

**Vocational Training Improvement Project (Cr. 4319-IN)**  
**First Joint Review Mission**  
**(September 6-October 03, 2008)**  
**Aide-Memoire**

**I. Introduction**

1. A World Bank team jointly with the Directorate General of Employment & Training (DGE&T), Ministry of Labor and Employment (MoLE) team undertook the First Joint Review Mission (JRM) during September 6- October 03, 2008.<sup>1</sup> On invitation from the DGE&T, officers from the Planning Commission, Government of India, and Industry Associations' [Confederation of Indian Industries (CII), Federation of Indian Chambers of Commerce and Industries (FICCI), and Associated Chambers of Commerce and Industry of India (ASSOCHAM)] representatives participated in the review mission (List of participants in Annex 1).
2. The Mission was divided into three groups. The first group visited Rajasthan, the second group visited West Bengal, and the third group visited Maharashtra. In these respective states, the Mission reviewed some institutions followed by intensive review of the state, and subsequently reviewed all the states from that region. Following the institutional and states review, the Mission reviewed implementation progress of centrally-funded institutions at Delhi.
3. The key objectives of the Mission were to: (1) review overall progress made in all components and sub-components of the project; (2) review status of implementation of Environmental Management Framework, Equity Assurance Plan and Disclosure Management Framework; (3) review procurement and financial management and identify procedural bottlenecks and need for capacity strengthening; (4) identify systemic and implementation issues and agree on time bound actions for resolution; (5) continue facilitating implementation of the project.
4. The IDA team deeply appreciates the cooperation and guidance provided to the Mission by Mr. Sharda Prasad, Joint Secretary/Director General and National Project Director, MoLE, who joined the mission in Rajasthan and the review of centrally-funded institutions in Delhi. The Mission also expresses its gratitude to Mr. H.A. Keshava Murthy, Deputy Director General, Mr. A. K. Ganguly, Director (P) and National Project Coordinator, and other NPIU officers for their efforts in organizing, facilitating, and participating in the review mission. The Mission expresses its thanks to all the State Secretaries/Commissioners/ Directors/Joint Directors and other officials responsible for Vocational Training, Principals, instructors, students of ITIs, IMC chairpersons and

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members, and other industry representatives for participating in the review meetings. The Mission also thanks the Government of Maharashtra, West Bengal, and Rajasthan for hosting the JRM with excellent logistical support and hospitality.

This Aide-Memoire, presenting the summary of JRM findings, key issues, recommendations, and agreed actions, was discussed in a wrap-up meeting held in the DGE&T/MoLE on October 03, 2008, chaired by Ms Sudha Pillai, Secretary, MoLE, and Government of India. The Principal Secretaries, Secretaries, Commissioners, Directors and other officials of 20 States and Union Territories participated in the wrap up meeting.

## II. Key Project Data

			<i>Last (Jan 07)</i>
Board Approval	June 5,2007	Achievement of PDO	MS
Effectiveness Dates	December 17,2007	Implementation progress	MS
Original Closing Date	December 31,2012	Problem Flags	Nil
Revised Closing Date	Not Applicable		
MTR Date			
Revised Credit Amount			
Project Age	1.5 years		
% Disbursed	13.61%		

Ratings: **HS**-Highly Satisfactory; **S**-Satisfactory; **MS**- Moderately Satisfactory, **MU**- Moderately Unsatisfactory, **U**-Unsatisfactory; **HU**-Highly Unsatisfactory; **NA**-Not Applicable; **NR**-Not Rated

## III. Key Achievements

5. The Mission deeply appreciates the prudent leadership provided by the Joint Secretary/Director General and the persistent efforts he has made to roll out the project implementation, which has resulted in the following significant achievements. These achievements are the necessary building blocks for further improvement in implementation. Some of the significant achievements are:
  - The target of selecting 250 ITIs by 2007-08 has been successfully met.
  - National Steering Committee (NSC) at the national level, and State Steering Committee (SSC) at the state level with prescribed private sector representative participation have been formed and these bodies are playing an active role;
  - The DG&T has released INR 237.57 crore (USD 52 million) to the states and centrally-funded institutions by March 31, 2008.
  - A separate implementation support mission for the north-eastern states was conducted in May 2008. This helped some of the north-eastern states understand the project better.
  - The DGE&T has prevailed on NIFM and ASCI to organize training on the World Bank procurement guidelines and financial management procedures on priority basis for the state government and ITI officials.

- Apex Hi-Tech Institute, Bangalore, has outsourced 10 top-notch private training providers to commence training of COE instructors. About 200 instructors have been trained. In order to facilitate COE instructors' training, AHI has prepared instructors training curricula for 12 COE sector, which are approved by the National Council of Vocational Training (NCVT).
- Two senior officials (one from DGE&T and one from the State Government of Andhra Pradesh) were sent for a Labor Market Policy Course in Washington DC.
- Two consultations/presentations on National (Vocational) Qualification Framework have been conducted.
- Letters from the Finance Minister and Labor and Employment Minister, Government of India, have been sent to the states urging them to release funds to the vocational training directorates to facilitate implementation of the project.

#### **IV. Critical Issues affecting Implementation**

6. The Joint Review Mission concludes that the following key issues have caused slow implementation. The Mission cautions that if these issues are not resolved urgently, achievement of project objectives will be affected. The critical issues are:
  - National Project Implementation Unit (NPIU) is heavily understaffed and the existing handful of staff involved in multiple tasks.
  - State Project Implementation Unit (SPIU) with adequate staff at each state level is yet to be established.
  - Substantial delay in and/or no release of funds by the state government Finance Department to the line department has severely affected implementation in most states. Many states have not made provision (central share and state share) for the project in the state budget.
  - Lack of capacity at the state level for procurement using the procurement procedures enlisted in DGE&T's Procurement Manual meant for the Project.

#### **V. Implementation Progress, Issues, and Recommendations**

##### ***Strengthening of Industrial Training Institutes (ITI)***

7. Out of the 400 ITIs to be financed under the project, 331 ITIs have been selected so far. One hundred ITIs joined during the retroactive period (2006-07), and 150 in 2007-08. The rest 150 are to be selected during 2008-09, out of which 81 ITIs have been selected so far (state-wise list of ITIs in Annex-2). The Mission was informed by NPIU that despite several reminders, some states have not forwarded the Institutional Development Plan (IDP) for inclusion in the Project in 2008-09. In case the states do not send the IDPs of eligible ITIs by October 31, 2008, these should be reallocated to the states that can provide ITIs which meet eligible criteria. DGE&T should finalize the list of 150 ITIs and communicate approval to the states by November 30, 2008. Funds should be released to them by December 31, 2008.
8. The mission noted that a majority of ITIs have opted for engineering and manufacturing sectors for COE (66 Electrical, 50 Production and Manufacturing, 45 Fabrication, 44 automobile.), and very few ITIs have opted for service sectors despite the high demand for skilled manpower in these sector (Annex 3). While the Mission is pleased to note that DGE&T has added four new sectors (Tourism, Industrial Automation, Cane & Bamboo

Crafts, and Textile) in 2007-08 to the list of 17 COE industrial sectors, more sectors based on the demand for certain skills should be explored and offered to the ITIs. The Mission encourages DGE&T to examine labor market relevance of COE sectors selected by the ITIs, which are to be included in the Project this year.

9. The Mission interacted with a large number of students enrolled in COEs and industry representatives in IMCs and tried to understand how COE, as multi skilled, multi entry and exit program, is being perceived by these key stakeholders. The students' enrolled in COE perceive it as a better program compared to mono-trade training. They feel proud to be enrolled in COE as they have different uniform and identity; expect better equipments and other facilities to be trained on; and possibly better employment prospects. However, the students identified some problems with regard to training in Advanced and Specialized Modules. In Advanced Module (AM) the students specifically complained about lack of adequate equipments and instructors. Majority of the Specialized Module (SM) students who are placed in industry either under Apprenticeship Act or otherwise opined that although the focused training on Advanced Module has helped them, their learning in industry under Specialized Module is very limited, as they do not get adequate hands on experience on machine, and the industries are not oriented towards their learning needs.
10. The Mission observed that while the states and ITIs are trying to provide learning opportunities to the SM students in industries, their learning outcomes are not adequately monitored. For improving the quality of SM products, the Mission recommends: (a) defining the broad learning outcomes for Specialized Modules, and (b) close monitoring of the learning outcomes of the SM students both by the concerned ITI and respective industries.
11. From the Industries perspective, the Mission learnt that while the industries find the COE program useful, the employability skills of COE graduates is limited and needs to be enhanced. The industries expect the students to be also equipped with soft skills (communication skills, team work, positive attitude, and punctuality), knowledge of occupational health and safety issues, and an understanding of environmental management aspects related to industries. The Mission therefore strongly recommends that MoLE engages Central Staff Training and Research Institute (CSTARI) and Apex Hi-Tech Institute (AHI) to develop contents on the above in the curricula for both students as well as instructors. Many states informed the Mission that they wanted to establish self-learning English Language laboratories in the project ITIs. The Mission supports the idea and recommends that DGE&T may encourage all the states to establish English Language Lab in the project ITIs with project funds. The states should also be encouraged to outsource tailor made programs on soft skills using project funds.
12. Both students and industries representatives, who the Mission met, were of the view that COE as a new program is little known to either the aspiring students who want to enroll in ITIs or the wider communities of industries and potential employers. The students feel that after graduating from Broad Based Basic Training (BBBT) and Advanced Module, many industries do not recognize their multi-skilled strength. Lack of social marketing around COE is likely to adversely affect admission and employment prospect of COE graduates. Both MoLE and the respective states need to develop a social marketing strategy on COE to attract students from catchments' groups (e.g. secondary schools and Junior Colleges) and inform the wider community of employers/industries. Gujarat has

used Mobile vans to spread the message of COE among the parents and secondary school students.

13. The Mission is happy to note that the overall enrollment in Broad Based Basic Training (BBBT- first year of COE program) in 2006-07 is 104 percent of the total intake capacity. However, enrollment in 2007-08 has dropped to 81 percent. In 2007-08, Bihar has reported enrollment as low as 23 percent, Madhya Pradesh 47 percent, Uttar Pradesh 49 percent, and states like Delhi, Gujarat, Karnataka and Kerala with 75 to 80 percent (Annex-3). The Mission was informed by many states that they could not admit students in the ITIs selected in 2007-08 as approval from DGE&T was communicated to them after the admission time was over. The NPIU informed the Mission that the Institutional Development Proposals (IDP) of ITIs submitted by some of the state governments were not in the prescribed format and were deficient in key information. Based on the review of IDPs, the states were advised to revise the IDPs appropriately and resubmit the same to DGE&T for approval. Some of the states took longer time to resubmit the IDPs, which caused subsequent delay in approval. The Mission takes strong note of this delay which has deprived many students from taking admission to COE in 2007-08 and also in the current year.
14. The Mission also noted with concern the high dropout rate in 2006-07 in COEs with the national average of about 18 percent (Annex 4). Jharkhand reports drop out for 2006-07 as high as 46 percent, Madhya Pradesh 31 percent, Andhra Pradesh 29 percent, and Haryana 27 percent. Only 72 percent of the same cohorts took BBBT examination and out of them 61 percent have passed successfully. The transition rate to Advanced Modules and Specialized Modules is noted to be low. On national average, only 41 percent of the total enrolled students in BBBT moved to AM and 22 percent to SM.
15. Some of the possible reasons for high drop out could be: (a) lack of concentration of relevant industries around ITIs; (b) lack of awareness among students about the job opportunities available in those particular sectors; (c) low quality of training in AM due to shortage of instructors and inadequate training facilities; and (d) delay in admission process. The Mission therefore recommends that DGE&T in consultation with the states ascertain causes of high drop out rate, low pass rate and transition rates, and take remedial actions at the earliest.
16. Some COE sectors have registered high drop out and low pass rates. Drop out rate is as high as 39 percent in Tourism, 34 percent in Industrial Automation, 26 percent in Food processing, 24 percent each in IT, Agriculture, and Automobile. Pass rate is as low as 6 percent in Industrial Automation, 24 percent in Refrigeration and Air Conditioning, 48 to 55 percent each in Fabrication, Automobile, Tourism, Electrical, Process Plant Mechanics and Production and Manufacturing (Annex 5). The Mission expresses deep concern about low pass rate in the sectors which are seemingly in high demand. The Mission is equally concerned to note low transition from BBBT to AM to SM in some of the seemingly popular sectors. The Mission strongly recommends that DGE&T and the States investigate the causes of drop out, low pass rate and low transition rate, and take actions to improve the performance of COE program.
17. The Mission through its interaction with instructors, students, industry representatives and State officials learnt that:

- Two-month duration for the BBT modules is too short for imparting a reasonable level of knowledge and skills in the concerned skills area.
- There is a need for properly sequencing of BBT modules to facilitate better transaction of curricula and better learning outcomes.
- There is lack of clarity with respect to SM, its objectives, modalities of implementations, learning outcomes, testing and certification.

The Mission recommends that DGE&T in consultation with states and industries analyze these issues and take corrective actions to improve the performance of COE program.

18. The Project aims to strengthen the National Instructional Media Institute (NIMI), Chennai to develop, print/publish and disseminate instructional media packages (IMPs). NIMI will develop question banks for conventional and COE trainees, design self-learning packages for students and instructors, and train instructors in the use of IMPs.
19. The mission appreciates the progress made by NIMI in developing the printing and binding facilities under the project. It has also developed three titles for one COE sector; translated 29 titles in 7 different languages; and developed question banks for 5 trades under CTS. NIMI would develop IMP's for 57 modules of BBT covering 10 sectors of COE by 31<sup>st</sup> December 2008.
20. The Mission noted that NIMI has been producing mainly printed materials, which are popular among the students and instructors. However, there is a need to produce digital materials and collect relevant digitalized materials from other countries and create an e-learning resource base. NIMI should encourage use of dual transaction methodologies combining print and digital and e-learning materials.
21. The Central Staff Training and Research Institute (CSTARI), Kolkata, is mandated to play a key role in curricula development/revision. CSTARI is expected to develop procedures for evaluating COE student's achievements on Specialized Modules to ensure uniform joint assessment of student competencies by State Council of Vocational Training (SCVT) and industries. It is also tasked with developing curricula elements on environmental and occupational health and safety to be integrated in the trade/COE curricula.
22. The Mission in its review of CSTARI's activities found that CSTARI needs extensive capacity building support in order to perform these roles, which are critical for the craftsman training sector. The Mission advises DGE&T to support CSTARI prepare a long and medium term vision to perform these functions. However, CSTARI must focus on completion of the following activities on priority basis:
  - Review BBT modules with feedback from students, instructors, industries and states, and revise the modules accordingly by March 31, 2008. Curricula for the said course were developed by various field institutes of DGE&T with active participation of the related sector industries and state governments. CSTARI may also seek feedback from the same industries and institutions and place it before the NCVT Sub-Committee for Curricula for further necessary actions.
  - Finalize ITI Principal training curricula, prepare draft training module and materials, identify master trainers, and conduct the pilot training by January 31, 2009.

- Prepare and integrate environmental and occupational health and safety curricula for all the COE sectors by March 31, 2009.
23. Institutional Management Committee with significant private sector representation at ITI level was envisioned as a major driving force in transforming ITI into a more vibrant, dynamic, and demand driven institution poised to meet industries' need for quality skilled workers. It is expected that all IMCs will play greater role in management of ITIs and help them to forge stronger relationship with industries and labor market.
  24. The Mission was pleased to see that all project ITIs have constituted IMCs with required private sector participation. Through its interaction with a number of IMC chairpersons and members, the Mission noted that the IMCs in some ITIs in some states are active, but in general, they are passive bodies although with commitment and interest to participate in the process of institutional development. In order to enable them to play that role effectively, what they need is: (a) more information and orientation on the project; (b) some executive authority which will elevate their mere advisory role; (c) a sense of seriousness from state governments that they hear and value IMC's voice and suggestions; (d) empowerment of ITI Principals to implement the recommendations of IMCs within an accountability framework; (e) regular communication between the IMC and state directorate for resolving problems and removing bottlenecks; (f) recognition of good work of IMCs.
  25. In order to enable IMCs to play the desired role effectively, the mission recommends that each SPIU conducts orientation program for IMCs. NPIU needs to monitor such orientation programs and provide feedback to the states.
  26. The Mission realizes that under the current scenario of high economic growth and demand for skilled workforce in India, ITIs have a special role to play. If these institutions are expected to shift from their traditional supply driven role to demand driven role, the leadership of the institution needs to be considerably strengthened. This paradigm shift is possible only if the head/principal of the institution is equipped with right attitude, knowledge, and skills. In this context, training of ITI Principals and other senior staff is extremely critical.
  27. The Mission noted that many states have not paid enough attention to strengthen the ITIs with fulltime Principals, and in some cases one Principal is heading more than one ITI. Many states have not empowered the ITI Principals in accordance with the Memorandum of Understanding signed by them. If the current state of affairs continues, the Mission is skeptical if any meaningful reform and improvement can take place towards meeting the national agenda of producing world class skilled manpower despite providing resources for up-gradation of infrastructure and equipments. The Mission therefore strongly recommends that all states fill up the vacant positions of Principals in project ITIs by November 30, 2008 and take necessary steps to empower them.
  28. In the interaction with ITI Principals, instructors, IMC members and industry representative, the Mission was convinced that the ITI Principals must be provided tailor made training on leadership. The World Bank jointly with NPIU carried out a Training Need Analysis (TNA) of ITI Principals and based on the TNA a draft training curricula has been prepared. The Mission recommends that NPIU together with CSTARI should take necessary steps to prepare training manual and materials with appropriate adult

learning methodologies and then pilot the training with a group of ITI Principals to finalize the training package. The Pilot training must be done by January 31, 2009.

29. The Project greatly emphasizes filling up instructors' positions in ITIs and their training. Availability of adequate qualified and trained instructors is critical for quality training in ITIs. The Project has committed to finance training of all instructors of both project and non-project government ITIs. While funds for instructors training for project ITIs are made available in the ITI budget, for non-project ITIs the funds are being provided to the respective State Project Implementation Units (SPIUs).
30. The Mission was concerned to note the large instructors' vacancies in several states. Instructors' vacancies are as high as 88 percent in Kerala and 76 percent in Jharkhand. Bihar, West Bengal, Punjab, Chhattisgarh, and Orissa report more than 50 percent instructors' vacancies. However, many states have appointed large number of contract faculty to reduce instructors' vacancies (Annex 6).
31. It was observed majority of states have not appointed regular instructors for Advanced Module. Training in these modules is being conducted with the help of untrained and mostly by contract instructors.
32. While the Mission appreciates the states' efforts to avoid disruption of teaching by hiring contract faculty, it is concerned about two issues with regard to contract faculty. One, contract faculty as they are not allowed to travel outstation for training; the other, qualified instructors do not come forward because of very low wages paid to them. The Mission therefore strongly recommends that DGE&T should work with the States to find reasonable and workable solutions to these problems.
33. All the 12 centrally-funded institutions (CFIs) institutes of DGET (6 ATI's, 2 ATI-EPI's, FTI Bangalore, CTI Chennai, NVTI Noida & AHI Bangalore) have been mandated to start training of COE instructors. These institutes were required to start the training courses from June 2008 after developing necessary infrastructural facilities in select sectors. So far, training of only 200 COE instructors were outsourced to private training institution (NTTF, BOSCH, JSS, GTTC, INDO-GERMAN TRADE ROOM& CRISP) and only 14 instructors have been trained in house at ATI Chennai.
34. All the CFIs have now committed to start the training courses from October/November, 2008 onwards. Since these institutes do not have a separate faculty for COE instructors training, it was agreed that these institutions would reschedule their regular training courses to accommodate COE instructors on priority basis. AHI should make sure that required number of instructors is deputed to these institutions for training.
35. Mission is concerned that, on the one hand, a large number of instructors of ITIs are untrained; on the other hand, states do not depute instructors for training resulting in gross underutilization of facilities created by DGE&T for instructors' training. The reasons for low interest among states in instructors training are: (a) large instructor vacancies and restrictions on sending contract faculty for training; (b) extremely low daily allowance for the instructors for outstation residential training and the long distance the trainees have to travel as training in some of the trades are provided by DGE&T institutions located in different parts of the country; (c) lack of incentives for training; (d) long duration (one year) of basic training; (e) non-availability of short duration either

institution or industry based training. The issue further gets complex in the absence of a systematic data base on instructors training and their training needs.

36. In view of the above, the Mission recommends that DGE&T should engage AHI to examine the above issues and prepare a strategy to resolve them. AHI needs to come up with a strategy based on sound analysis of the current problems associated with instructors training and submit the same to DGE&T by December 31, 2008 for review. The Mission would expect that DGE&T should be able to resolve some priority issues to facilitate instructors' training.
37. Under the Project 10 Instructor Training Wings (ITWs) are to be set up in 10 different states to enhance the entry level training facilities for instructors. DGE&T has already received proposals for setting up ITWs from ten states. DGE&T needs to expeditiously examine these proposals and convey its approval to the concerned states by November 30, 2008. At the same time, DGE&T may take necessary action to set up norms for affiliation of these ITWs.
38. The Apex Hi-tech Institute (AHI) at Bangalore has been tasked to manage and promote instructors training within the network of training institutions called Instructor Training Network (ITN), which comprises of 10 Instructors Training Wings (ITW), 11 CFIs and 20 COEs, as well as reputed public and private training establishments. AHI is also required to prepare instructors' training curricula, set norms and standards for different types of training, and ensure that the standards are met by all instructor training providers.
39. The Mission is happy to note that AHI has developed instructors training curricula for 12 COE sectors and has outsourced training for COE instructors in 10 private training institutions. AHI needs to develop curricula for COE instructor for remaining 9 sectors on priority basis so that these are available with CFIs for conducting COE instructors training and ensure that the training module on how to use NIMI's Instructional Media Packages are integrated in the instructors' training curricula.
40. However, AHI is yet to develop a vision to emerge as the training manager and develop norms and standards for instructors training. The Mission therefore recommends that AHI should prepare a detailed action plan with its vision and submit it to NPIU and World Bank by December 31, 2008 for review. As already mentioned in para 36 above, AHI needs to integrate the training strategy in the plan.
41. The Mission was pleased to note that the MoLE in collaboration with the World Bank has begun consultations on National Vocational Qualifications Framework (NVQF). However, steps need to be taken to move the process forward. The next steps could be: formation of a joint working group with other training providers and the Ministry of Human Resource Development; preparing a discussion paper drawing lessons from good international practices and contextualizing it in Indian vocational training scenario; and preparing a road map with a timeframe for formulating a draft qualifications framework. The other study that DGE&T should begin is on the feasibility of setting up of Training Fund.
42. The Project provides separate innovations funds to encourage innovations and finance innovative activities that would significantly improve the quality of vocational education

and training system in the country. Financing from Innovations Fund will be available to the states, DGE&T and its centrally-funded institutions, employer associations and private training providers. The Mission recommends that DGE&T solicits proposal for innovations fund and finance at least two proposals by the next JRM.

## **VI. Project Management and Monitoring & Evaluation**

43. The Mission compliments DGE&T and all the states for forming the National Steering Committee (NSC) at the national level and State Steering Committee (SSC) at state level with the required industry association representations. The Mission is pleased to note that both NSC and SSC in many states are playing active decision making role.
44. The Mission is of the view that Program Management is extremely critical for implementing a holistic reform, as envisioned in the project. Given the country wide scope of the project and differential capacity of the states, DGE&T needs to play an important and effective role in building capacity of states, providing on-the-spot technical help to them for prompt solution of their problems, and carry out continuous monitoring.
45. While the Mission appreciates the efficiency and commitment of the handful of officers currently placed in NPIU, it is extremely concerned to note the deficiencies in staffing of NPIU. The current National Project Coordinator (Director-Project) holds dual charges. Of the three Deputy Directors (DD) placed in NPIU, one DD is reported to be working fulltime on the project and two others have dual charges. In practice, only three staff, one DD, one Assistant Director, and one Accounts Officer are working full time in NPIU. No functional area consultants have been appointed so far. The weak capacity of NPIU has resulted in slow implementation, delay in responding to states' needs and requests, and almost no hand holding support to the states from NPIU. With the current status of NPIU, significant improvement in implementation is not likely to happen.
46. The Mission therefore strongly recommends that DGE&T fully staff NPIU, including functional area consultants, by November 30, 2008.
47. Most states are yet to establish their respective SPIU with the staffing pattern as mentioned in the Project Implementation Plan. The Mission recommends that all states establish fully staffed SPIU and inform NPIU with names and responsibility of SPIU officers by October 30, 2008.
48. The Mission noted with concern that the National Project Coordinator does not have power to approve travel of NPIU officers. Similarly the existing power of Centrally-funded institutions is so that it does not allow delegated authority
49. The DGE&T has invited expression of interest from consultants for the development of web-based Management Information System (MIS). The evaluation committee has short-listed six consultants from the eighteen firms that expressed interest. The RFP document, including the terms of reference, has been prepared by NPIU and shared with the World Bank for review and comments. The Bank has provided comments on the RFP and NPIU needs to revise the RFP incorporating the comments. The DGE&T is expected to finalize the RFP document by the October 10, 2008. The Mission recommends that NPIU expedites the process of finalization and issuance of RFP and ensure that the contract is awarded by January 31, 2009.

## VII. Procurement

50. The information provided by the States for the JRM on procurement carried out was sketchy, making it very difficult to estimate the total expenditure on procurement of equipment and civil works. However, it is clear from the level of disbursement and expenditure reported by the states up to March 31, 2008 that there has been very little progress on procurement of equipment and civil works. This is a very serious concern, as delay in procurement will cause delay in improving the infrastructure which in turn will affect the quality of training.
51. Most of the States/UTs are yet to submit their procurement plans for approval by the Bank. The States are reminded that as per the agreed provisions, it is mandatory to carry out procurement only as per the approved procurement plans.
52. The Mission observed that capacity for procurement is a major issue both at the center and states. The NPIU does not have procurement specialists to provide assistance to the states nor have the states been trained on procurement, although NPIU has started providing training on Procurement and Financial Management through NIFM, Faridabad and ASCI, Hyderabad. With the release of funds from the center in early part of the current year, now that the states are gearing up for procurement, the Mission strongly recommends that NPIU immediately hires Procurement Specialists on contract.
53. Approval of First NCB Documents for Equipment and Civil Works: (a) The First NCB document for equipment procurement has been approved by the Bank in February 2008 for one of the states. The First set of Bid Documents for works to be procured under NCB was submitted during August-September 2008 for review. The concerned SPIU has been requested to revise the bid documents, keeping in view the Bank comments, and resubmit the same for approval. (b) It is noticed that some States have carried out civil works procurement under NCB procedure (even before the first NCB document was approved by the Bank) without getting their bid document cleared with the Bank—this amounts to a deviation from the agreed provisions of procurement. The NPIU is advised to examine all such deviations and apply corrective measures at the earliest.
54. Procurement Complaint Handling: Most of the states SPIUs have not met with this requirement. The NPIU, SPIU and ITI Principals were explained the importance of compliance with this requirement and were provided a sample complaint monitoring database.
55. Most States reported use of government agencies such as PWD, R& B Department, etc. for implementation and supervision of the works under the Project. The States are reminded that centage charges are not payable to these agencies from the Project funds (including the State share).
56. **Recommendations:**
  - 1) Procurement specialists in NPIU and dedicated procurement personnel at the SPIUs should be appointed latest by October 15, 2008.

- 2) NPIU will organize a two to three-day workshop for the state procurement specialists, civil works coordinator and possibly their respective Public Works Department Engineers on October 20-22, 2008.
- 3) Keeping in view that no ICB procurement is envisaged at the SPIU level, and no NCB procurement at the ITI level, the NPIU should organize training of 2 sets of participants—one for SPIUs' procurement staff in the NCB and Shopping procedures, and the other for ITIs' procurement staff in only the Shopping procedure. All trainings for the NPIU and SPIU staff in procurement need to be completed by November 15, 2008. Training for ITI personnel should be completed by March 31, 2009. During these trainings, all participants should also be trained in procurement planning.
- 4) Procurement plans from all States should be got approved from the World Bank latest by November 30, 2008.
- 5) The NPIU needs to submit quarterly reports to the Bank on the status of all the complaints related to the Project received and handled, starting from the quarter ending September 2008.
- 6) A procurement post review would be carried out by the Bank before March 2009. For facilitating the post review, the NPIU needs to provide by October 30, 2008 a consolidated list of all contracts procured under the project (State-wise) for the period ending June 30, 2008.

#### **VIII. Financial Management and Disbursement**

57. Budget Provision: Several States (Rajasthan, Mizoram, Pondicherry, Tripura, Assam, and some others) have not made any budget provision for their project cost (central + State share) during the FY 2008-09. In West Bengal, provision has been made only for the State share.
58. Fund Release and Expenditure: Central grants for 100 retroactively-funded ITIs and those selected in August 2007 were released in March 2008. While the DGE&T has released Rs. 2209.8 million till March 2008 for the FYs 2006-07 and 2007-08, most of it remains un-utilized as many States have either not released any funds to the concerned department (Jharkhand, Rajasthan, and UP or released with considerable delay (HP, J&K and Punjab). Consequently, overall expenditure is low.
59. Disbursement: Of the allocated SDR 185.1 million, the current disbursement is SDR 37.916 million (including SDR 25.84 million in the designated account).
60. Interim Unaudited Financial Report (IUFR): These are being received from the NPIU though with delay. It was reported by NPIU that despite regular follow up the states are not sending IUFR on time.
61. Statutory Financial Audit Reports: Auditor General (AG) Audits have not been initiated yet in most of the States, even though the consolidated audit report (for all States and the NPIU) is to be submitted to the Bank by September 30, 2008.
62. Training: Training on FM has been conducted only for a few States at the NIFM, Faridabad. The training curriculum requires improvement to adequately cover project specific financial management requirements.

### 63. *Recommendations*

- 1) NPIU needs to ensure submission of the consolidated statutory audit report to the Bank by September 30, 2008. This may include NIL statement from the States/UTs that have made no expenditure till date.
- 2) SPIUs need to ensure that IUFRRs in right format are submitted to NPIU on time.
- 3) NPIU needs to also ensure timely submission of quarterly IUFRRs to the Bank.
- 4) All States need to ensure full budget provision for the project cost (central and State shares) during FY 2008-09.
- 5) All States to ensure release of full project cost till March 2009 to the line Departments by November 30, 2008.
- 6) Due to the late release of central share, a number of States have not been able to make adequate expenditures to meet the DGE&T prescribed condition for release of further grants. It is recommended that the currently prescribed limit for Utilization Certificates be lowered to 50% of the amount released keeping in view the little time given to the States for utilization of the Central funds.
- 7) The NPIU needs to establish a Fund Tracking System that would show State-wise time-based fund flow information starting from the MoLE up to the ITIs—this will help identify bottlenecks, and check whether the fund flow meets the agreed time schedule. The information so collected may be shared with the Bank before the next JRM.
- 8) As advances made to the State PWD or any other Government agency for civil works, and the advances made to any Goods supplier are not eligible for reimbursement, States are advised to adjust any such reimbursements claimed erroneously in the next IUFRR.

### **IX. Civil works**

64. Only a couple of states reported commencement of construction at some ITIs. In the remaining States, either the drawings and documents are being prepared or the implementation agencies are yet to be appointed. Almost all the States have appointed government agencies for implementation of civil works.
65. Most of the states informed the mission that the state government agencies are causing delay in implementation of civil works. The Mission clarified that the states are free to get the constructions done through private contractor following the Procurement procedures as mentioned in the Procurement Manual. The Mission encourages that the states should authorize ITI Principals and IMCs to carry out minor works through the local private contractors.
66. In view of the shortcomings noticed during the pre-Mission review of drawings and documents submitted by various States, several suggestions were made during the Mission about the procedures to be adopted for smooth civil works implementation.
67. Regarding the drawings and documents, the States/UTs were advised to: (i) designate a person at the SPIUs and at each project ITI (possibly the Principal / Vice-principal) for coordination of civil works; (ii) ensure that the areas of the various rooms/workshops/laboratories conform to the new NCVT norms; (iii) have the final layout plans signed by the civil works coordinator / end user; (iv) prepare detailed

- architectural, structural, electrical, public health and external development drawings for the bid documents; (v) ensure that all the designs conform totally to the National Codes for construction; (vi) calculate the schedule of quantities only from the detailed drawings to minimize subsequent variations during construction; (vii) follow the agreed procurement guidelines for all works including those where joint funding is proposed and to ensure that all portions constructed using project funds is made fully operational.
68. Regarding the construction quality, it was advised that: (i) the civil works coordinator at the ITI should monitor the works and not leave it only to the implementing agency; and (ii) the SPIU may consider appointing a third party to review quality of works during different stages of construction.
69. ***Recommendations***
- 1) Civil works at all ITIs that joined the Project in 2007 and earlier should be completed by December 2009, and at the ITIs selected in 2008, by August 2010.
  - 2) An appropriately qualified persons needs to be appointed most urgently in the NPIU to exclusively monitor the civil works in all the states. Like wise, each state needs to designate a person at SPIUs and at each project ITI (possibly the Principal / Vice-principal/Senoir Instructor) for coordination of civil works.
  - 3) The NPIU would organize a workshop on civil works implementation.

**X. Environmental Management Framework**

70. The Mission appreciates the work done by Gujarat and Maharashtra on environmental management. Gujarat has paid special attention to environmental management with a holistic perspective of overall institutional development. Other states are encouraged to learn from these good practices.
71. Almost all the IMCs and industry representatives the Mission met with underscored the importance of environmental, occupational health and safety aspects of the training. All states appreciated the environmental management framework of the project which aims at improving the physical environment of the institute, imbibe environmental, occupational health and safety concerns in to students' and instructors training and prepare the student with the knowledge of safety, which the industries value immensely.
72. In order to support implementation of the tasks envisaged under the EMF and to endure regular co-ordination between the various agencies, recruitment of an Environmental Specialist within the NPIU, as agreed in the Financing Agreement, is extremely critical. This is an agreed implementation arrangement action under the EMF for the project and needs to be compiled at the earliest.
73. Introduction and/or strengthening of campus management measures are one of the two key components with respect to environment management in the project. Since the overall awareness and understanding in this area is fairly limited, NPIU and many SPIUs had sought Bank's guidance. Keeping these requests in mind, a check list on key campus environment management elements has been prepared by the Bank, which will help the states and ITIs.

74. **Recommendations**

- 1) NPIU will recruit an Environmental Specialist by November 30, 2008, and all SPIUs to designate one officer by November 30, 2008 to facilitate training and capacity building, supervision and co-ordination related to environmental management aspects.
- 2) All officials in the SPIU need to “READ” and “UNDERSTAND” the purpose and requirements of EMF
- 3) The NPIU will circulate the checklist to all SPIUs who will further disseminate the same at the ITI level
- 4) SPIU to ensure that comprehensive training is provided to the State Environment Officer by December 31, 2008

**XI. Equity Assurance Plan**

75. *Stipends to Disadvantaged Group of Students:* There are delays in payment of stipends, which are noted, vary widely across States, and in some States these are very low. BPL students do not get any financial assistance (for example in Punjab).
76. *Participation of Women:* Participation of female students is noted to be low in the co-ed ITIs (including in the COEs).
77. *Weak Students:* High dropout and failure rates, and low employment rates are noted in most States, necessitating both student and institution related remedial actions.
78. *Training, Counseling and Placement Cells:* These are yet to be established/made operational in most ITIs despite their importance in reducing dropout rate, increasing transition to the Advanced and Specialization modules, and enhancing employment rates.
79. *Land for Construction:* It was agreed during project preparation that no land would be utilized for construction of any facilities under the project unless it was first screened for ownership and use and certified to be (a) owned and in full possession of the State government; and (b) free of all encumbrances, squatters and encroachers, and hence not subject to the provisions of the Bank’s O.P. 4.12. No land acquisition or removal of squatters or encroachers is permissible at any time under this agreement. The Project requires this certification for all land sites used for construction, and these certificates must be made available to the Bank during JRMs.

80. **Recommendations**

- 1) It will be useful if the NPIU can prepare a State- and Center-wise database on the various financial assistances available to the disadvantaged groups and female students.
- 2) State directorates need to pursue the concerned departments for timely release of stipend.
- 3) States need to fill all reserved instructor posts on priority.
- 4) For increasing participation of female students, a concerted popularization should be made to popularize vocational trades in girls’ schools—the focus areas for such campaigns could include: improving the image of vocational qualification and linkage to good, ‘quick’ employment and economic relevance.
- 5) Also, engineering trades should be started in Women ITIs that are covered under the Project.
- 6) Each ITI needs to identify weaknesses in the students and provide them the extra support needed to succeed in their course work and to become employable. The

support areas could be subject knowledge, trade skills, communication abilities and confidence building. Each ITI should make extra efforts for placement of the disadvantaged group students.

- 7) The NPIU should develop broad concept of TCPC and its functions and share the same with all the SPIUs by December 30, 2008.
- 8) All ITIs should expeditiously establish and make functional a TCPC under the stewardship of at least one senior instructor, who may be compensated for the extra time devoted to this work.
- 9) Student representation in IMC may be increased. IMC need to interact with students closely and frequently for affecting student-friendly changes in the ITIs.
- 10) The NPIU and the SPIUs need to immediately designate persons responsible for overseeing implementation of the EAP and functioning of TCPCs.
- 11) No land acquisition or removal of squatters or encroachers is permissible at any time under this agreement. The Project requires a certification from each State for all the land sites to be used for construction that they are free from all encumbrances—these certificates must be made available to the Bank during JRM.

## **NEXT STEPS**

The Mission recommends the following next steps to be implemented in a time bound manner. An agreed detailed time bound action plan is also attached with points of responsibilities for implementation is provided below.

- 1) The NPIU needs to be fully staffed with a fulltime National Project Coordinator and other dedicated officers, in accordance with the Financing Agreement, by January 31, 2009. Required number of consultants in each functional area, Procurement, Financial Management, Environmental Management, MIS, and Civil Works should be appointed at the earliest. The NPIU should be provided with space.
- 2) Selection of 150 ITIs should be completed and approval to be communicated to the state by November 30, 2008. Funds to these ITIs should be released by December 31, 2008.
- 3) All States need to appoint Advanced Module instructors by November 30, 2008.
- 4) DGE&T/NPIU should ensure that all Center of Excellence Advanced Modules instructors undergo required 10-week training by January 31, 2009.
- 5) Management Information System contract should be awarded by DGE&T/NPIU by January 31, 2009.
- 6) All states needs to establish SPIU by November 30, 2008 and communicate the names of officers responsible for different areas to NPIU by December 15, 2008. However, the states need to designate officers for procurement, financial management and civil works, who need to participate in a national workshop to be conducted during October 20-22, 2008 in Delhi.
- 7) All States were required to submit their respective audit report to NPIU by September 15, and subsequently NPIU was to submit the consolidated audit report to the Bank by September 30, 2008. As audit is in process in some states, the NPIU must submit consolidated audit report to the Bank by October 31, 2008.
- 8) All states need to ensure that funds are released to the line department and ITIs by November 30, 2008.
- 9) All states need to submit procurement plans for next 18 months to the World Bank through NPIU by October 31, 2008 and ensure that complaint handling mechanism is in place by January 31, 2009.
- 10) DGE&T/NPIU need to provide additional implementation support to the States of Bihar, Chattishgarh, Himachal Pradesh, Jharkhand, Jammu & Kashmir, Orissa, Punjab,

- Rajasthan, Uttar Pradesh, Uttarakhand, West Bengal, and all the north-eastern states and monitor their performance on a monthly basis.
- 11) The Second Joint Review Mission will be held in February 2009. Given the slow implementation progress, a mini review will be conducted jointly by NPIU and the World Bank during November/December 2008.

#### **Detailed Action Plan**

<b>Actions to be taken</b>	<b>By Whom</b>	<b>By When</b>
Fully staff the NPIU, including functional area consultants	DGE&T	January 31, 2009
Selection of 150 ITIs and approval communicated to States	NPIU	November 30, 2008
Appointment of Procurement Specialists in NPIU and in SPIUs	NPIU and SPIU	October 15, 2008
Award of contract for the establishment of the web-based MIS system	NPIU	January 31, 2009
Submission of audit report to the NPIU	SPIUs	October 15, 2008.
Submission of the consolidated audit report to the World Bank	NPIU	October 30, 2008
Submission of Procurement plans of all States to the World Bank	SPIU/NPIU	November 30, 2008.
Review of proposals for setting up ITWs and its approval communicated to the concerned states	NPIU	November 30, 2008
Develop IMP's for 57 modules of BBT for 10 sectors of COE	NIMI	December 31, 2008
Review and Revision (sequencing) of BBT modules	CSTARI	March 31, 2008
Finalize training curricula, prepare draft training module, identify master trainers, and conduct the pilot training for ITI Principals.	CSTARI	January 31, 2009
Prepare environmental, occupational, health and safety curricula	CSTARI	March 31, 2009.
All CFIs to commence the training courses for COE instructors	CFIs/DGE&T	October/November, 2008 onwards

Review the instructors training and send the suggestions to DGE&T.	AHI	December 31, 2008
Prepare a vision document and action plan for review to NPIU and World Bank	AHI	December 31, 2008
Establish fully staffed SPIUs	SPIU	December 31, 2008.
Empowerment of Principals	SPIUs	November 30, 2008
Release of full project allocation uptill March 2009 to the line Department	SPIU	November 30, 2008.
Civil works to be completed for ITIs: <ul style="list-style-type: none"> <li>• Those joined the Project in 2007 and earlier.</li> <li>• Those joined in 2008</li> </ul>	SPIUs	December 2009  August 2010.
Provide a consolidated list of all contracts procured under the project (State-wise) for the period ending June 30, 2008.	NPIU	October 30, 2008
Establish a Fund Tracking System that would show State-wise time-based fund flow information.	NPIU	Next JRM.
Training to be provided to the State Environment Officer	NPIU/SPIU	December 31, 2008
Develop broad concept of TCPC and its functions and share the same with all the States.	NPIU	December 31, 2008
Organize a workshop for the state procurement specialists, civil works coordinator and possibly their respective Public Works Department Engineers.	NPIU	October 20-22, 2008.
Training on Procurement and Financial Management for NPIU and SPIU officials to be completed.	NPIU	November 15, 2008

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5.	Mr. A K Ganguli	Director (Projects)
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44.	Mr. Sanjay Kumar	Asst Director

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46.	Mr. D. P. S. Verma	Principal, ITI
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49.	Mr. T. K. Tayal	ADDL. DT. CHANDIGARH

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78.	Mr. Ramprasad Srivatsa	IMC Chairman ITI,Phalton Cummins India Ltd.
79.	Mr. Drkl Asamane IMC Chairman	Finlex Academy,Ratnagiri.
80.	Mr. SH.rikant Ajowl	IMC Chairman ITI,Lamvla ITI Lonare
81.	Mr. Uttam Phatare	IMC Chairman ITI,Indopur ITI ITI Lonare
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83.	Mr. Rajesh. Korpe	IMC Chairman ITI,Satara Spark Autometal Corp.,Ltd.
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85.	Mr. D N Dharuncar	IMC Chairman ITI,Udgir NarSH.ima Auto Comp.Pvt Ltd.
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133	MR.. P. Parmar	Assit. Director

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135	MR.. Kadirvelu	Dy. Director
136	MR.. Prakash	Asst. Director

ANDHRA PRADESH

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138	MR.. Satanarayana	Joint Director
139	MR.. G.S. N. Murthy	Dy. Director

KARNATAKA

140	MR.. Machandrappa	Joint Director
141	MR.. Raghupathy	Joint Director
142	MR.. NageSH.	Deputy Director

KERALA

143	MR.. Sukumaran	Additional Director
144	MR.. Sreekumar	Special Officer

GOA

145	MR.. Tripathi	Secretary
146	MR.. Alexo D Coasta	Director

PONDICHERY

147	MR. Sundaresan	Director
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JHARKHAND

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150	MR. Moushmi Sen	Dy. Director

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154	MR. Soma Mukerjee	Dy. Director, CII ER

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156	MR. T.Manibabu	Joint Director

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160	MR. M.Suhu	Training Officer
161	MR. Lalmuanawma	Principal

CHATTISGARH

162	Ms. Ranjana	Director
163	MR. R.B. Tiwari	Joint Director

ORISSA

164	MR. N.B.Rajput	Director
165	MR. P.K. Mohapatra	Additional Director
166	MR. Ajay Kumar Pawa	SPIU

ARUNCHAL PRADESH

167	MR. Subhash Pertin	Principal
168	SH. C.G.V. Pillai	Asstt. Director

**Annex 2**

**State wise List of ITIs financed under VTIP**

<b>STATES/UTs</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>Total</b>
Andhra Pradesh	5	7	7	19
Arunachal Pradesh	0	1	0	1
Assam	4	3	0	7
Bihar	2	4	0	6
Chhattisgarh	4	6	0	10
Delhi	1	1	0	2
Goa	1	1	0	2
Gujarat	15	14	0	29
Himachal Pradesh	1	7	0	8
Haryana	5	6	0	11
J&K	2	3	5	10
Jharkhand	1	0	2	3
Karnataka	9	11	14	34
Lakshadweep	0	1	0	1
Madhya Pradesh	7	9	4	20
Maharashtra	15	30	30	75
Manipur	0	1	1	2
Mizoram	0	1	0	1
Nagaland	0	0	1	1
Orissa	4	1	0	5
Puducherry	0	1	0	1
Punjab	2	13	7	22
Rajasthan	5	5	0	10
Sikkim	1	0	0	1
Tamil Nadu	5	6	3	14
Tripura	0	1	0	1
Uttar Pradesh	7	7	5	19
Uttrakhand	1	5	0	6
West Bengal	3	5	2	10
<b>Total</b>	<b>100</b>	<b>150</b>	<b>81</b>	<b>331</b>

**COE Sector wise distribution of ITIs**

<b>SECTOR</b>	<b>NUMBER OF ITIs</b>
AGRICULTURAL MACHINERY	6
APPAREL	3
AUTOMOBILE	44
CANE & BAMBOO CRAFTS	1
CHEMICAL	11
CONSTRUCTION	7
ELECTRICAL	52
Electronics	14
FABRICATION	45
FOOD PROCESSING	3
HOSPITALITY	7
INDUSTRIAL AUTOMATION	2
INFORMATION TECHNOLOGY	14
INSTRUMENTATION	3
LEATHER GOODS	1
PLASTIC PROCESSING	5
PROCESS PLANT MAINTENANCE	4
PRODUCTION & MANUFACTURING	50
REFRIGERATION & AIR CONDITIONING	13
TEXTILE & TEXTILE TECHNOLOGY	2
TOURISM	2
UPGRADATION OF TRADES	42
Total	331

## Enrolment/Dropout and Pass out rates for States/UTs

STATE	% of Admissions in BBT		% of Dropouts		% Passed (of the examined)
	2006-07	2007-08	2006-07	2007-08	2006-07
Andhra Pradesh	100	90	29	21	35.5
Assam	110	95	0	0	71
Bihar	83	23	9	10	86
Chhattisgarh	108	79	23	7	8
Delhi	56	75	19	18	45
Goa	100	NA	10	NA	67
Gujarat	110	81	17	20	76
HP	91	100	0	NA	0
Harya-	115	103	27	22	56
J&K	91	95	25	NA	8
Jharkhand	71		46		62
Kar-taka	99	77	18	13	13
Kerala	96	78	18	8	67
MP	99	48	31	14	18
Maharashtra	118	106	12	8	77
Orissa	103	101	8	2	87
Punjab	119	79	10	29	15
Sikkim		96		53	
TN	102	93	13	18	0
UP	104	49	16	13	0
West Bengal	103	95	22	8	77
Total	104	81	18	16	45

NA=Information not provided

Missing=No admissions/dropouts/pass-outs for the year

### Transition rates to Advanced and Specialized Modules

STATES	% ADMITTED IN BBBT	% ADMITTED IN AM	% ADMITTED IN SM (OF THE BBBT ADMITTED	% ADMITTED IN SM (OF THE AM)
Andhra Pradesh	100	30.8	30.8	100.0
Assam	109.9	69.8	69.8	100.0
Bihar	82.9	89.3	.	.
Chhattisgarh	107.8	38.0	5.8	12.2
Delhi	55.7	44.4	.	.
Goa	100.0	.	.	.
Gujarat	109.7	42.3	.	.
Himachal Pradesh	90.7	.	.	.
Haryana	114.6	44.8	32.1	77.7
J&K	91.2	22.7	.	.
Jharkhand	71.0	.	.	.
Karnataka	99.3	36.0	34.6	96.4
Kerala	96.2	91.3	77.2	86.4
Madhya Pradesh	98.7	55.3	0.0	0.0
Maharashtra	118.3	28.9	20.3	69.6
Orissa	102.8	69.0	31.9	33.8
Punjab	118.8	0.0	0.0	0.0
Tamil Nadu	101.9	89.5	32.3	36.7
Uttar Pradesh	103.7	86.9	85.8	98.8
West Bengal	103.2	27.1	.	.
Total	98.8	42.9	21.7	45.5

### Enrolment/Dropout and Pass rates in Different Sectors

SECTOR	% of Admissions in BBT		% of Dropouts		% Passed
	2006-07	2007-08	2006-07	2007-08	2006-07
AGRICULTURE	77	46	25	45	75
APPAREL	71	28	12	15	0
AUTO	105	86	24	19	35
BAMBOO TECHNOLOGY	102	36	0		43
CHEMICAL	113	88	17	16	79
CONSTRUCTION	92	52	5	14	72
ELECTRICAL	105	73	16	15	52
FABRICATION	112	87	15	21	41
FOOD PROCESSING	89	32	26	11	58
HOSPITALITY	98	76	21	26	27
INDUSTRIAL AUTO	106	116	34	7	4
INSTRUMENTATION	110	88	14	8	61
INFORMATION TECHNOLOGY	96	85	25	16	54
LEATHER GOODS	104	113	6	6	0
PLASTIC TECHNOLOGY	116	115	5	5	78
PROCESS PLANT MAINTENANCE	100	80	22	17	41
PROD & MANUFACTURING	102	92	17	10	47
REFRIGERATION & AC	102	79	19	15	16
TEXTILE		100		6	
TOURISM	92	25	39	33	24
Total	104	81	18	16	45

### Instructor Vacancies in States/UTs

State/UTs	% Vacancy of Instructors (EXCLUDING CONTRACTUALS)	% Vacancy of Instructors (INCLUDING CONTRACTUALS)
Maharashtra	7.4	6.3
J&K	8.3	0
Gujarat	16.4	10.8
Lakshadweep	16.7	0
Mizoram	18.2	12.0
Assam	23.2	22.9
Karnataka	23.3	6.8
Puducherry	27.5	28.0
Tripura	28.6	0.0
Tamil Nadu	29.5	29.5
Himachal Pradesh	31.0	17.5
Madhya Pradesh	32.0	12.0
Haryana	32.7	15.8
Manipur	33.3	0.0
Uttar Pradesh	35.0	32.3
Andhra Pradesh	39.4	8.9
Sikkim	42.1	0.0
Delhi	45.3	17.0
West Bengal	49.4	39.1
Goa	52.2	4.0
Bihar	55.6	50.0
Orissa	57.0	14.6
Punjab	59.9	32.8
Chhattisgarh	66.0	30.7
Jharkhand	76.0	76.0
Kerala	87.5	64.8
Total	34.5	19.9

## Procurement

1. **Maharashtra:** The State has carried out procurement of equipments under NCB mode. The Bid document was got approved, **but the subsequent procedures (bid evaluation, award) have not been reviewed and approved by the Bank**. The issue was discussed with the SPIU and NPIU. It was conveyed by the NPIU that they were not fully aware that under prior review the Bank's approval at all stages of processing is mandatory. Hence, during the meeting held at the bank's office on September 19, 2008, this issue was discussed and clarified by the Procurement Specialist. During the discussions, the provisions in VTIP Procurement Manual, "Methods of procurement to be adopted as well as review of contracts by World Bank will be decided based on the total value of a tender rather than on the value of each individual contract/schedule/lot/slice," was brought to the notice of the NPIU for adherence. .

The state has also carried out procurement procedure and has submitted bid evaluation report. The bid document for this procurement though falling under prior review limits was not submitted and approved by the Bank.

Dedicated personnel for procurement are in place at the state level and have undergone procurement training.

The system of procurement and inventory management followed by the ITIs Sangli, Kolhapur and Satara was reviewed. It has been noticed that procurement was carried out under shopping mode. The procurement filing needs to be improved with all documents related to a particular procurement filed in a single place. The inventory documents such as stock register are being maintained, and the procurement under the Bank project is easily identifiable.

No civil works have been carried out till Sept 2008. The PWD has been appointed for supervision of the works as well to carry out the procurement including preparation of bidding documents. Presently the bidding documents are under preparation and it is planned to award the contracts before March 2009. *The duration of the contracts is going to be less than 12 months, hence the buildings would be completed and available for use only around March 2010.*

2. **Karnataka:** No procurement has been carried out till Sept 2008. The State plans to carry out all the procurement at the state level and is in the process of finalizing NCB procurement for goods and equipment. No procurement is being carried out at the ITI level.

The state has appointed Karnataka Land Army have been appointed for carrying out the civil works. It is planned to take up civil works (16 nos) each having an estimate in the region of INR 15 million. The bidding documents are under preparation.

3. **Kerala:** As informed procurement of few packages of equipment has been carried out.

4. **Tamilnadu:** No procurement carried out till Sept 2008. Procurement of equipment is planned to be carried out at the ITI level, based on the draft procurement plan submitted. The state has been requested to review the procurement plan and submit for approval thru the NPIU. The state has appointed PWD which is presently preparing bid documents for civil works (11 no) all under NCB mode and the contracts would be awarded before March 2009.
5. **Andhra Pradesh:** The state has not done any procurement. Bid documents for procurement of equipment and civil works under NCB mode have been reviewed and comments provided.
6. **Goa:** Procurement of equipment costing INR 13.2 million has been carried out. Details of mode of procurement were not known. Civil works bid documents are under preparation.
7. **West Bengal:** No procurement has taken place under the project. It was informed that purchase orders for equipments to the tune of INR 3.87 million and furniture amounting to INR .58 million are going to be issued shortly. Bid document for one of the civil works under NCB has been reviewed from procurement and technical angle and comments conveyed to the state. Few procurement packages under shopping mode have been initiated. The principals conveyed the urgent need procurement training and Bank procedures.
8. **Orissa:** It was informed that the state has appointed Orissa Small Scale Industries Corporation for carrying out procurement of all equipment requirements under the project. However it was not clear the procurement process being followed by the agency. It is noted that procurement of civil works have been carried out and construction work is ongoing. Based on the area of buildings indicated it is assumed that NCB mode of procurement need to have been followed. It is not clear if this has been done as no bid document was submitted for review to the Bank. Procurement of equipment totaling to INR 1.4 million has been carried out, but details of mode followed was not made available.
9. **Assam:** No procurement has been carried out under the project. Bid documents for procurement of civil works and equipment are under preparation.
10. **Madhya Pradesh:** It was informed that all procurement is centralized at the SPIU level. Procurement of equipment amounting to INR 3.48 million has been carried out.
11. **Chhattisgarh:** It was informed that all procurement centralized at the SPIU level even though powers have been delegated to the ITI principals. It is not clear if procurement has actually been carried out or not. Civil works (Under NCB) procurement process has been initiated but no documents submitted to Bank for approval.
12. **Northeastern States:** It was informed that most of the procurement would be carried out under shopping mode. IT was noted that packaging done for one of the procurement was not proper as nearly 143 items were being procured under the same procedure (Manipur).
13. **Bihar:** Procurement of equipment and civil works has been carried out mostly under shopping mode. However it is not clear if procurement procedures as per the agreed guidelines / manual have been followed. All the civil works are noted to be below the

NCB threshold. DGET should ensure that the works are not being split to avoid following NCB process.

14. **Delhi:** Procurement of equipment has been carried out. Modes of procurement being followed are not known. No civil works have been procured till now.
15. **Haryana:** Bid document for procurement of equipment is under preparation and the procurement would be carried out by October 2008. No Civil works have been procured.
16. **Punjab:** Equipment valued at INR 0.8 million have been procured. No civil works have been procured. Tenders have been floated for approx INR 40 million.
17. **Uttar Pradesh:** No procurement has been carried out due to late release of funds. The state needs to start planning for the procurement of civil works by appointing an agency to implement the works.

## Financial Management and Disbursement

### Disbursement

Out of total project allocation of 185.10 million SDR disbursement as on 23.9.08 is 37.916 million SDR. This includes designated account balance of SDR 25.824 million.

### Interim Unaudited Financial Reports (IUFs)

Quarterly IUFs have been submitted by NPIU for period till 30 June 2008 to the World Bank. There was delay in submission of IUFs by NPIU to the World Bank of 3-4 weeks for the last two quarters. It was noted that while in many states expenditure reporting from ITIs to state directorate is as per IUF format, in some states (e.g., in Punjab) information about expenditure is received from ITIs by the state directorate as per existing state format. The mission was also informed that in case of Haryana expenditure of Rs. 3.2 crores will be adjusted in IUF of July-September quarter.

*The mission recommends that in all states IUF as per prescribed format should be submitted by SPIU to NPIU.*

### Budget

MoLE's budget: NPIU has received allocation of Rs. 83 crores so far for this financial year for VTIP and is expecting to receive additional funds during the next supplementary. It is noted with concern that some states have not made any budget provision for 2008-09 for the project e.g., Rajasthan, Mizoram, Pondicherry and Tripura. In West Bengal the state did not make provision for Central Share in 2008-09. The following actions are recommended:

- a) *NPIU to ensure that sufficient budget provision is available for releases to states and CFIs in this financial year.*
- b) *States which have not made budget provision for 2008-09 to do so at the earliest and inform NPIU about the same. States which have not made full provision for central and state share for 2008-09 to also make the necessary provision and inform NPIU about the same.*
- c) *In future MoLE to share information about budgetary provision made by itself and by each state in the month of March every year for the following financial year.*

### Funds Flow

*Releases by MoLE:* MoLE released Central funds of Rs. 220.98 crores to states till 31 March 2008 out of total Central Fund Allocation of 537.58 crores for 2006-07 and 2007-08. These releases to the states took place between December 2007 and March 2008.

*Releases by States:* As per project agreement funds are to be released by states within 30 days of receipt of funds from MoLE. There was a long delay in release of funds by states to state directorates for the project and in some cases no funds have been released to date.

Please refer to the following table for some states for which information about status of releases of funds by state directorate was available:

**Summary of Releases by MoLE to some States and Status of Sanction of Release at State level**

*Figures in Rs. lakhs*

State	Central Funds Released as 1st and 2 <sup>nd</sup> installment (Retroactive) for 2006-07		Central Funds released as 1 <sup>st</sup> and 2 <sup>nd</sup> inst.		Total Central Funds released till 31.3.08	Status of Sanction of Release at State Level (September 2008)
	Date of sanction issued	Amount (a)	Date of sanction issued	Amount (b)	c=a+b	
Rajasthan	31.12.07	694	14.1.08	404	<b>1098</b>	<b>No funds released</b>
Uttar Pradesh	28.12.07	804	5.2.08	811	<b>1615</b>	<b>No funds released</b>
Jharkhand	25.3.08	134			<b>134</b>	<b>No funds released</b>
Punjab	27.12.07	246	26.2.08, 29.3.08	1575	<b>1821</b>	Rs. 45.84 crores sanctioned in July ( <b>delay of 4-7 months</b> ) but instances of non-clearances of bills by treasury
Jammu & Kashmir	29.3.08	58	29.3.08	327	<b>385</b>	Released to state directorate in August 2008 and to ITIs in September 2008 i.e., <b>delay of 5-6 months</b>
Himachal Pradesh	28.12.07	130	29.2.08, 29.3.08	1073	<b>1203</b>	Released to state directorate in August i.e., <b>delay of 5-8 months</b>

*A Fund Tracking System should be implemented by the project by 30 November and thereafter on a continuous basis, in which dates of releases at each level of the project (submission of proposal to MoLE by states, release by MoLE to state, state finance department to state directorate and from state directorate to ITIs) will be monitored for each release, showing deviation from agreed service standard, so that exception reports can be prepared and necessary follow-up/ remedial action can be taken by the project. This Funds Tracking System should be displayed on the website of DGET and on project websites of states.*

*Utilization Certificates:* MoLE informed the mission that in order to release next installment of funds UC has been received only from the state of Maharashtra.

## **Empowerment of IMC and ITI Principals**

As per MoU between NPIU and states, states have to ensure that necessary powers are delegated to Institutional Management Committee (IMC) of each ITI and Principal of ITI as per procedures applicable to the project. However, these powers have not been delegated to IMC in case of Karnataka, Pondicherry and Rajasthan and to ITI Principals in case of Assam, Karnataka, Madhya Pradesh, Mizoram, Uttar Pradesh, Rajasthan and Orissa.

*States which have not delegated powers to IMC and ITI Principles as per procedures of the project to do so at the earliest.*

## **Staffing**

NPIU has a full-time staff member for finance. Most states have reported that staff are in place for financial management. No FM staff has been reported for Jharkhand. SPIU is not in place in Rajasthan and Orissa.

## **Training**

Training on financial management has taken place for a few states at National Institute of Financial Management (NIFM) and ASCI (Administrative Staff College of India). Review of presentations for FM training forwarded by NIFM shows that while the session on overview of Disbursement and Reimbursement Procedure for World Bank Aided projects was relevant, the session on Financial Reporting does not provide any project specific information and therefore apart from covering disbursement other FM aspects of project are not being covered in FM training. This issue of contents of FM training was also discussed with MoLE in a meeting on 3 July.

*It is strongly recommended that contents of FM training should be developed based on Financial Management Manual (FMM) of the project, focusing on project specific procedures, such as preparation of IUFs, flow of funds, budgeting, audit and Disclosure Management Framework.*

## **Annual Audit**

Consolidated annual audit report for the project for 2007-08 is to be submitted by NPIU to The Bank by 30 September 2008. Some states have reported that audit had not been conducted by the AG so far e.g., Punjab and Delhi. As per Financial Management Manual of the project, “in case of delay/default by a State Government/Union Territory, it would be appropriate if disbursements of funds to that particular State/UT is suspended.”

### Disclosure of Information

IUFRs for period till 31 March 2008 is displayed on the website of DGE&T but IUFR for quarter ending 30 June 2008 is yet to be displayed. Many states (e.g., Sikkim, West Bengal and Delhi) have not displayed quarterly IUFRs on their websites as required as per Disclosure Management Framework of the project.

*NPIU to display the following information on the website of the project:*

- a. *Releases to states with dates of release for 2008-09.*
- b. *Budgetary provision made by each state and MoLE for the project for FY 2008-09.*

*All states to comply with Disclosure Management Framework by 31 October 2008.*

### Visit to ITIs

The mission visited four ITIs in Kota and Ajmer. As no expenditure under the project has taken place in Rajasthan due to no funds being sanctioned to date, the mission reviewed the existing system of maintenance of accounts, sanction of payments and monthly reporting to state directorate. The existing system of accounting, maintenance of records and reporting appeared satisfactory.

S. No.	Action	By Whom	By When
1.	<b>Annual Audit:</b> Consolidated Annual Audit Report for the project for financial year 2007-08 to be submitted to the Bank	MoLE	30 September 2008
2.	<b>Budget Provision for 2008-09</b> a) States which did not have make provision for state share/central share or made inadequate provision for 2008-09 to make full provision b) MoLE to ensure sufficient additional budgetary provision for 2008-09 <b>Budget Information</b> c) MoLE to monitor and share with the Bank every March the budgetary provision made by itself and by each State, separately.	States/UTs  MoLE  MoLE	Next supplementary  Next supplementary  Continuous
3.	<b>Funds Flow:</b> a) Release of project funds to SPIU and ITIs b) Fund Tracking system to be implemented	States/UTs MoLE/states/UTs	Immediately 30 November 2008
4.	<b>Interim Unaudited Financial Report –IUFR:</b> states which have not submitted IUFR to submit to MoLE	States/UTs	15 October 2008 and thereafter regularly for each quarter
5.	<b>Disclosure of Information</b> a) The following information should be disclosed on the website of MoLE (i) releases to states for 2008-09; and (ii) budgetary provision made by each state and MoLE for the project for 2008-09 b) IUFRs to be displayed on websites	MoLE  MoLE/States/UTs	15 October 2008  within 45 days of end

			of each quarter
6.	<b>Staffing and training</b> a) FM staffing in place all SPIUs b) FM Training material top be revised as per FMM	States/UTs MoLE	30 November 2008 15 October 2008

## **Implementation of Environment Management Frame work**

The key objectives of the Joint Review mission from the environment management and safeguards perspective were to assess the adequacy and quality of EMF implementation in the project. This assessment focused on: (i) the status with regard to recruitment of Nodal Environment Officer within NPIU; (ii) campus environment management measures; (iii) integration of environment management measures in civil works and; (iv) integration of EHS Aspects in the curriculum that is being currently revised.

The mission also participated in the “Regional Joint Review Workshop” at Pune, where detailed discussions were held with representatives from the states of Maharashtra, Gujarat, Goa, Karnataka, Kerala, Tamil Nadu and Andhra Pradesh. A presentation on ‘Implementation of EMF in VTIP’ was made by the mission highlighting the key steps required to move forward with regard to EMF implementation. Some clarifications, sought by SPIUs were also provided as part of this presentation. Feedback was obtained from task members, who participated in other Regional Review Workshops (Calcutta and Jaipur) and the key issues emerging from these reviews were also considered for identifying the key action points with regard to initiating, improving and strengthening EMF implementation in the project.

The over-all environmental safeguards and management in the project for the first joint review mission is being rated ‘*satisfactory*’ in the light of the efforts made by NPIU and the encouraging performance shown by some of the states. However, in order to maintain the said rating, the NPIU and SPIUs need to comply with the actions agreed during the mission and initiate/improve environment management practices in the lagging states.

The following text describes the mission’s findings and agreements reached during the first joint review mission for the project. The key actions agreed with NPIU/SPIUs for strengthening and taking forward the early initiatives with regard to environmental management in the project have been summarized in a table attached at the end of this annex.

### **1. Recruitment of a Nodal Environment Officer for strengthening the capacity of NPIU on Environmental Management Activities**

With civil works expected to start in about 300 ITIs in the near future and close co-ordination that will be required for integrating environment, health and safety aspects into the curriculum (that is being currently revised), recruitment of a dedicated and trained person within the NPIU to handle environment management aspects is necessary. This will also facilitate training, monitoring, supervision, preparation of reports, review of documents and support the implementation of various tasks envisaged under the EMF apart from improving co-ordination between the NPIU, SPIU and other participating agencies. This is an agreed implementation arrangement action under the Financing Agreement and the EMF for the project and needs to be complied at the earliest. It was agreed that the NPIU will share the draft Terms of Reference with Bank’s review and the recruitment process will be completed by November 30, 2008.

### **2. Campus Environment Management**

Introduction and strengthening of campus environment management measures is one of the two key components with respect to environment management in the project.

The mission stressed that all SPIUs need to designate one officer to facilitate training, capacity building, monitoring, supervision and co-ordination required to undertake the various activities envisaged under the EMF. It was also emphasized that these officials should be properly trained so that they clearly understand the purpose and requirements of EMF. The level of interest of these individuals and continuity in office (to the possible extent) will be important factors influencing the performance in the field and this should be considered at the time of identifying such officials. It was agreed that all SPIUs (who have done this so far) will designate State Environment Officers (one in each SPIU) and complete at least one round of training by December 31, 2008.

The mission suggested that NPIU can further facilitate/co-ordinate some training workshops (including possibly field exposure), with a focus on states where deficiencies/weaknesses were identified during this JRM. However, this should be done only after the State Environment Officer has been designated to ensure that such efforts are utilized appropriately.

Further, the mission clarified that EMF includes provision to appoint short-tem consultant/s within SPIU to facilitate introduction and implementation of environment management measures including training, documentation and reporting on these aspects. It was agreed that a standard Terms of Reference (defining qualification criteria as well) for appointment of such consultant/s will be shared by NPIU with all SPIUs prior to November 30, 2008 in case states wish to avail the said services.

Since the over-all awareness is fairly limited, NPIU and many SPIUs have sought Bank's guidance to help build awareness regarding campus environment management measures. In response to these requests, a checklist on key campus environment management elements has been prepared by the Bank. It has been agreed that the NPIU will circulate the checklist to all SPIUs, who will further disseminate the same at the ITI level by November 30, 2008.

### **3. Integration of Environment Management Measures in Civil Works**

Application of EMF as part of the civil works is linked with campus management measures proposed under the environment management framework of the project. With civil works expected to start in about 300 ITIs in the near future, the mission re-emphasized the need to designate a staff member within SPIU to closely review, supervise, monitor and train the ITI staff on the said activity. Similarly, at the ITI level, the responsibility to communicate, cross-check and supervise the integration of environment management requirements (design elements) with the proposed civil works needs to be designated and trained - the person (possibly the principal / vice principal) designated for civil works is best suited to carry out this task. Both these actions need to be completed at the earliest to avoid any slippages with regard to compliance of EMF.

Another facet of this activity covers the integration of construction stage related environment and safety measures in the bidding documents to be adopted/ followed by the Contractor. It has been agreed that standard requirements will be clearly identified and listed (with guidance from Bank). The NPIU/SPIU will ensure the inclusion of these conditions under the relevant section (possibly, Conditions of Particular Application) of the bidding document before it is issued.

### **4. Integration of environment, health and safety aspects into the revised curriculum**

The second important component of the Environment Management Framework deals with the integration of environment, health and safety (EHS) aspects into the curriculum that is currently being revised/updated. The aim is to make skill training comprehensive by meeting

industry/market expectations through functional/practical knowledge on occupational health and safety aspects that can be applied in the workplace. In order to support DGET on this key activity, which is one of the first such attempts with respect to ITIs in the country, the following approach has been discussed in detail and agreed with NPIU and CSTARI:

Step 1: Review of a few existing curriculum (including COE syllabus) and a few revised course contents being developed by the CSTARI.

A comprehensive understanding on the entire curriculum, its contents and approach being adopted for revision is needed before specific suggestions on integration of EHS issues are made. A preliminary review of syllabus of four trades, namely, Electrician (CTS/ATS); Fitter (C.I.T.S.); Leather Goods Craftsman (CTS/ATS); Tool & Die Maker (Dies and Moulds) (CTS/ATS) by the Bank has revealed that systematic, practical and functional coverage of EHS aspects in the said curriculum is almost entirely missing. This review will be extended through some specific meeting/s with DGET and CSTARI, which are being for October 2008 (after the Joint Review Mission is over). It has been agreed that the required information and documents along with existing curriculum/course contents, which includes the social studies and trade theory modules, will be shared with the Bank by Oct. 31, 2008.

Step 2: Bank's task team, on the basis of the above review, will identify and prepare a note on the key elements through which EHS aspects can be integrated in the 'general' as well as 'trade specific curriculum'.

Step 3: CSTARI will proactively collect, collate and review information/course modules (including practical exposure and training) from other countries where the vocational training programme is considered a success. This process should also include web search and discussion with industry representatives regarding specific occupational health and safety issues and their expectations. The SPIUs have agreed to facilitate and co-ordinate industry interaction, as required by CSTARI. A synthesis will be drawn for both 'general' and 'trade specific' course contents using this information.

Step 4: A note (collated from the process discussed in Step 2 and 3) on detailed approach and contents will be prepared by CSTARI and finalized in consultation with DGET, Bank other concerned stakeholders. CSTARI, using the agreed format will develop draft course contents for three trades by January 15, 2009.

Step 5: The drafts will be reviewed by the Bank, DGET, Technical Education Department of the States and other stakeholders such as industry representatives, prior to finalization.

Step 6: The same format will then be replicated for other trades, with minor refinement or restructuring, as needed with respect to a specific trade.

Step 7: Using the final versions developed by CSTARI for the student's training curriculum, AHI will then add the EHS dimensions into the Instructor's Training Modules.

## **5. Performance of States and EMF Compliance**

The mission found that the level of understanding and implementation status varies significantly between the participating states. While states like Gujarat and Goa have taken many initiatives and are complying with EMF requirements, the states of eastern and central region of the country have practically not moved forward in this direction. Since the approach and concept with regard to environment management within ITIs is new, negotiation of the learning curve will require sustained support and guidance from all possible stakeholders. In this context, the mission continues to reiterate the need for strengthening the NPIU and SPIUs.

Some SPIUs (Andhra Pradesh and Maharashtra) informed that the concerned state architect and/or PWD have been informed regarding the EMF requirements during the design and construction stages of civil works. However, the mission emphasized that this activity needs to be closely monitored and cross-checked by SPIU (with whom the responsibility lies) to ensure that these line agencies are completely complying with the EMF requirements.

The mission appreciated the efforts made by Gujarat and Goa, where State Environment Officers have been designated; initiatives towards improved campus environment management have been taken and; several trainings have been organized to build awareness and capacity at the institute level (ITIs). The mission suggested that dissemination and documentation of good practices from Gujarat will be useful in demonstrating approach and implementation of campus environment management measures to other states. Some of these practices include plantation plans made through co-ordination with Forest Department; tree plantation and maintenance carried within ITI campus by involving students; improved material management (raw materials, tools etc.); awareness regarding safety practices; formulation of model civil works development plan; upgrading of drinking water and sanitation facilities and; improvement in entry points and internal circulation paths in some institutes. A structured documentation of such practices should be posted on the DGET website for wider information sharing with interested stakeholders.

### Key Agreed Actions

S. No.	Action	Responsibility	Time Frame
1	Recruitment of Nodal Environment Officer for strengthening NPIU capacity on environment management activities	NPIU	By November 30, 2008
2	Designation of State Environment Officer within SPIUs and completion of first round of training	SPIUs and NPIU	By December 31, 2008
3	Designate and complete one round of training of ITI level Officer (Principal/Vice-Principal)	SPIUs and participating ITIs	By January 31, 2008
4	Finalization of sharing of a standard Terms of Reference for appointing short-term consultants	NPIU	By November 30, 2008
5	Circulate the checklist on 'campus environment measures' prepared by Bank to all SPIUs and participating ITIs	NPIU and SPIUs	By November 30, 2008
6	Inclusion of construction stage related environment and safety requirements in the Bidding Document	NPIU and SPIUs	-
7	Initiate the process of integration of environment, health and safety measures into curriculum as per the agreed approach.	NPIU and CSTARI	-

## Equity Assurance Plan

The Project's Equity Assurance Plan (EAP; pp. 73-76 of the Project Implementation Plan (PIP) and pp. 83-84 of the Project Appraisal Document, PAD) aims to ensure that disadvantaged and weak students get the assistance they require in order to reduce dropout and failure and maximize completion of the Basic, Advanced and Specialized modules in the Centres of Excellence as well as of the regular/upgraded vocational courses. The EAP consists of seven sets of actions which need to be implemented throughout the project to achieve the above aims, and to ensure that the project complies with the legal agreement between the World Bank, the Government of India (GOI), and the participating states and implementing institutions. This Annex briefly describes the findings of the Joint Review Team and recommends ways in which implementation of the EAP could be strengthened.

**(1) Timely disbursement of stipends for disadvantaged groups at ITIs: MOLE and State Project Departments to ensure timely and full disbursement of stipends.** Many of the state departments concerned with providing stipends to SC/ST students are paying the stipends at the end of the financial year (i.e., February/March), which is close to the end of the academic year. The stipends are also usually paid in one lump-sum rather than monthly. Hence, the purpose of the stipends, which is to assist the students to meet their academic expenses, is defeated. There also appear to be varying fund-flow/payment arrangements – e.g., from the SC/ST Welfare department to the project department or from the Welfare department to the institutions, which may be adding to the delays. The project departments in the states do not appear to have had any dialogue with the departments paying stipends. No instructions have been issued either by the central or state levels.

We suggest that MOLE obtain full information about the manner in which stipends reach the students in each state and assist the state project departments (or SPIUs, where these have been set up) to ensure payments to the students at the beginning of the academic year, or at least in quarterly installments. The MOUs with the states were to contain agreements with the state governments regarding such timely disbursement of stipends. If this has not been done, addenda to the MOUs would be necessary. The EAP called for these agreements to be completed within six months of project effectiveness. It also called for regular six-monthly reporting by the state project departments to the DGE&T on the status of stipend disbursement. As these steps have not been taken, the project is currently out of compliance with the legal agreement.

**(2) Reduction of cost-burden on disadvantaged students.** The EAP calls for the SPIUs (or state project departments) and NPIU to identify additional ways to reduce the cost burden of education in the ITIs/COEs to these groups including enhancing the stipends for SC/ST and BPL students. A number of different schemes exist to assist students and some of their costs are being offset, for example, through fee waivers for girls and some other groups, free bus passes, etc. However, the situation is both variable and unclear across states and across disadvantaged groups and girl students. For example, the stipends in the nine northern states reviewed by the Rajasthan field team varied from Rs. 105 to Rs. 600 per student, and even in the case of the state with the highest stipend (Jharkhand) the state representative felt that the stipend should be at least Rs. 1000 per month.

The SC/ST department in Rajasthan, for example, also sponsors SC/ST trainees, as well as short-term courses. In some other states the SC/ST Finance Corporations reimburse the fees of

SC/ST students who cannot pay to the ITI s/ITCs. It would be useful to have a profile of the students engaged in these courses, particularly of their employment situation after course completion. Dialogue with the SC/ST Financial Corporation may be useful to improve the availability of stipends, hostels, and other facilities for these groups.

From extensive discussions in the field it is clear that the state implementing departments have not yet made efforts to identify ways to reduce the cost burdens, and may themselves not have full information on the various states' schemes for SC/ST/OBC, BPL and girls. In order to assess the need (or not) for additional assistance to any of these groups, it would be useful to know what is being provided to each group during their education in an ITI. For this, DGE&T could develop a simple questionnaire (with Bank assistance) and send it to the states to be filled out and returned to NPIU. (This should include a question on whether anything additional is required, and what ideas there are for this.) The DGE&T could request each state to compile complete relevant information (disaggregated clearly by group of recipients, type of institution, courses, etc.) in order to identify the gaps, and follow this up by making a specific plan to fill the gaps. The state departments also need to initiate a dialogue with the departments providing the student stipends in order to enhance them, in addition to ensuring timely payment as discussed in point (1) above. If these actions are completed by **December 31, 2008**, we may see improvement in this situation by the next JRM.

**'SC/ST Wings' not desirable.** The presentation by Haryana mentioned the existence of separate SC/ST wings in their ITI s. This is not a desirable trend given that the Constitutional mandate is to integrate these disadvantaged groups rather than segregate them. GOI needs to have a dialogue with the state at the highest level to eliminate this practice. There are other ways to ensure that resources provided for these groups are made available to them and accounted appropriately. No other states reported this, but it is desirable for GOI to ascertain whether the practice also prevails elsewhere and to address it in the same manner.

**(3) Increase intake of trainers from disadvantaged groups.** Almost all states have a large number of vacancies in Instructor posts, some of which are being filled through contractual appointments as agreed under the project. However, other than averring that reservation quotas in each state are adhered to, there seems to be a lack of information on the exact position vis a vis the number or proportions of Instructors from SC/ST/OBC groups. (Each state has its own percentage of reservations). It is agreed, however, that there is a shortage of women trainers in all institutions (including some women's ITIs). Thus, at least two immediate actions are necessary to address this aspect of the EAP: (a) collection of full information from the states on the number of Instructor posts in the ITIs and COEs and how many of these are reserved posts; how many of general and reserved posts are filled by regular or contract employees; and consequently the vacancy position in the general and reserved categories. A table showing the number of women Instructors in each ITI by trade (course) (with the appropriate 'Total' denominator) would also be helpful. (b) An action plan to increase the number of reserved category Instructors and women Instructors where necessary, including pro-active steps to encourage applications from SC/ST/OBC candidates.

**(4) Provide career guidance and counseling to all students especially disadvantaged groups and women students.** It is mandatory for all ITIs participating in the project to have training, career counseling and placement cells (TCPCs), so their current paucity also constitutes non-compliance with the project's legal agreement. However, rather than the number of TCPCs or speed of establishing them, attention must first be devoted to enhancing the understanding of the need for these cells, and to developing a quality mechanism for student counseling, assistance and placement. The importance and potential of a full-fledged placement cell has not been fully

understood by many people with whom the mission interacted. During the regional review in Rajasthan, it emerged that a few states have established TCPCs, but these consist mainly of one person designated in a somewhat ad hoc manner to provide assistance with student placement. Several efforts are being made for placement, including campus interviews by companies and job-fairs, and reported placement figures on the whole are good. Some efforts such as visits of the ITI s to schools during the 'Vivekananda *sapta*' (the week-long outreach program held in Rajasthan and other states to inform potential students about the ITI s) and information fairs on ITI campuses are also being made to inform school students about ITI education. However, the concepts of a 'cell' (i.e., group of people), of providing guidance or student counseling, especially to weak students, of a systematic drive to attract good students, and of a work plan for all these activities seem to be completely absent. The absence of well-developed recruitment and career guidance mechanisms is related to the high dropout seen in most institutions. Information on the reasons for dropout and failure, while vitally important for the health of each institution, is quite scarce – it could be collected by the TCPC and used fruitfully in improving institutional performance including course offerings. The absence of these mechanisms and information is also related to inadequate knowledge on the part of the institutions and state project departments about demand for different trades, and the consequent continuance of 'traditional' trades, especially for women.

There is very little student guidance and extra-curricular interaction between students and adults in the system. Since an objective of the Instructor Training Wings that are to be established is "to bring the ITI s closer to the target group", it would be good if the training included development of Instructors' abilities to interact with students in schools and their families as well as with groups of students on campus on non-curricular matters, including on how to counsel and help students through personal difficulties, etc.

There is also very little consultation with students and faculty, or participation of these, the true 'beneficiaries' of the project, within the institutions, the IMCs, or by state managers. For example, although students and faculty were to be consulted at the time of formulation of the IDPs, this hardly occurred. There is also inadequate interaction between the students/Instructors and industry representatives. Vibrant TCPCs could also help to change this. The amount of information about the project (VTIP) or the broader GOI program could also be increased. Better information about the program will facilitate involvement of students, faculty, and industry representatives and enhance institute responsiveness to their ideas and needs. Many ITI s are based in remote areas where there is a paucity of industry. It is important for these placement cells to identify relevant industries as close as possible to the ITI s and ensure that they visit the ITI for recruitment, and/or that the ITI identify employable trades. If requested by the ITI or IMC, local industries could also play a more proactive role in providing career counseling to students through regular engagement with the ITI s, thereby catalyzing change. During discussions, some IMC members from industry also suggested that students need to be taught how to handle interviews, job offers, etc.

There was no indication that TCPCs pay special attention to disadvantaged groups, girl students, or weak students. Although the Institutes appear to keep records of student placement in 'good jobs', details about the student (e.g., SC/ST, male/female, etc.) are not merged with this information, data are not compiled, and it is not readily known who are the students who do not get placed, nor the reasons for this. The ITI s (i.e., TCPCs) should maintain placement data and compile and analyze it on a regular basis so that appropriate follow-up action can be taken. There would be no better 'message' to encourage girls' enrolment in the ITI s than ensuring completion and full placement in good jobs of those who do enroll in the Institutes. Maintaining this

information could be a responsibility of the TCPC and Institute administration in the short run, while in the long run it should form part of the MIS of the Institute/program.

There also do not seem to be adequately grievance mechanisms – for example, complaints from students or Instructors against other members for the ITI are handled internally, with little recourse to higher authorities.

We suggest that a systematic effort be undertaken by DGE&T and the participating state departments (SPIUs) to establish robust TCPCs in all institutions, beginning with the larger ones, where more than one person would certainly be required to discharge all the desirable functions. A set of guidelines could be prepared to set out the objectives and functions (roles and responsibilities) of the Cell, from outreach to schools for recruitment purposes, to career guidance and counseling of students at the time of joining, until course completion, job-hunting and placement. It would be appropriate to link the establishment of a Cell to an Institute Charter which defines what students, faculty and even society at large can expect from the ITI. It is suggested that consultants (perhaps from some of the apex bodies) visit each Institute and assist them to set up a placement cell using local Instructors and other community members.

Establishment of the TCPCs was to be part of the Institutional Development Plans (IDPs) prepared at the commencement of the project. A work plan for the TCPC was also to be part of the IDPs, beginning with actions to be taken at the time of recruitment and admission of students. Although many IDPs have been prepared and sent to DGE&T, the Bank team did not have an opportunity to review them for these actions. It would be useful to be able to do this before future JRMs.

**Suggestion for a Demand Assessment Survey.** Demand responsiveness is one of the key principles of the project. The selection of trades could be based on micro-level demand assessments among employers/industries as well as potential students. This includes understanding alternative opportunities available; whether employers are willing to release employees for training, and family need for early employment. A second part of this study could be on constraints faced by families/students in attending ITI s. Some trades have low admissions because the duration of the course is thought to be too long by the students (e.g., hospitality, which could be shortened to what the hospitality industry wants after dialogue with them and students, and/or made modular). The choice of trades by ITI s should be related to the availability of employment nearby because in the first instance students do not want to go very far from home. We suggest that such a survey (or separate studies) be done within the vicinities of the COEs/upgrading ITI s in the project by all states within the next year.

**Strengthening Role of IMCs and particularly of Student members.** The IMCs are intended to function as participatory committees, including all members. This is vital to making the VTIP institutions more demand responsive, and to improving their quality and effectiveness. However, there is a tendency to equate the IMC with only its Chairperson and/or the Principal, with less attention to the other members. Instead, if the IMC is to meet its ‘desired’ role as an executive (rather than just an advisory) body, all members of the IMC including the faculty and student members should be given roles, be active members, deeply involved, meet outside visitors such as JRM teams, students and industry reps, and so on. Some checks and balances may need to be put in place to guard against Chairpersons or powerful members treating the ITI s as ‘theirs’ – careful minuting of meetings and posting of these minutes in public places could be one such measure. We also recommend that the number of students and Instructors on the IMC be raised to three each.

The IMCs could be effective ‘Industry-Institute Interaction cells.’ Industries could include ITI members in the short-course training that they offer their own employees, and/or run special courses for ITI s. The IMCs could also carry out some training themselves or sponsor Instructors or administrators for training.

**(5) Increase in women’s enrolment in non-conventional trades and in ITIs in general.**

The IDPs were also to develop plans to increase women’s enrolment in non-traditional trades and others in the ITIs selected for up-gradation and as COEs. Based on the Mission’s observations and discussions, this is an important and urgent need as the following findings attest. (a) Girls still tend to be confined largely to the traditional trades, mostly offered at the ‘Women’s ITIs’, such as ‘Cutting and Sewing’, ‘Food Processing’ (i.e., making jams and preserves and bottling), ‘Embroidery’, ‘Steno-typing’ etc. Some new trades have been introduced into the Women’s ITIs including Computer Operations and Programming Applications, Information Technology, and Electronics, and placement of these students is good. There is wide scope for the introduction of additional non-traditional trades for women and the ITIs should be encouraged to introduce these and admit girls students to them. A few trades that were mentioned by students, Instructors and others during the mission were electronics, electrical, welding and fabrication, computer-related, radio and television repairs, network operators, apparel manufacture, etc.). Further the more traditional trades could be modernized – for example, cutting, sewing, embroidery, etc. could be made into machine-based garment manufacturing, food processing into machine-based agro-processing, etc. The IMCs have an important role to play in furthering these goals.

Information on the actual position of SC/ST/OBC and girls enrolment was not readily available with the state representatives that attended the JRM meeting in Jaipur. They tended to cite the percent of reserved seats for SC/ST (and in some cases OBC), and mention the number of Women ITI s. Although there is a mandate for 25 percent of seats in the ITIs to be reserved for women (recently increased to 30 percent), many ITIs are not observing this requirement. When unable to obtain the required number of girls in the first or second admission attempt, they fill the remaining seats with male students, especially in the non-traditional trades! Similarly, when SC/ST/OBC candidates are not available, the reserved seats are filled with General Category students. Neither of these practices (policies?) is desirable, given the Government’s and the Project’s intentions to ensure enrolment, good performance and placement of students from disadvantaged groups. They need to be revisited, and accurate data must also be collected. Information on completion and placement of SC/ST/OBC and girl students is also not readily available with the ITI s though it could easily be derived from existing information on admission, completion (passing out) and placement. We suggest that the ITI s develop and maintain these data both for use within the institution and for their twice-annual reports for the JRMs.

‘Society’ is usually given the blame for the lack of sufficient girl students or applicants. There is insufficient understanding that the ITI system, like other parts of our higher education system, is catering to a segment of society in which change is actually taking place in the education and aspirations of/for girls. Given the correct information and encouragement, and assistance and placement, many more girls could participate in this sector, benefiting themselves, their families, the economy and society. The vocational training sector needs to embrace this fully and make greater efforts at every level to provide appropriate information, actively recruit women students, provide them the necessary assistance, facilities (including women’s toilets which were largely missing from the field institutions), and ensure job placement. The mission learned that GOI has embarked on preparing a Communication strategy for the program. Active and appropriate messages related to girls would be an important part of this strategy.

A second issue concerns placement of girls who complete a course. In a Chemical COE visited, there were a handful of girl students and even these were afraid that they would not get jobs. It appears that local industries do not hire women. The JRM team received a copy of an advertisement by an industry which effectively said ‘only men need apply.’ Greater interaction between the ITI s and local industries is needed to address these matters, and the IMCs could play a role in ensuring full placement of women students so that a demonstration effect takes place and enables greater recruitment of girls in subsequent years. Such advertisements should also be brought to the notice of the appropriate labor authorities as denying equal opportunities to women is against national law.

During the next year of the project it is expected that applications will be prepared for the Innovative Fund. Some applications are expected to be for pilot programs to expand non-traditional courses for women. The DGE&T and state project departments should dialogue with the ITIs/COEs to begin to identify areas in which such innovative pilots could be undertaken.

**Overall, on the equity and gender issues above, there is a need for the vocational training system to fully appreciate that social change begins within educational institutions – and that extant social problems (wide and deep as these may be in our country) should not be used as excuses for not doing what is needed such as encouraging girls into non-conventional trades, or SC/ST students to excel along with others.**

**(6) Providing bridge courses and remedial teaching to weak students.** Despite high dropout and failure rates (i.e., considerable educational wastage in the system), as mentioned above there is very limited information on the **reasons for drop out, not appearing in exams, and failure**, and also, importantly on **who** drops out or fails. We suggest that ITI s (or at least a ‘sentinel’ sample of these) faithfully record this information so that remedies can be designed for the system as a whole. There is a need to separate ‘student factors’ (lack of resources, poor attendance, weak educational backgrounds, lack of interest, poor motivation, family responsibilities/problems, etc.) from ‘institutional factors’ (e.g., inadequacy of Instructors, facilities, resources, training, equipment, etc.). Many students drop out after obtaining admission to the Basic or Advanced COE courses because of the lack of facilities or Instructors. There is an urgent need to rectify these institutional factors as the reputation of the system and project are at stake. Of course, students’ continuance in the courses also depends on their abilities to cope educationally, financially, and psychologically with the courses, for which the role of the TCPCs is crucial. Similarly, information on **who** receive job offers and who do not and the related reasons would be useful (as discussed above).

In terms of remedies, mention was made of ‘good Instructors’ helping students to overcome their deficiencies and complete their courses, but there has not yet been a systematic attempt on the part of ITIs/COEs or state Departments to assess the need for bridge courses or remedial teaching. Various issues that came to light point to the need for such courses. There were some suggestions that entrance requirements for various courses need to be revisited – some are too low and lead to dropout because students can’t cope, and others are too high and not enough students apply. Further, to explain the high reported failure rates, students mentioned their inability to understand examination questions when these are in English. While the solution to this problem is clearly to set the question papers in the local language (which has been agreed and will be done from this year on), strengthening their English be worthwhile to increase trainees’ opportunities for career advancement in industry. Another explanation for failure in examinations was that students are examined in several modules together and ‘forget’ the earlier material. (On the other hand, industry members stated that they thought some modules to be too short!) While it was suggested that students could be examined in each module separately, this

would put an additional burden on examiners and administration. Moreover, it misses the point that students need to retain information learned early for later application and use! Most likely, their learning needs to be reinforced, especially for weak students.

We suggest that the DGE&T and states ask some participating ITIs to develop an assessment tool for new entrants, which could be used to identify weaknesses and cause each ITI to introduce the necessary teaching to systematically address students' deficiencies. The EAP also calls for a review of the entry-level training of Instructors to assess/strengthen their ability to provide remedial teaching. The ITIs should be permitted and funds provided to engage extra coaches as needed to provide bridge courses/remedial teaching. This would help weak students to continue in their programs, complete their courses, and improve pass rates. Suggested target dates: (i) Development of effective assessment tools and review of Instructors training in at least the major trades by January 2009, and orientation of participating ITIs by March 2009; (ii) use of the tools to start in the 2009-10 academic year, followed by ITIs developing and implementing their remedial plans. These efforts should be well documented to facilitate the development of a more systematic approach for subsequent academic years.

**(7) Strengthening of self-employment courses for all students in ITIs.** Some ITIs are already offering such courses and the JRM learned that GOI has identified four new courses which are to be introduced into the system henceforth, including an 'Entrepreneurship Development' course which may be similar to what was intended under the VTIP. The EAP calls for a review of existing curricula for self-employment courses and development of appropriate curricula and materials by December 2009. We suggest that DGE&T engage an appropriate consultant (agency) to examine the existing courses and develop suitable curricula for the self-employment/entrepreneurship development courses. Following this, a plan could be developed to implement such courses in the participating ITIs along with other supporting actions to enhance entrepreneurship/self-employment among ITI graduates. Suggested target dates: (i) preparation of TORs for task by November 30, 2008; (ii) engagement of consultants for task by January 31, 2009; (iii) completion of review and development of curricula by August 31, 2009; (iv) development of 'roll-out' plan for participating institutions by October 31, 2009, followed by interactions to prepare participating institutions (November-December 2009); (v) roll-out of courses beginning in January 2010.

**Training in Soft Skills Introduced by GOI.** GOI is also planning to introduce courses in communication and soft skills (including interpersonal behavior, teamwork, leadership, motivation, time management, etc.), computer literacy and English proficiency for all trainers, which is an excellent move. A course on Occupational safety and health is also proposed. The identification of more institutions that could provide these courses could accelerate the spread of these courses and be beneficial to the project. Several institutions expressed the need to train all their Instructors and management staff in these areas.

#### **Other Useful Information on Rajasthan State/Institutions Visited**

- About 20 percent of Instructor posts in Rajasthan are vacant in 128 govt. ITI s with almost 20,000 students. Since 2007-08 about one third of the students have been admitted under a self-financing scheme. Although trainers are employed on contract, these 'second units' (or more) of a trade may also put an additional burden on existing Instructors and facilities. Perhaps the revenue earned under this scheme could be utilized for the institutions to hire additional Instructors (on contract if necessary) and establish additional facilities.

- Similarly, the ITI s are providing a large amount of short-course training under the Rajasthan Mission on Livelihood (RMOL). While these courses seem popular, and apparently generate funds through fees, the burden on Instructors needs to be relieved through additional hiring. Further, monies from the Institutional Development Funds are being used for these courses.
- In Rajasthan, of 128 government ITI s, only eight are women’s ITI s, and of 513 private ITCs, only four are women’s centers. This is hardly sufficient to make a dent in the problem of low labor-force participation among women in a state like Rajasthan.
- Although there is a provision for ITCs to be set up in PPP mode in the lagging areas of Rajasthan (and possibly other states as well), these areas, almost by definition, lack industries which could be partners. Currently about 50 panchayat samitis in Rajasthan lack ITI s. The government could examine the nature of potential employment in these areas (e.g., crafts? tourism?) and develop appropriate courses and institutions to improve skills.
- The scheme for each ITI to adopt a village also puts an additional burden on Instructors, and there appear to be large numbers of trainees. Involvement of the students in this training could give them hands-on experience of teaching others which would help sharpen their own knowledge and skills, as well as reduce some of the burden on Instructors.
- While the admission rate into the Basic courses is high (regular plus supernumerary seats), the pass rate is low (37 percent), and admissions to the Advanced modules is also low (70 and 74 percent, in 2007 and 2008, respectively). Student continuation in both the Basic and Advanced courses is low largely because the Institutes have not received money to acquire more/new equipment and/or additional Instructors; under these circumstances it is not surprising that employment is also low. One IMC member felt strongly that students who pass out of the ITI s should not be given false hopes of the salaries they would receive in the private sector as they then turn down lower salaries and run the risk of not being employed at all. He said some student expect to be paid Rs. 10,000 when the salaries offered may be between Rs. 3,500 and 6,500.
- While many ITI s (in the COE category as well as others) are admitting more students than earlier (under government instructions to increase the number of places in a unit from 16 to 21 by adding five ‘supernumerary seats’), it was found that very few students are passing. For example, of five ITI s upgraded to COEs in Rajasthan in 2006-07 only about one-quarter of admitted students passed, and of those admitted to the Basic and Advanced modules in 2007-08, only about half appeared in the examinations. The situation in five upgraded ITI s in 2007-08 was somewhat better – about 90 percent of admitted students appeared in the examinations.

**Specific ITI s.** The Mission visited three ITI s taken up as COEs in 2006-07 (Chemical Kota and Automobile Ajmer) or for up-gradation in 2007-08 (Women’s ITI Kota). The Institutes have been able to do little in the absence of funds for development into COEs. However, many of the activities suggested above could be started while they await the arrival of funds.

**Mahila ITI Kota** (selected for up-gradation in 2007-08). The most recent pass rate (2006-07) is about 90 percent. Placement for the previous year (2006-07), however, was less than 50 percent. The six trades currently offered are mostly conventional (Embroidery and Needlework, Cutting and Sewing, Fruits and Vegetable Processing, Hair and Skin Care, and Hindi Stenography – the exception being COPA, Computer Operation and Programme Application). As discussed above, there is a need to modernize the courses offered. Instructor vacancies could be filled up with

persons with new skills. Existing staff would either have to be retrained and redeployed into new trades or into other positions (e.g., administrative). There are also concerns about absenteeism and Instructors who do not work.

While no fees are charged from women students in accordance with state government instructions, the women in the COPA course have to pay Rs. 1000 in computer fees. Unfortunately this could act as a discouragement to women to enroll in this promising non-traditional course. Indeed, it was stated that if fees are charged, there would be no admissions into this ITI. It is proposed to introduce four more non-conventional trades at this facility – electronic mechanic, ITESM, additional units of COPA and Hair & Skin Care. The selection of the last two trades seems to be based largely on student demand for these courses rather than on the basis of industry need or employability. Demand for the food processing and embroidery-needlework courses is less than one applicant per seat; for three other courses it is about 2:1, while for COPA it is 5:1.

**Chemical ITI Kota.** The dropout rate between the Basic and Advanced modules in this ITI is high (about 30 percent). One reason is that a number of students had to repeat several modules in the Basic course as they did not pass the examinations that covered included several modules at one time; another is that equipment is not yet available for the Advanced modules. The ITI expects to do remedial teaching from this year to prevent the former problem.

**Ajmer ITI – Automobile COE.** This ITI has a large number of trades (24) and units (42) including two self-financing courses, and several popular RMOL short courses. It also has an active MOU with the CIDC and a large number of certificates have been issued over the past two years. It is a well-equipped institution and appears to be well-run. Although it has 25 percent reservations for girls, there are just four girls among 88 students! Although the state quotas for SC, ST and OBC were reported, the practice is to fill available (including supernumerary) seats with general candidates on the second or third round, as well as male candidates when girls are not found, as discussed above. Far more effort needs to be made to recruit these groups, beginning with active communication campaigns and drives in nearby towns and schools, to active efforts to place girls in industrial jobs and to use the ‘fact’ of 100 percent employment among girls to increase public awareness. There is a strong belief among both administrators and students that ‘industries don’t hire girls,’ which can only be dispelled by active efforts and achievement of placement. Indeed, at the Chemical ITI in Kota, an industry member of the IMC stated that although he was willing to employ women he did not get enough women candidates.

Within the above institutions, toilets and common rooms for girls are greatly needed. In fact, several members of IMCs/ITI s mentioned the need for better environments, including sanitation, on ITI campuses. Other important facilities for students that need improvement are libraries, equipment ‘banks’ and sports facilities. We suggest that old computers and equipment from the ITI s and from local industries could be given to students so that they can use them or ‘learn by taking them apart.’ Such steps could help the system to become a truly vocational *education* system.

An IMC member suggested that ITI s could teach students environmental sciences as applicable to industry as there is industries need to comply with the requirements of the state pollution control boards. This could also help to solve quality problems on the shop floor. In the absence of this training, industries need to train ITI pass-outs for a year or two more in these practices. In the chemical industry, for example, learning about personal and plant safety is an important need.