Instructors, can the IMC engage contract faculty through agency.	This is the responsibilities of the State Government to fill the vacancies of Instructors on regular basis in the ITI s. However, the IMCs can engage contact faculties till these vacancies are filled by the State Government.
80.	Can the Chairman of the IMC authorize any other member to issue cheque of the value more than Rs. 15,000/-?	No.
81.	Can the IMC use the vacant space/premises of the ITI for commercial use to generate revenue?	The IMC should not start any commercial activity in the vacant space/premises of the ITI which has adverse effect on academic environment of the ITI. However, the activities in conformity with development of the ITI may be taken.
82.	Can the interest earned be used	No.

	in civil works apart from Rs. 62.5 lakhs of the principal amount?	
83.	Can the space needs of new trades may be relaxed?	The space requirement for different trades should be followed as per NCVT norms.
84.	Guidelines for use of up to 50% of total loan amount as seed money.	a. A provision of up to 50% of the total loan amount under the scheme has been made to keep as seed money. This amount is required to be kept in some long term instruments so that the IMC society is able to get maximum returns on it. The interests so earned will provide long term sustainability to the project after a moratorium of 10 years. b. While the objective is to get maximum returns on this deposit, the amount is not permitted to be invested in speculative instruments such as shares, bonds, debentures, etc. c. For the remaining 50%, a provision has already been made to prepare a plan of action for utilization for civil construction, procurement of tools, equipments and machinery or appointment of contract faculty, etc. however, care should be taken to keep the amount in short term deposits according to the plan of action in order to maximize the returns. The interest earned from these deposits may be used for long term sustenance of the ITI and modernization of trades, infrastructure or other permissible activities.