

सत्यमेव जयते

D.O. MSDE-6(1)/2016-AP
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In order to create more employment opportunities through Start-ups ecosystem, Government of India has decided to incentivize Start-ups by provision of ease in regulatory compliances. Start-ups are defined by Department of Industrial Policy & Promotion(DIPP), as an entity, incorporated or registered in India not prior to five years, with annual turnover not exceeding Rs. 25 crores in any preceding financial year, working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property.

Start-ups will be allowed to self-certify compliances with various labour laws. Similar action has been mooted to incentivize Start-ups engaging apprentices.

The Apprentices Act, 1961 has been amended from 22nd December, 2014 to make it more users friendly to industry as well as to the youth. Establishment has been allowed for selection of trades and self-regulation of engagement of apprentices in a band of minimum 2.5% to maximum 10% of total strength of establishment including contractual workers. The procedure for furnishing regular information through returns have been simplified by providing them through apprenticeship portal www.apprenticeship.gov.in

As per the Apprenticeship Rules, 1992, establishment may be inspected by an Officer not below the rank of Assistant Apprenticeship Adviser after prior approval of the Central or the State Apprenticeship Adviser. In the first year of setting up of start-ups, inspection be completely dispensed with against self-declaration. From the second year onwards up to the next three years, start-ups may be taken up for inspection only when very credible and verifiable complaint of violation has been filed in writing and the approval has been obtained from concerned Apprenticeship Adviser.

You are, therefore, requested to direct concerned Departments in your State/UT to regulate the inspections in the Start-ups, as suggested above, wherever applicable.

With regards,

Yours sincerely,

Sd/-

(Rohit Nandan)

Chief Secretaries of all States/UTs

Copy to:

1. All States/UTs Apprenticeship Advisers
2. All Regional Directors of Apprenticeship Training

Copy also to:

1. Shri Amitabh Kant, Secretary, Department of Industrial Policy & Promotion, Udyog Bhavan, New Delhi
2. Shri Shankar Aggarwal, Ministry of Labour & Employment, Shram Shakti Bhavan, New Delhi.

28/11/16

(Rajesh Agrawal)
Joint Secretary