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**STANDING COMMITTEE ON
LABOUR, TEXTILES AND SKILL DEVELOPMENT
(2025-26)**

(EIGHTEENTH LOK SABHA)

MINISTRY OF LABOUR & EMPLOYMENT

**DEMANDS FOR GRANTS
(2026-27)**

FIFTEENTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

March, 2026/ Phalguna, 1947 (Saka)

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DEMANDS FOR GRANTS (2026-27)

Presented to Lok Sabha on 17.03.2026

Laid in Rajya Sabha on 17.03.2026



LOK SABHA SECRETARIAT

NEW DELHI

March, 2026/ Phalguna, 1947 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR, TEXTILES AND SKILL DEVELOPMENT
(2025-26)**

Shri Basavaraj Bommai – Chairperson

MEMBERS

LOK SABHA

- 2 Shri Mani A.
- 3 Shri G. M. Harish Balayogi
- 4 Shri Aashtikar Patil Nagesh Bapurao
- 5 Shri Partha Bhowmick
- 6 Shri Yogender Chandolia
- 7 Shri Ram Prasad Chaudhary
- 8 Shri Chandra Prakash Choudhary
- 9 Shri G. Lakshminarayana
- 10 Shri Asit Kumar Mal
- 11 Shri Kali Charan Munda
- 12 Shri Rudra Narayan Pany
- 13 Shri Kartick Chandra Paul
- 14 Shri Tanuj Punia
- 15 Shri Pradeep Purohit
- 16 Shri Mukesh Rajput
- 17 Shri Raja Ram Singh
- 18 Shri Adhikari Soumendu
- 19 Shri V. K. Sreekandan
- 20 Shri Manoj Tigga
- 21 Shri Chavan Ravindra Vasantrao

RAJYA SABHA

- 22 Shri Ritabrata Banerjee
- 23 Shri Govindbhai Laljibhai Dholakia
- 24 Shri Rajendra Gehlot
- 25 Dr. Syed Naseer Hussain
- 26 Shri Maharaja Sanajaoba Leishemba
- 27 Dr. Kalpana Saini
- 28 Shri Anthiyur P. Selvarasu
- 29 Shri Abdul Wahab
- 30 Shri Rajinder Gupta
- 31 Shri Gurwinder Singh Oberoi

SECRETARIAT

1. Shri Mukesh Kumar Sharma - Joint Secretary
2. Ms. K. Muanniang Tunglut - Director
3. Ms. Mili Dinesh - Deputy Secretary

INTRODUCTION

I, the Chairperson, Standing Committee on Labour, Textiles and Skill Development (2025-26) having been authorized by the Committee, present on their behalf this Fifteenth Report on 'Demands for Grants (2026-27)' of the Ministry of Labour and Employment.

2. The Committee considered the Demands for Grants (2026-27) of the Ministry of Labour and Employment which were laid on the Table of the House on 12 February 2026. After obtaining the Budget Documents, Explanatory Notes, etc., the Committee took evidence of the representatives of the Ministry of Labour and Employment on 26 February 2026. The Committee considered and adopted the Report at their Sitting held on 16 March 2026.

3. The Committee wish to express their thanks to the officers of the Ministry of Labour and Employment for tendering oral evidence and placing before them the detailed written notes and post evidence information as desired by the Committee in connection with the examination of the Demands for Grants.

4. For ease of reference, the Observations and Recommendations of the Committee have been printed in bold type in the body of the Report.

New Delhi;
16 March 2026
25 Phalguna 1947 (Saka)

BASAVARAJ BOMMAI
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR,
TEXTILES AND SKILL DEVELOPMENT

REPORT

PART-I

I. INTRODUCTORY

1.1 Work is a part of everyone's daily life and is crucial to one's dignity, well-being and development as a human being. Economic development means not only creation of jobs but also working conditions in which one can work with freedom, safety and dignity. The Ministry of Labour & Employment, one of the oldest and important Ministries of the Government of India, is functioning to ensure improving life and dignity of labour force of the country by protecting and safeguarding the interest of workers, promoting their welfare and providing social security to the labour force both in Organized and Unorganized Sector by enactment and implementation of various Labour Laws, which regulate the terms and conditions of service and employment of workers. The State Governments are also competent to enact legislation, as labour is a subject in the Concurrent List under the Constitution of India.

1.2 The Ministry of Labour and Employment has taken several initiatives, legislative as well as administrative, to provide decent working conditions and improved quality of life for workers, and ease of doing business through simplification of Labour Laws. The endeavour of the Ministry is to create a climate of trust that is essential for economic growth and development and for the dignity of the labour force of the country.

NEW INITIATIVES / IMPORTANT ACTIVITIES

LEGISLATIVE INITIATIVES

LABOUR CODES

1.3 In a historic decision, the Central Government has notified 4 Labour Codes, namely, the Code on Wages, 2019, on 8th August, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 & the Occupational Safety, Health and Working Conditions Code, 2020 on 29th September, 2020, by amalgamating and rationalising 29 existing labour laws. These Codes are made effective from 21st November 2025 across the country. Further, the Rules under the four Labour Codes have also been pre-published on 30.12.2025 for seeking comments from stakeholders.

1.4 By modernising labour regulations, enhancing workers' welfare and aligning the labour ecosystem with the evolving world of work, Labour

Codes implementation lays the foundation for a future-ready workforce and stronger, resilient industries driving labour reforms for **Aatmanirbhar Bharat**.

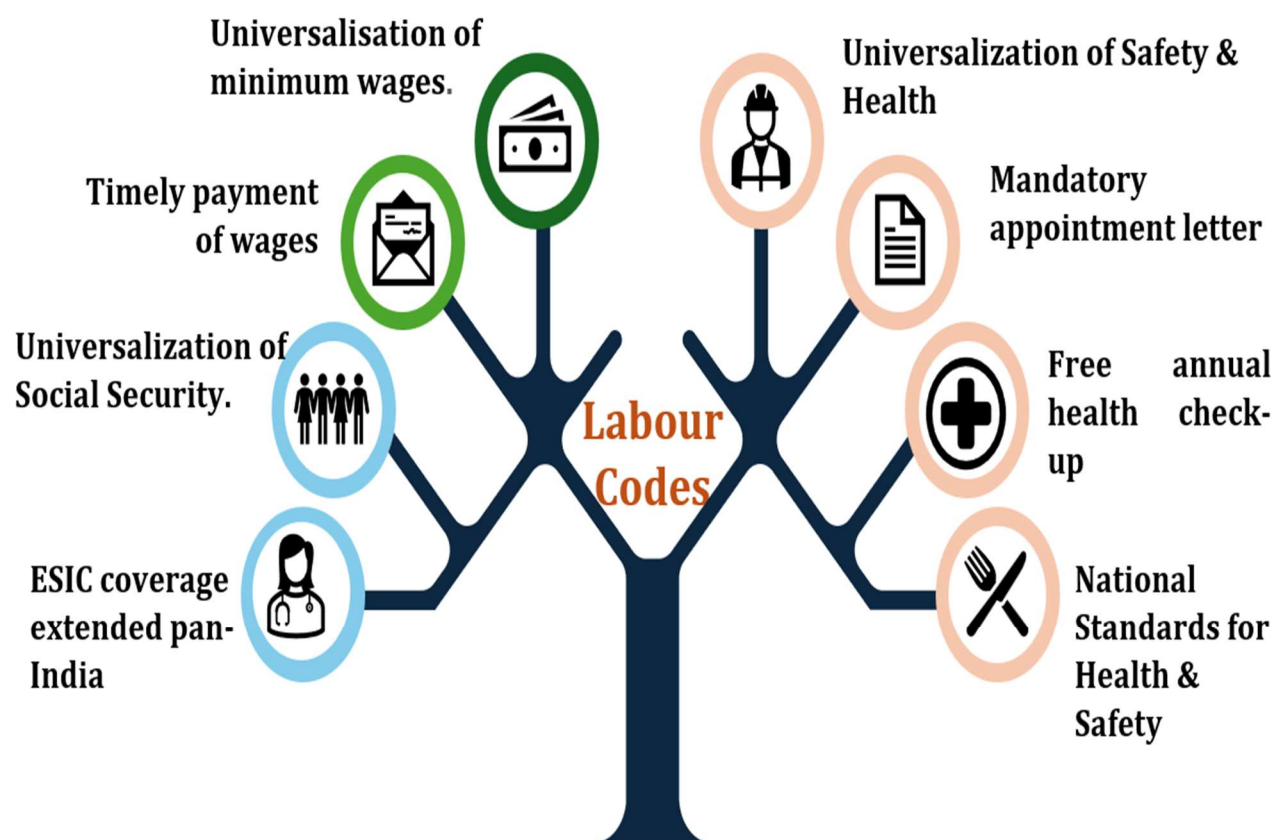
1.5 Codification of the Labour Laws will, inter alia, reduce multiplicity of definitions & authorities, facilitate implementation & use of technology in enforcement of labour laws and bring transparency & accountability in enforcement which would promote setting up of more enterprises, thus catalysing the creation of employment opportunities in the country. Hence, it would promote setting up of industries by reducing rigidity of labour market and facilitate hassle-free compliance, paving the way for realizing the goal of Atmanirbhar Bharat. Simultaneously, it will harmonize needs of workers and industry and will prove an important milestone for welfare of the workers. Major benefits of the four labour codes are given below:

- **Uniformity of Definitions:** A key provision is the uniformity in definitions, especially of "wages," "employee," ensuring uniformity across all codes.
- **Web-based Inspection system:** Use of technology, such as, web-based Inspection has been introduced in order to ensure transparency and accountability in enforcement.
- Inspectors are now **Inspector-cum- Facilitators** to support compliance and guide the employers and workers, eliminating "inspector raj."
- Provision of **Compounding of offences** is introduced.
- The codes also provide for **De-criminalization of offences, replacing criminal penalties** (like imprisonment) with civil penalties (like monetary fines) for first time offences.
- **Simplified compliance:** Single license, single registration, and single return system.
- **No gender-based discrimination**, including against transgender persons, in recruitment, wages or work conditions.
- **Greater opportunities for women:** Women allowed to work in all sectors, including night shifts with consent and safety measures.
- **Women must have proportional representation** in Grievance Redressal Committees.

Key features of the Labour Codes relating to benefits to 'workers': -

- A statutory right to all workers for minimum wages and timely payment of wages.
- Safe and healthy working conditions for all workers.
- Provision for annual health check-up and formalisation of employment by issuing appointment letters to all employees.
- Provision of Workers 'Re-skilling Fund for reskilling of retrenched workers.
- Women are allowed to work at night, subject to their consent and safety
- Employees' State Insurance Corporation (ESIC) coverage on voluntary basis for establishments having less than 10 employees
- Benefits under ESIC can also be made applicable through notification to an establishment which carries on hazardous or life-threatening occupation in which even a single employee is employed.
- Extension of benefits to unorganised workers and to their family members through ESIC or Employees' Provident Fund Organisation (EPFO)
- Setting up of a Social Security Fund for formulating schemes for unorganised workers, etc.
- The gig worker and the platform worker have been defined for the first time in the Labour Code. It also has provisions for formulating schemes to provide social security benefits relating to life and disability cover, accident insurance, health and maternity benefits, old age protection etc.

Major Workers Welfare Provisions



II. Overall Budgetary Allocation and Utilization

2.1 A Statement showing the Budget Estimates (BE), Revised Estimates (RE) and Actual Expenditure (AE) of the Ministry of Labour and Employment for the last three fiscals including the percentage of shortfall/excess expenditure over the RE along with the BE 2026-27 is given below:

(Rs. in crores)					
Sl No.	Financial Year	BE	RE	Actual Expenditure	% of shortfall/excess expenditure over RE
1.	2023-24	13221.73	12521.06	11539.62	-7.84
2.	2024-25	22531.47	18307.22	11436.49	-37.53
3.	2025-26	32646.19	12688.05	8787.60	-30.74

4.	2026-27	32666.31			
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*** Upto 15 January, 2026**

2.2 It may be observed from the above that the budgetary allocations of the Ministry have consistently been reduced at the RE stage. During FY 2024-25, the BE of Rs. 22531.47 crore was slashed down to Rs. 18307.22 crore. However, the Ministry were able to utilize only Rs. 11436.49 crore resulting in substantial shortfall of 37.53% over the RE allocation. During the current fiscal, BE allocation of Rs. 32646.19 crore has been drastically reduced to Rs. 12688.05 crore which is even lesser than the RE 2024-25 allocation. The expenditure incurred by the Ministry upto 15 January, 2026 is Rs. 8787.60 crore.

2.3 When asked to explain the rationale of projecting a higher budgetary demand year after year and the significant increase in the BE during 2024-25, 2025-26 and 2026-27 despite reduction in the allocation at RE stage and shortfall in expenditure vis-à-vis the reduced RE and the methodology adopted for projecting BE alongwith the steps taken to improve accuracy of future projections, the Ministry replied as under:

“Budget Estimates (BE) are projected after detailed consultations with the concerned Divisions and by taking into account past expenditure trends. The projection of higher budgetary demand in FY 24-25 at the BE stage was mainly due to a new scheme i.e PM-VBRY scheme (renamed from NEGS/ELI), which was announced during budget speech 24-25. Thereafter, the scheme was formulated and went through the appraisal and approval process during FY 24-25. Following Cabinet approval on 1 July 2025, the scheme was notified to take effect from 1 August 2025, instead of the originally envisaged date of 1 April 2025 which had formed the basis of the BE 2025-26 estimation. As per approved scheme design, only those beneficiaries enrolled in August 2025 who complete the stipulated six months of sustained employment within the Financial Year will become eligible for benefits. This has led to a substantial reduction in the actual requirement at the RE stage in FY 25-26.

To improve the accuracy of future projections, the Ministry has strengthened its budgeting methodology by closely monitoring scheme-wise expenditure at the level of Secretary and AS&FA, MoLE. Further, approved year-wise scheme outlays, the stage of implementation of schemes, and the revised fund flow mechanism are duly taken into account to ensure more realistic budget projections.”

2.4 During the PowerPoint Presentation given during the course of evidence, the Ministry furnished the following details:

Budget Allocation (2026-27) and Expenditure Under Major Schemes in 2025-26

(Rs. in Crore)

	Actuals 2024-25	BE 2025-26	RE 2025-26	Expenditure upto 15.02.2026	Actual Expenditure as % of RE 2025-26	BE 2026-27
Total	11436.49	32646.19	12688.05	9834.37	77.51	32666.31

2.5 The Ministry have stated that BE is based on past expenditure trends and committed liabilities. On a further query as to why persistent shortfall against RE is visible for consecutive years (2023-24 to 2025-26), the Ministry in their supplementary reply stated as under:

“The Budget Estimates, Revised Estimates and Actual Expenditure for consecutive years (2023-24 to 2025-26) are as follows:

(Rs. in Crore)

Year	BE	RE	Actual Expenditure	% of the expenditure against RE
2023-24	13221.73	12521.06	11539.62	92.16%
2024-25	22531.47	18307.22	11436.49	62.47%
2025-26	32646.19	12688.05	10787.16 (as on 28.02.2026)	85.00%

FY 2023-24

The non-utilization of funds was reported mainly under ABRY, PMSYM, NDUW and Rehabilitation of Bonded Labour, as these are demand driven schemes and the expenditure under these schemes are directly linked to the demand received. Further, surrender of Rs. 633 Cr became necessary at the fag end of the FY 2023-24 due to sudden revision of budget demand

by EPFO with respect to the demand at RE stage under EPS' 95 on the basis of actual expenditure under EPS till Jan 2024.

FY 2024-25

The major shortfall in expenditure is mainly under PM-VBRY (earlier named ELI/NEGS announced as part of FM's budget speech in July 2024) due to non-approval of the scheme in FY 2024-25, which led to surrender of Rs. 6799.27 Cr. Further, under LESS scheme, the shortfall in expenditure was due to some projects (CPI Base year revision, QES, etc.) which were at processing/approval stage. In addition, NCS, LWS, PM-SYM and Rehabilitation of Bonded Labour are demand driven schemes and the expenditure under these schemes are directly linked to the demand received. Thus, apart from the non-utilization of funds under PMVBRY scheme (which was under approval), the expenditure of the Ministry was consistent with the expenditure (99%) with the expenditure booked in FY 23-24.

FY 2025-26

MoLE's Budget Estimates (BE) for FY 2025-26 was Rs. 32,646.19 crore of which about 2/3rds i.e, Rs 20,000 cr was earmarked for PMVBRY. When the budget estimate for FY 25-26 was made in Sept 2024, the anticipation was of immediate approval and commencement of the scheme in FY 24-25 itself. Thus, for FY 25-26 a full year of implementation was envisaged.

The scheme however, underwent multiple iterations and was finally approved on 1st July 2025 with implementation mandated for 1st Aug 2025. The approved scheme design mandated that incentive payments would accrue but be paid after 6 months of continuous employment. As a result, the first payments under the scheme would be made in Mar 26 for those who joined in Aug 2025 and whose 6 continuous ECRs have been received by EPFO.

Therefore, considering the past expenditure trends and anticipated expenditure under PMVBRY (Rs. 848.16 cr) the Revised Estimates (RE) has been scaled down to Rs. 12,688.05 crore.

As on 28.02.2026, the expenditure is Rs 10787.16 crore which is 85% of the RE 2025-26. It is anticipated that the funds allocated at the RE stage including that for PMVBRY will be fully utilized by the end of the Financial Year."

2.6 When the Ministry was asked to state the reasons for the drastic reduction of the BE allocation at RE stage, particularly during 2024-25 and 2025-26 and the schemes that were adversely affected as a result thereof alongwith the remedial measures taken by them in this regard, the Ministry in their written reply submitted as under:

“In FY 24-25, the major reduction of allocation at the RE stage was primarily under PM-VBRY (earlier named ELI/NEGS), EPS’95, ABRY, NDUW, Bonded Labour, and LESS schemes. The PMVBRY scheme was approved in July 2025. Rs 150 crore was provided in BE 2024-25 for the ABRY scheme which was closed with effect from 31.03.2022, for any spill over payments to beneficiaries registered in March 2022 (payment was to be for two years) however, no demand was received at RE 2024-25. Under LESS some funds could not be utilized as the scheme relates to Pan-India surveys and major surveys were still at the approval stage. Scheme such as EPS’95, NDUW, NCS and Bonded Labour are demand-driven schemes, and expenditure depends entirely on actual demands received.

In FY 25-26 reduction at RE stage is in PM-VBRY, EPS’95, NDUW, Bonded Labour, and LESS schemes. Following Cabinet approval on 1 July 2025, the PMVBRY scheme was notified to take effect from 1 August 2025, instead of the originally envisaged date of 1 April 2025 which had formed the basis of the BE 2025-26 estimation. As per approved scheme design, only those beneficiaries enrolled in August 2025 who complete the stipulated six months of sustained employment within the Financial Year will become eligible for benefits. This has led to a substantial reduction in the actual requirement at the RE stage in FY 25-26. Some surveys under LESS scheme could not materialize. As explained above, demand under the other schemes expenditure depends upon actual demands received.

There has been no adverse effect on the Scheme during FY 2024-25 and FY 2025-26. Bureau Heads have been advised to ensure full expenditure vis-à-vis monthly targets and pace of expenditure is also being reviewed on weekly basis at Secretary and AS/FA level.”

2.7 On reviewing the expenditure trends, the Committee have observed that the major savings is due to non-approval of schemes in time. As this is a recurring nature, the Ministry was asked to state the efforts being made to evolve an effective coordination mechanism for getting timely approval of the schemes. The Ministry in their supplementary reply, submitted as under:

“All Bureau heads have been advised to ensure that approval of scheme is completed within the period allocated. They have also been advised to make provisions for only such schemes which are likely to be implemented in the ensuring year. Further, Secretary and AS&FA, MoLE are closely monitoring the approval process to avoid recurrence of such delays and to strengthen coordination among the concerned divisions, so as to ensure timely implementation of schemes and optimal utilization of budgetary allocations. In preparation for the next FC, 3rd party evaluation of all schemes have been completed, revised schemes formulated/being formulated. Two of the revised schemes have already been approved by the SFC. The remaining have also been formulated and are at the Stakeholder consultation stage prior to EFC/SFC meetings. The Ministry’s effort is to obtain necessary approvals early.”

2.8 On being asked what reasons the Ministry attribute for substantial shortfall in expenditure i.e. 37.53% over RE during 2024-25 and 30.74% upto 15 January, 2026 during 2025-26, the Ministry in their written reply stated as under:

“The major shortfall in expenditure is mainly under PM-VBRY (earlier named ELI/NEGS) due to non-approval of the scheme in FY 2024-25, which led to surrender of Rs. 6799.27 Cr. Further, under LESS scheme, the shortfall in expenditure was due to some projects(CPI Base year revision, QES, etc.) which were at processing/approval stage. In addition, NCS, LWS, PM-SYM and Rehabilitation of Bonded Labour are demand driven schemes and the expenditure under these schemes are directly linked to the demand received.

FY 2025-26

As on 10.02.2026 the expenditure is Rs 9085.34 crore which is 71.60% of the RE 2025-26. It is anticipated that the funds allocated at the RE stage will be fully utilized by the end of the Financial Year.”

2.9 In respect of demand driven schemes such as EPS’95, NDUW, Bonded Labour, etc., when the Ministry was asked to state the mechanism for coordination with the State governments/stakeholders for getting demands/proposals under the schemes in a timely manner and the initiatives taken for wide publicity of the schemes, the Ministry in their supplementary reply, stated as under:

“All these schemes are Central sector schemes.

EPS'95

Mechanism for coordination with the stakeholders for getting demands/ proposals under this scheme:

It is informed that the demand towards 1.16% Govt. Contribution is quantified based on the returns filed and payments made by the employer towards EPS' 1995 @ 8.33%. Based on these returns, estimates for dues are calculated. Similarly, for minimum pension, based upon actual pensions disbursed, the subsidy towards minimum pension is estimated. These estimates are used to finalize the Budget Estimates.

The EPFO submits the Budget demand proposals to MoL&E every month based on the available actual figures so that the demand is raised in a timely and realistic manner. Funds are released to EPFO based on these demands.

Initiatives taken for wide publicity of the schemes

Publicity and awareness campaign are carried out regularly through print as well as digital media. Informative videos are regularly posted in the EPFO's official channel. Every month an outreach program i.e. Nidhi AapkeNikat 2.0 is done in all districts of the country where apart from awareness generation, grievances are also redressed. Knowledge sharing sessions on YouTube and Social-Media are regularly conducted. Through information, education and communication activities, the stakeholders are regularly informed & updated about the latest initiatives and achievements.

NDUW:- To enhance registrations under the eShram initiative and ensure wider coverage of unorganised workers, the Government has adopted a comprehensive strategy. In addition to enabling self-registration through the web portal and mobile application, assisted registration modes have been introduced via Common Service Centres (CSCs), State Sewa Kendras (SSKs), and the UMANG platform to facilitate easy access for workers. The Ministry of Labour and Employment is conducting targeted awareness campaigns comprising registration drives, community outreach programs and locally tailored communication efforts. To further strengthen outreach, the Ministry leverages social media channels to disseminate videos, tutorials, and other informative content, making the initiative more accessible and engaging.

This is a demand-driven scheme. The payments are released to CSC towards enrollment charges for actual registration of unorganised workers on eShram portal and to NIC for design, development and maintenance of

eShram portal. The budget utilisation is based on actual expenditure incurred as per the invoices raised by vendors such as CSC, NIC etc.

Bonded Labour:-The Central Sector Scheme for Rehabilitation of Bonded Labourer-2021 is a demand driven scheme where funds are provided/reimbursed to State/UT Governments on receipt of proposals from them.

Regular communications in form of D.O. Letters through various levels are sent to State/UT, seeking demands/proposals under the scheme from them. In FY 2025-26, the following communications were sent to State/UT, requesting them to furnish proposals under the scheme:

- a. D.O. Letter dated 25.09.2025 from the Secretary (L&E) to the Chief Secretaries of all States/UTs, with a copy marked to the Principal Secretaries/Commissioners (Labour Department).
- b. D.O. Letter dated 30.09.2025 from the Bureau Head to the Principal Secretary/Secretary of all States/UTs.
- c. D.O. Letter dated 02.07.2025 from the Bureau Head to the Principal Secretary/Secretary/Commissioner (Labour Department) of all States/UTs.

Apart from above, a D.O. Letter dated 30.09.2025 from the Bureau Head addressed to the Secretary General, National Human Rights Commission (NHRC), requesting them to conduct refresher/orientation training of concerned officials dealing with the matter related to Bonded Labour in State/UT. Moreover, it was also requested to conduct Annual capacity building programme/workshop/seminar about the menace of bonded labour in society on regular intervals with officials of State/UT, SHRCs and other relevant stakeholders.”

2.10 When asked about the plan of the Ministry to utilize the remaining amount vis-à-vis RE 2025-26 within the remaining period of the current fiscal, particularly in view of the Department of Expenditure’s ceiling of 33% expenditure in the last quarter and 15% in March, the Ministry responded as under:

“The RE projected for FY 2025-26 is 12688.05 crore and as on 10.02.2026, actual expenditure is Rs. 9085.34 Crore. The expenditure of remaining amount w.r.t. RE 2025-26 is planned and is likely to be utilized by the end of FY. Further, Ministry is strictly adhering to the Budget division (Ministry of Finance) guidelines in regard to ceiling limit of expenditure of 33% expenditure in the last quarter and 15 % in March of Financial Year.”

2.11 On being asked to furnish the anticipated expenditure and areas of savings by the end of March, 2026 along with the reasons, the Ministry stated as under:

“As on 10.02.2026 the expenditure is Rs 9085.34 crore which is 71.60% of the RE 2025-26. Since expenditure under PMVBRY is likely to be booked in Feb/Mar after the first six months of operation is over, it is anticipated that the funds allocated at the RE stage will be fully utilized by the end of the current Financial Year. Ministry is making all efforts to utilize the allocated fund.”

2.12 On a question regarding whether the Ministry have identified any areas within its budgetary planning processes that required streamlining, the Ministry responded through their written reply as follows:

“On reviewing the expenditure trends, it has been noted that major saving is due to non-approval of schemes in time. Accordingly, all bureau heads have been advised to ensure that approval of scheme is completed within the period allocated. They have also been advised to make provisions for only such schemes which are likely to be implemented in the ensuing year.”

2.13 The Ministry have stated that Budgetary allocation under Revenue & Capital is Rs. 32475.33 crore and Rs. 40.98 crore, respectively. Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY) with Budget allocation of Rs. 20082.70 crore accounts for 61.84% of total revenue budget allocation and Employees' Pension Scheme (EPS), 1995, with a Budget allocation of Rs. 11000.00 crore accounts for 33.87% of total Revenue budget allocation.

2.14 On being asked to furnish a detailed note on the proposed utilization of 61.84% of the total Revenue budget allocation under PM-VBRY and 33.87% of the total Revenue budget allocation under EPS, 1995 for FY 2026-27, the Ministry furnished the following reply:

“Detailed note on proposed utilization of proposed BE 2026-27 for EPS, 1995

An outlay of Rs. 11,000 Crore has been proposed for the Financial Year 2026–27 to meet the statutory obligations under the Employees' Pension Scheme (EPS), 1995. This allocation is structured to fulfil two primary mandates:

- **Statutory Contribution:** Provisioning for the Central Government's mandated contribution to the Pension Fund at the rate of 1.16% of the 'pay' of contributory EPS members, as stipulated under Para 3(2) of the Scheme.
- **Minimum Pension Support (Grants-in-Aid):** Release of 'Grants-in-aid' required to bridge the deficit for pensioners whose originally sanctioned pension falls below the prescribed floor of Rs. 1,000 per month.

The proposed Budget Estimate (BE) for 2026–27 reflects an increase over the Revised Estimate (RE) of 2025–26. This upward revision is necessitated by the following factors:

- **Expanding Membership Base:** A consistent year-on-year increase in the total number of EPS subscribers.
- **Wage Growth:** A general rise in the 'pay' levels of members, which directly impacts the 1.16% contribution quantum.
- **Expenditure Trends:** An analysis of historical expenditure patterns and current-year utilization, both of which indicate a sustained growth trajectory.

Detailed note on proposed utilization of proposed BE 2026-27 for PMVBRY

Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY) is a demand-driven scheme launched by the Government of India to promote employment generation, incentivize first-time employment and support employers for creation of new jobs. The scheme is implemented through EPFO and is linked to real-time payroll data.

The Budget Estimates for FY 2026-27 have been formulated based on the trend of new employment generation reflected in EPFO data during the last two years. The projections factor in sectoral employment growth trends, seasonal variations, and expected formalization of workforce.

The allocation of Rs. 20,082.70 crore is proposed to be utilized primarily for:

- Incentive payments to eligible first-time employees under Part A of the Scheme, to be credited directly into their bank accounts through DBT.
- Incentive payments to eligible employers under Part B of the Scheme for generating additional employment, based on verified payroll data and fulfilling other eligibility conditions.
- Administrative and IT-related support strictly limited to operational requirements and handling of Project Monitoring and Management Unit.

Being a demand-driven scheme, actual expenditure will depend on the pace of new job creation and compliance by establishments.”

2.15 When asked to specify the quantum of funds spent in each quarter during the Financial Year 2025-26 upto 31 January 2026 and also to specify the shortfall as per the Quarterly Expenditure Plan against the allocated budget along with the steps taken to utilize the remaining amount, the Ministry furnished the following details in their written reply:

“Quarter wise Expenditure plan and expenditure are given below:-

(Fig.in cr)

Ist QEP	Ist Quarter Exp	IInd QEP	IInd Quarter Exp	IIIrd QEP	IIIrd Quarter Exp	IVth QEP	IVth Quarter Exp upto 31.01.2026
8119.77	2058.08	8160.47	3706.32	8214.13	3011.14	8151.82	1004.18

Reasons for the shortfall:- During the current FY 2025-26, the major shortfall in expenditure is mainly under PMVBRY, EPS’95, NDUW, LESS, and Rehabilitation of Bonded Labour schemes. As far as PMVBRY is concerned, the scheme was notified to take effect from 1 August 2025, following Cabinet approval on 1 July 2025, instead of the originally envisaged date of 1 April 2025 which had formed the basis of the BE 2025–26 estimation. Consequently, only those beneficiaries enrolled in August 2025 who will complete the stipulated six months of sustained employment within the Financial Year will become eligible for benefits. The first instalment of payment is proposed to be released by March, 2026. As far as EPS’ 95 is concerned, GoI contributions are made on the basis of actual receipt of employer’s contribution in immediately preceding five months whereas Budget Estimates are projected in September/October on the basis of previous years’ data and expected rate of growth in next FY. Further, schemes such as Bonded Labour and NDUW are demand-driven in nature; accordingly, expenditure under these schemes is entirely dependent on the demands received. Under the LESS scheme, the shortfall

is due to certain projects (such as the Occupational Wage Survey, CPI base update, etc.) still being at various stages of processing/approval.

Steps taken by the Ministry:- The Ministry is making all-out efforts to expedite necessary approvals under the LESS scheme. Special campaign drives have been undertaken to generate demand under the demand-driven schemes. Bureau Heads have been advised to ensure full utilization vis-à-vis targets on a monthly basis.”

2.16 When asked to explain the mechanism to ensure full utilization of the budgetary allocations of the Ministry year after year and the measures that are taken/proposed to remove the impediments encountered during 2025-26 so as to maximize utilization of funds during 2026-27, the Ministry stated in their written reply as under:

“Estimation of funds at the BE stage has been worked out after detailed consultations with the concerned Divisions through multiple meetings, taking into account approved year-wise scheme outlays, past expenditure trends, the stage of implementation of schemes and the revised fund-flow mechanism, so as to project more realistic Budget Estimates.

Further, Bureau Heads have been advised to ensure proportionate expenditure during the year by fixing monthly and quarterly expenditure targets and to regularly review actual expenditure vis-à-vis the prescribed targets. The pace of expenditure is also being monitored on a weekly basis by the AS&FA and Secretary, MoLE.”

2.17 The funds sought for FY 2026-27 was Rs. 33380.94 crore, while the amount allocated by the Ministry of Finance is Rs. 32666.31 crore. When asked to state the specific reasons put forth by the Ministry of Finance for allocating lesser funds, whether the BE 2026-27 has been projected keeping in view the actual spending trends of previous years, the rationale for the proposed allocation and the manner in which the Ministry would work towards successfully implementing the various schemes within the reduced allocation, the Ministry stated in their written reply as under:

“Ministry of Finance has revised the Budget Estimate (BE) 2026-27 i.e. Rs 32666.31 crore. Therefore, there is marginal reduction in funds for FY 2026-27 in respect of the schemes PM-SYM, CGC, NCS, LWS, EPS, and NDUW is attributable to these schemes presently being under the appraisal stage. However, during the discussions, the Ministry of Finance (MoF) assured that in case of any additional requirement of funds, the Ministry may project the same at the Revised Estimates (RE) stage in accordance with the approved outlay of the respective schemes.”

2.18 In the wake of the four Labour Codes having been implemented, the Committee enquired whether any allocation of funds have been made in BE 2026-27 to prepare the ground work. The Ministry stated as under:

“The Labour Codes were made effective w.e.f. 21.11.2025. The majority of groundwork relating to advertising and publicity has already been undertaken during F.Y. 2025–26 through the release of a Pan-India Media Campaign on the Labour Codes by seeking re-appropriation of Rs. 13.75 Crore under the relevant budget head. Further, appropriate provisions have been made in BE 2026-27 for undertaking media and publicity activities related to Labour Codes. Any additional requirement of funds shall be met by necessary re-appropriations during the next FY.”

2.19 On being asked as to whether any component of allocation of funds for activities undertaken under EPFO and/or ESIC have been made for 2026-27, the Ministry in their written reply provided the details as under:

“EPFO: The details of proposed budget outlay for 2026-27, in respect of EPS, 1995 and PMVBRY is as under:

S. No.	Scheme	Amount
1.	EPS, 1995	Rs. 11,144.00 Cr
2.	PMVBRY	Rs. 20,082.70 Cr.

ESIC: No allocation has been made under ESIC for 2026-27.”

2.20 When the Ministry was specifically asked regarding the reasons for not allocating any funds for ESIC during 2026-27, the Ministry in their supplementary reply stated as under:

“Employees' State Insurance Corporation (ESIC) is a self-sustaining autonomous body. It operates without any budgetary support from the Government of India, as its funds are generated through contributions from employers and employees.”

2.21 In FY 2025-26, reduction at RE stage is in Pradhan Mantri -Viksit Bharat Rozgar Yojana (PM-VBRY), Employees Pension Scheme (EPS) '95, National Database of Unorganized Workers (NDUW), Bonded Labour, and Labour and Employment Statistical System (LESS)schemes. When the Committee sought to know the reasons for the delay in getting approval for PM-VBRY which was announced during budget speech 2024-25 and the measures that have been

taken by them for timely approval of the scheme, the Ministry in their written supplementary reply submitted as follows:

“Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY), announced in the 2024-25 Budget, went through repeated inter-ministerial consultations and stakeholder engagements before approval. Initially designed as three schemes, it was streamlined into two parts (Part A and Part B) after extensive discussions with trade unions, industry associations, academic institutions, State Governments, and 22 Ministries.

The EFC Note was appraised by the EFC on 01.10.2024, followed by further modifications based on feedback and subsequent EFC meetings held on 14.01.2025 and 09.05.2025. After incorporating all iterative changes, the Draft Cabinet Note was approved by the Finance Minister on 28.05.2025 and circulated to PMO and Cabinet Secretariat on 29.05.2025. Final approval was granted on 01.07.2025.

For timely implementation, a Steering Committee and an Executive Committee have been constituted to oversee coordination, monitoring, and evaluation of the scheme.”

2.22 On a specific query of the Committee as to the surveys under LESS scheme which could not materialize and the reasons and the status of such surveys, the Ministry in their written supplementary replies stated thus:

“Due to abnormal year 2021-22 overlapping with the Covid period and issues in time series data comparability with baseline data, repeat surveys of migrants workers could not be undertaken.”

III. Scheme-wise Analysis of Performance

(i) Secretariat

3.1 The details of the budgetary allocation and utilization during FY 2023-24 to FY 2025-26 and BE for 2026-27 under the Head are as follows:

(Rs. in Crore)					
S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	89.31	96.59	89.47	7.12(-)
2	2024-25	104.46	98.05	94.32	3.37(-)

3	2025-26	106.54	122.50	88.53 (upto 15 January 2026)	33.97(-)
4	2026-27	120.44			

3.2 The Committee have observed that against the BE of Rs. 106.54 crore for 2025-26, the RE was scaled up to Rs. 122.50 crore, however, the AE is only Rs. 88.53 crore (upto 15 January 2026). When asked to explain the reasons for the enhanced RE and persistent underutilization of funds under this Head, the Ministry in their written reply stated as under:

“Against the Budget Estimate (BE) of Rs. 106.54 crore for the year 2025–26, the Revised Estimate (RE) was scaled up to Rs. 122.50 crore after careful assessment of requirements during the current Financial Year. The revision was primarily necessitated due to pending liabilities pertaining to committed expenditures that were required to be cleared within the current Financial Year and debit claims received from the Ministry of External Affairs, requiring provision of adequate funds for settlement in the current Financial Year. Ministry has also launched special campaign for labour reforms in view of notification of four new Labour Codes. Therefore additional funds of Rs. 13.75 crore were demanded at RE stage for wider publicity of the Labour Codes. The expenditure in Office Expenses budget head increased due to payment of outsourcing staff and other committed liabilities due Bonded Labour Independence day event. Under the Professional service, Rs. 2.30 crore additionally demanded for the covering the development of revamping of portals, clouds infrastructure, support & maintenance activities. The Actual expenditure as on 12th February 2026 is Rs. 103.85 crore and the RE allocation is likely to be fully utilized by March.”

3.3 On being further asked as to whether the debit claims from the Ministry of External Affairs were recurring in nature and the reasons why these were not factored into BE projections, the Ministry stated in their supplementary as below:

“Debit claims from the Ministry of External Affairs are recurring in nature. Debit claims from MEA are factored in, while making BE projections in the Budget Head “Foreign Travel Expenses (FTE)”.

3.4 The Committee observed that AE was Rs. 88.53 crore (upto 15 January 2026) but rose to Rs. 103.85 crore (as on 12 February 2026). When asked to

explain the significant increase in expenditure within one month, the Ministry submitted in their supplementary reply as under:

“The significant increase in expenditure within one month is due to the booking of Rs. 8.50 crore against Letters of Authorisation (LoA) issued to the Central Bureau of Communication (CBC) for undertaking public outreach activities for wider publicity of the Labour Reforms.”

3.5 When asked to state the anticipated expenditure by the end of March 2026 and efforts made for full utilization of the allocated funds, the Ministry replied as under:

“It is anticipated that RE will be fully utilized by the end of the Financial Year, on account of settlement of pending liabilities, clearance of debit claims etc. The Ministry is making concerted efforts to ensure optimal utilization of funds by closely monitoring expenditure under each budget head on monthly and quarterly basis and expediting clearing pending bills or claims.”

3.6 When asked to explain the methodology adopted for projecting BE and the steps taken to improve accuracy of future projections, the Ministry stated as under:

“The Budget Estimates are primarily projected based on actual expenditure trends of previous years, committed liabilities and anticipated new initiatives. To improve the accuracy of future projections, the Ministry is conducting regular monthly and quarterly expenditure review meetings at the senior officer level and periodic assessment of pending liabilities is also being done.”

3.7 On being asked whether the reduced expenditure has had any bearing on policy formulation, co-ordination or monitoring functions of the Ministry, the Ministry responded as under:

“There is reduction of Rs. 2.06 crore in BE 2026-27 against RE 2025-26. This marginal difference would have no adverse effect on the policy formulation, co-ordination or monitoring functions of the Ministry during FY 2025-26 and FY 2026-27. In case additional fund are required, the same will be demanded at RE stage 2026-27.”

3.8 When asked about the corrective measures that have been taken to ensure optimal utilization of funds under this Head during 2026-27, particularly in view of expanded responsibilities post-implementation of the new Labour Codes, the Ministry stated as under:

“It is intimated that the Labour Codes were made effective w.e.f. 21.11.2025. The majority of groundwork relating to advertising and publicity has already been undertaken during F.Y. 2025–26 through the release of a Pan-India Media Campaign on the Labour Codes in two phases, at a total cost of approximately Rs. 22 crore, by seeking re-appropriation of funds under the relevant budget head.

Further, appropriate provisions have been made in BE 2026-27 for undertaking media and publicity activities related to Labour Codes. Any additional requirement of funds shall be met by necessary re-appropriations during the next FY.”

3.9 On being asked as to how the Ministry will ensure that expanded responsibilities under the new Labour Codes are adequately funded without frequent upward revisions at RE stage, the Ministry in their supplementary reply stated as under:

“The Ministry of Labour and Employment ensures prudent financial management in respect of media and outreach activities under the new Labour Codes. It may be noted that expenditure on media campaigns is generally higher at the time of launch of major reforms, as wider dissemination of information is essential to create awareness among stakeholders, particularly the intended beneficiary groups, employers and workers.

The intensified outreach at the initial stage facilitates better understanding of the provisions and smooth transition to the new regulatory framework. This has been initiated. Once the reform measures are stabilized and stakeholders are adequately sensitized, the level of media expenditure normally moderates and aligns with routine information and awareness requirements. Adequate provisions for the same has been kept in the next year’s BE.

Accordingly, financial planning for media activities takes into account the front- loaded communication requirements at the time of introduction of reforms, followed by a calibrated and moderated outreach once the reform measures are adequately stabilized through complementary interventions such as digital systems, strengthening of enforcement mechanisms and capacity building of stakeholders. This approach is likely to minimize the frequent upward revisions at the Revised Estimates stage.”

3.10 On being asked as to whether the BE 2026-27 has been projected keeping in view the actual spending trends of previous years and what is the rationale for the proposed allocation, the Ministry in their written reply submitted as under:

“The Budget Estimates for the Financial Year 2026-27 have been projected keeping in view of the actual expenditure trends during the current and previous Financial Years and committed liabilities.”

(ii) Directorate General of Factory Advice Service and Labour Institutes (DGFASLI)

3.11 The BE, RE and AE figures during 2023-24 to 2025-26 and BE 2026-27 under DGFASLI are as under:

(Rs. in Crore)

S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	39.10	40.03	34.34	5.69(-)
2	2024-25	39.34	34.08	33.84	0.24(-)
3	2025-26	39.01	34.00	26.65 (upto 15 January 2026)	7.35(-)
4	2026-27	41.11			

3.12 Under this Head, BE 2025-26 of Rs. 39.01 crore was reduced to Rs. 34.00 crore at RE stage. It has also been seen that the AE is only Rs. 26.65 crore (upto 15 January 2026). The trend of shortfall in expenditure is seen during 2023-24 and 2024-25 as well. On being asked to explain the reasons for persistent underutilization of funds under this Head and to provide the updated details of actual expenditure as well as the anticipated expenditure by the end of March 2026, the Ministry furnished the following information:

“The budgetary estimate of DGFASLI contains salary components, various allowances, office expenses, etc. and establishment related expenditure which is for minor repairs as well as major infrastructure

work. The under-utilization of funds is mainly under the object head Building & Structures (Capital), wherein LOA(s) has been issued to the CPWD for works but the funds are yet to be utilized by CPWD. In addition, total amount of Rs. 98.40 lakhs have already been surrendered under this Object Head due to non approval / delayed permission from the local Govt. bodies for repair / construction of boundary wall of CLI, Mumbai. The Budget under this Object Head has been reduced to Rs. 2 crore at RE Stage which is likely to be utilized by 31.03.2026.

During 2023-24 and 2024-25, works were assigned to CPWD related to structural repairs and renovation work of residential buildings at Central Labour Institute (CLI), Mumbai and renovation of hostel building at Regional Labour Institute (RLI), Faridabad for Rs.5.62 Crore and Rs. 1.35 Crores respectively. However, despite regular follow up and meetings with CPWD, CPWD did not complete the work and hence did not utilize the entire earmarked amount.

In case of 2025-26, the BE is Rs. 39.01 Crore which has been reduced to Rs. 34 Crore. Further, the actual expenditure as on date is Rs. 28.95 Crore and anticipated expenditure upto the end of March 2026 is Rs. 34.00 Crore.”

3.13 On a further query relating to the accountability mechanism that has been put in place to fix responsibility for repeated delays in execution of work by CPWD and whether any time-line bound execution framework or penalty clause has been incorporated in future Letters of Acceptance (LOAs), the Ministry in their supplementary reply stated as under:

“Ministry of Labour & Employment and DGFASLI conduct periodic review meetings with CPWD authorities to monitor progress and ensure timely execution of works within the time limits prescribed in the Preliminary Estimates. Delays are reviewed regularly, and follow-up actions are taken to avoid recurrence.

LOAs are issued on the basis of Preliminary Estimates prepared by the CPWD, which clearly stipulate the timeline for execution of the work. DGFASLI and its subordinate offices, through CPWD, ensure levy of compensation for delays under Clause 5 of the General Conditions of Contract (GCC) 2023, in accordance with the agreement executed between CPWD and the contractor.”

3.14 The BE for 2026-27 is Rs. 41.11 crore, which is higher than the BE of 2025-26. On being asked to explain the methodology adopted for projecting BE

considering the actual spending trends of previous years, the Ministry responded as under:

“The proposal for filling up the different vacant posts, promotion related proposal has already been submitted to UPSC. It is expected that these posts are expected to be filled up during 2026-27 which may significantly increase the expenditure. In addition, up-gradation / minor repair of different RLIs and CLI infrastructure, construction / renovation of hostel as well as residential building / Office buildings and equipment projects are proposed to be undertaken during 2026-27.”

3.15 On being further asked to furnish the details of vacancies in various posts along with the year of vacancy, its impact on the functioning of DGFASLI and how the Ministry will ensure that these vacant posts are filled up on priority, the Ministry in their written supplementary reply stated as under:

“Details of the vacancies is at **Annexure-I**. Out of the total 76 sanctioned Group A Post, 54 is currently in position. The proposals for filling up the vacant posts through Direct recruitment and promotion has already been submitted to UPSC and is being followed up. These posts are expected to be filled up during 2026-27. The organization has continued to discharge its mandated functions and responsibilities effectively with the available strength.”

3.16 On a query relating to the plan of the Ministry to fully utilize the enhanced allocation for 2026-27, they submitted in their written reply as under:

“The proposal for filling up the different vacant posts, promotion related proposal has already been submitted to UPSC. It is expected that these posts are expected to be filled up during 2026-27 which may significantly increase the expenditure. In addition, up-gradation / minor repair of different RLIs and CLI infrastructure, construction / renovation of hostel as well as residential building / Office buildings and equipment projects are proposed to be undertaken during 2026-27.”

3.17 On being asked to furnish the details of training programmes of enforcement agencies and executives of factories conducted during the last three years and the current year along with the number of such programmes planned for 2026-27 under the Occupational Safety, Health and Working Conditions (OSH&WC) Code, 2020 and whether vacancies in various posts have adversely impacted the training programmes, the Ministry in their supplementary reply stated as below:

“Details of the training programmes conducted by DGFASLI organization for the years 2022, 2023, 2024, 2025 and upto February 2026 are as follows:

Programmes		2022	2023	2024	2025	2026 (up to February)
Professional Programmes						
1. One-year Advance Diploma in Industrial Safety (ADIS)	Programmes	5	5	5	5	-
	Participants	210	215	216	226	-
2. Three-month Associate Fellowship of Industrial Health (AFIH)	Programmes	-	5	11	10	-
	Participants	-	224	449	390	-
3. One-month Certificate Course for Supervisors employed in Hazardous Process Industries	Programmes	1	2	2	2	-
	Participants	29	17	14	28	-
Total	Programmes	6	12	18	17	-
	Participants	239	456	679	644	-
Technical Programmes						
1. Ten-day Basic Course for Inspector of Factories	Programmes	1	1	-	1	-
	Participants	39	7	-	42	-
2. Refresher course for Inspector of Factories	Programmes	-	-	-	1	-
	Participants	-	-	-	9	-
3. Long Duration (3 or more day) Training Programmes	Programmes	12	39	77	100	11
	Participants	269	668	1141	1633	142
4. Short Duration (1 or 2 day) Training Programmes	Programmes	-	7	21	7	5
	Participants	-	135	230	100	113
5. Half-day Online Training Programmes	Programmes	126	-	-	-	-
	Participants	1714	-	-	-	-
6. Seminars/Workshops	Programmes	4	5	16	23	1
	Participants	326	172	987	1960	20
7. In-plant Training Programmes	Programmes	3	14	49	68	8
	Participants	456	473	1720	2370	138

8.Appreciation Programmes	Programmes	41	52	80	60	7
	Participants	1317	2358	2231	2701	259
9.Talks	Programmes	19	40	8	47	2
	Participants	597	1328	110	3138	500
Total	Programmes	206	158	251	307	34
	Participants	4718	5141	6419	11953	1172
Grand Total	Programmes	212	170	269	324	34
	Participants	4957	5597	7098	12597	1172

- Vacancies across branch specific technical expertise in critical engineering and other disciplines has increased workload and efforts are being made to fill the same as per procedure. However, training constitutes only one component of DGFASLI's broader statutory mandate, which also includes technical advisory to Government, investigation of serious industrial accidents, Major Accident Hazard (MAH) inspections, dock safety enforcement, and development of safety standards and policy inputs.
- Despite manpower constraints, core training activities have continued without interruption; nevertheless, expansion of outreach and specialised capacity building initiatives would be substantially strengthened with adequate and discipline balanced cadre strength."

3.18 On a query relating to the effect of reduced expenditure on the overall functioning of DGFASLI, the Ministry stated as under:

"Revised Estimate (RE) 2025-26 has been reduced keeping in view the expenditure trends during the current FY. The overall functioning of DGFASLI continues uninterrupted, and all essential and committed expenditures are being met in the available fund."

3.19 When the Ministry was asked to state whether any concrete measures have been put in place to ensure optimal utilization of funds under this Head during 2026-27, particularly in view of multifaceted functions and additional responsibilities of DGFASLI post-implementation of the new Labour Codes, they submitted as under:

"Under the OSH&WC Code, 2020, DGFASLI is involved in formulation and implementation of Central Rules, develop and update technical standards, strengthening the functioning of Inspector-cum-Facilitators through capacity building, provide nationwide stakeholder training and capacity

building, and render expert advice to the Central and State Governments. DGFASLI will be conducting more number of training programmes of enforcement agencies as well as executives of factories. In addition, DGFASLI continues to discharge its statutory and specialized responsibilities relating to dock safety through the Dock Safety Inspectorate, including inspection of dock workplaces, regulation of handling and storage of hazardous cargo, investigation of dock accidents. Budget for the next year will be utilized for effectively meeting these enhanced and specialized responsibilities.”

(iii) Directorate General of Mines Safety (DGMS)

3.20 The BE, RE and AE figures during the last three fiscals and BE 2026-27 under DGMS are as follows:

(Rs. in Crore)

S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	109.08	120.93	113.34	7.59(-)
2	2024-25	119.00	116.36	117.72	1.36(+)
3	2025-26	126.53	120.91	99.97 (upto 15 January 2026)	20.94(-)
4	2026-27	128.90			

3.21 The BE 2025-26 of Rs. 126.53 crore was reduced to Rs. 120.91 crore at RE stage. It is seen that the AE is Rs. 99.97 crore (upto 15 January 2026). When asked to state whether the Ministry will be able to utilize the remaining amount by the end of the Financial Year keeping into account the expenditure parameters laid down by the Ministry of Finance and also provide the updated actual expenditure the anticipated expenditure by the end of March 2026, the Ministry stated as under:

“Expenditure of Rs. 99.97 crores was booked up to 15 January 2026. Thereafter, Expenditure reached up to Rs. 109.21 Crores as on 31.01.2026. Balance funds on 31 January 2026 was **Rs. 11.69 Cr.** Details of estimated, liabilities/proposed expenditure under Revenue and Capital sections against allocated budget RE 2025-26 is furnished below :

(Rs. in Crores)

Revenue Section FY 2025-26			
BE (Rs.)	RE (Rs.)	Expenditure as on 31.01.2026(Rs.)	Balance (Rs.)
113.68	112.82	104.29	8.53
Estimated liabilities for rest of the FY 2025-26			
Salary and allowances of DGMS Employees for Feb. 2026 Rs.			7.87
MTS Through GeM (Jan. 2026) Rs.			0.60
Other liabilities/ proposed expenditure Rs.			0.06
Total Rs.			8.53

(Rs in Crores)

Capital Section FY 2025-26			
BE (Rs.)	RE (Rs.)	Expenditure as on 31.01.2026(Rs.)	Balance (Rs.)
12.85	8.09	4.91	3.18
Estimated Expenditure for rest of the FY 2025-26			
Building & structures (Rs.) (LOA issued 9.5 Crores, Expenditure booked Rs 4.54 Cr.). (RE Rs 7.00 Crores - Exp.4.54 Crores= Balance Rs. 2.45)			2.45
Proposed procurement under O.H. - ICT, Furniture & other proposed expenditure in			0.73

other O.H. (Rs.)	
Total(Rs.)	3.18

Apart from the above, DGMS have additional budgetary liabilities during the FY 2025-26 like Medical Treatment, LTC, Training Expenses, Domestic Travel Expenses and Rent, Rates & Taxes.”

3.22 There has been shortfall in utilization of the allocated funds for the past three fiscals. When the Ministry was asked as to what is the justification for enhancing the BE 2026-27 to Rs. 128.90 crore, they replied as under:

“Shortfall in expenditure from allocated budget majorly caused due to less booking of funds by CPWD against the sanctioned works under object head Building and Structures/Major works. Details for section-wise budget allocation and their utilization for last three years is given hereunder;

	FY 2023-24			FY 2024-25			FY 2025-26 (up to 31.01.2026)		
	FE	AE	% Utiliza tion	FE	AE	% Utiliz ation	RE	AE	% Utiliza tion
Revenue	106.09	105.39	99.3%	109.92	109.66	99.8	112.82	104.29	92.4
Capital	8.74	7.88	90.2	8.74	8.06	92.2	8.09	4.91	60.8
Total	114.83	113.28	98.65	109.92	117.72	99.2	120.91	109.21	90.30

Recruitment for vacant Gr.-A posts is under process and more officers are likely to join which will further increase the expenditure on Salary, Domestic Travel Expenses etc.

Apart from these necessary steps for strengthening office infrastructure such as construction of DGMS owned new office buildings, residential accommodation for DGMS employees are also in progress at many locations. Phase wise Procurement of laptops, Desktop computers, Furniture and other essentials are also being done. In order to run the office smoothly and to achieve the above-described goals, allocation of Rs. 128.90 crores including enhancement will be necessary.”

3.23 Since delays in booking expenditure by CPWD have been cited as a recurring issue for under-utilisation of allocated funds, the Ministry was asked to elaborate the alternative execution mechanisms or stricter monitoring arrangements explored by DGMS. The Ministry, in their supplementary reply stated as under:

“Capital works are being executed through CPWD as it is most preferred government agency for execution of such works. To ensure stricter monitoring, DGMS has established a centralized team led by the Deputy Director General of Mines Safety, with zonal and regional officers coordinating CPWD works locally. Expenditure sanctions are carefully phased, based on realistic utilization within the Financial Year and aligned with physical progress after thorough consultation with CPWD. Regular follow-ups, correspondence, and quarterly review meetings with the Ministry, CPWD, and DGMS officials further strengthen oversight and accountability of capital works.”

3.24 On a query as to the details of sanctioned and actual strength as well as vacancies in DGMS and the impact of vacancies on inspections and enforcement, the Ministry provided the following details:

“Details of sanctioned and actual strength as well as vacancies in DGMS and the impact of vacancies on inspections and enforcement: -

(i)

Category of Officials	No. of Sanctioned Post	No. of Officials in Position	Shortfall/ Excess
GROUP-‘A’	277	208	-69
GROUP-‘B’ (Gazetted)	34	24	-10
GROUP-‘B’ (Non-Gazetted)	186+7	140+7	-46 +07(Incumbents present on post proposed for abolition)
GROUP-‘C’	229	121+48	-108 +48(Incumbents present on post proposed for abolition)
GROUP-‘C’ (MTS) Sanctioned for outsourcing	231	190(Outsourced)	-41
TOTAL	726 (Regular) & 231	Total in Position 548 &	-233 &

	(Outsourcing)	190 (Outsourced)	- 41(outsourced) +55(Incumbents present on post proposed for abolition)
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Inspection activities are being managed by the existing staff. Process of filling up vacant posts is also ongoing to further improve coverage and monitoring.”

3.25 On a further query as to whether the number of inspections per officer has increased due to staff shortage and the efforts made to fill up these vacant posts on priority, the Ministry in their supplementary reply stated thus:

“Number of Inspections/Inquiries per officer has not increased due to shortage of staff. All officers are given yearly targets for carrying out Inspections which are allotted through online Shram Suvidha Portal.

The details of Inspections/Inquiries conducted in last two years and current year is as follows:

Financial Year	No. of Inspections	No. of Inquiries	Total
2023-24	8860	1292	10152
2024-25	7804	1502	9306
2025-26 (Up to 31.01.2026)	6248	1348	7596

(a) Efforts made/ being made to fill up 69 vacant posts in Group – A is at **Annexure - II.**

(b) Direct Recruitment proposal for vacant Group B & C posts has already been sent to SSC.

(c) Promotional posts in Group B and C are being filled, though some remain vacant due to no eligible candidates available in the feeder grade. Action has already been taken as per Recruitment Rules to fill up of some vacant post from alternative method of recruitment.

(d) A cadre Review proposal of Group B & C posts is under process wherein some posts have been proposed for abolition and some posts have been proposed for restructuring so that all the vacant post could be filled up.”

3.26 On a question whether the DGMS is adequately equipped to discharge its role under the Occupational Safety, Health and Working Conditions (OSH&WC) Code, the Ministry replied as under:

“The DGMS organizational framework is fully capable of executing its expanded mandate under the OSH&WC Code, 2020. Required capacity building programme and training sessions are being organized to equip the existing staff. Steps are also being taken to fill up the vacant post in DGMS.”

3.27 When the Committee further queried regarding the number of officers who have undergone capacity building training specifically related to the Occupational Safety, Health and Working Conditions Code, 2020, the supplementary reply of the Ministry was as under:

“(i) 175 out of 204 DGMS officers have completed the specialised online training programme on the Occupational Safety, Health and Working Conditions Code, 2020 through the iGoT Karmayogi portal. Training of remaining officers is currently in progress.

(ii) Officers of DGMS has also attended a dedicated ‘Training of Trainers’ session on Labour Codes at VVG NLI, Noida to lead future internal education.

(iii) Industry Outreach: DGMS’s officers have actively organised awareness camps and programs within the industry to educate employees and operators on the provisions of the Occupational Safety, Health and Working Conditions Code, 2020.”

3.28 As to the details of priority areas identified by DGMS in 2026-27 to improve mines safety, the reply by the Ministry is as under:

“a) Awareness about the benefits of the Occupational safety, health and working condition code,2020 to inculcate the benefits of the new labour law for the persons employed in mines through stakeholder engagement, proactive measures, pamphlets, banner and short videos.

b) Collaboration with the state government for the registration of the mines and law enforcement.

c) Organising Health survey camps and health awareness camps as proactive measures to inculcate the safety awareness among persons employed to mines.

d) For the promotion of e-Governance in DGMS, receipt and dealing all the applications for grant of Permissions/Exemptions/ Relaxations/approvals through online modules only. This improves the transparency in functioning of DGMS.

e) Capacity building and training of existing officers of DGMS.”

3.29 When the Committee further asked whether DGMS possesses the data of registered and unregistered mines in the country, the Ministry in their supplementary reply stated as under:

“DGMS possesses the data of the registered Mines only. As on 01.01.2026, there are 20,640 mines registered with DGMS.”

(iv) International Cooperation

3.30 The details of budgetary allocation and utilization during 2023-24 to 2025-26 and BE 2026-27 under the Head are as follows:

(Rs. in Crore)

S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	27.00	42.80	41.64	1.16(-)
2	2024-25	43.14	41.87	38.51	3.36(-)
3	2025-26	41.99	52.05	4.28 (upto 15 January 2026)	47.77(-)
4	2026-27	52.03			

3.31 The Committee observed that the BE 2025-26 of Rs. 41.99 crore was increased to Rs. 52.05 crore at RE stage. However, an abysmal amount of Rs. 4.28 crore is the actual expenditure (upto 15 January 2026). When asked to state the reasons for increase in the RE and the severe underutilization of the allocated funds, the Ministry replied as under:

“It is stated that Rs.41.99 Cr was allocated during the Financial Year 2025-26. Out of the said amount, Rs.41.70 Cr was allocated in the head “contribution” for payment of India’s contribution to ILO. Out of the said amount, Rs.4,10,20,609.96 was paid to ILO on 22.12.2025 as 1st installment for the feasibility study on an International reference classification of occupations by skill and qualification requirements under the agreement between GoI and ILO.

After the said payment, remaining balance of Rs.37,59,79,390.04 was not sufficient for payment of 4184778 Swiss Franc to ILO as India’s contribution due to volatility in exchange rate. Accordingly, additional funds of Rs.9.45 crore (Rs.5.40 crore towards India’s contribution to the ILO for the year 2026 and Rs.4.05 crore towards the 1st instalment for the feasibility study on an International reference classification of occupations by skill and qualification requirements under the agreement between GoI and ILO) and Rs.2.18 crore were sought. Subsequently, both the said amount of Rs.9.45 crore and Rs.2.18 crore were re-appropriated at the RE stage. After this re-appropriation, the remaining amount stood at Rs.49,22,79,390.04.

Contribution amounting to Rs. 49.22 cr was released to ILO on 29.01.2026.”

3.32 On a further query as to whether the Ministry maintains a mechanism for forecasting exchange rate fluctuations while estimating India’s assessed contribution to the International Labour Organisation, they replied as under:

“The exchange rate is highly volatile and fluctuates frequently. Additionally, India’s assessed contribution to the International Labour Organisation (ILO) tends to increase over time. Therefore, the actual payment for the year can be ascertained only at the time of making actual payment based on the prevailing exchange rate.”

3.33 On a question relating to various projects/priorities under International Cooperation that have been lined up by the Ministry for the coming fiscal (2026-27) and the justification for the proposed allocation, the reply given by the Ministry is as under:

“The MoU on feasibility study on an International reference classification of occupations by skill and qualification requirements under the agreement between GoI and ILO provides a framework for undertaking a feasibility study and pilot exercise in crucial areas such as the green,

digital, and care sectors. This MoU marks a crucial step towards expanding global job opportunities for India's youth. The agreement will help Indian workers to seamlessly integrate into global labour markets. It reinforces India's vision of becoming not just the skill capital of the world, but also a trusted source of talent for countries facing workforce shortages.

This initiative has the potential of not only enhancing the global competitiveness of Indian graduates but also positioning India as an international hub for high quality, future-ready education and skilling.

As a part of India -ILO collaboration, the Decent Work Country Programme (DWCP) India-ILO 2023-2027 provides a strategic framework for cooperation, aligned with national priorities and the UN Sustainable Development Cooperation Framework.”

3.34 On the status of the feasibility study on an International reference classification of occupations by skill and qualification requirements under the agreement between GoI and ILO and the likely benefits for India and whether any timeline has been fixed in this regard, the Ministry in their supplementary reply stated as follows:

“On 16th September, 2025, an agreement was signed between India and ILO for conduct of feasibility study for development of International reference classification of occupations. The study includes pilot in the green, digital, and care sectors. India, Germany and Brazil are partner countries for the project.

This MoU marks a crucial step towards expanding global job opportunities for India's youth. The agreement will help Indian workers to seamlessly integrate into global labour markets. It reinforces India's vision of becoming not just the skill capital of the world, but also a trusted source of talent for countries facing workforce shortages. The period of implementation of the project is 2025-27.”

(v) Directorate General of Employment

3.35 The BE, RE and AE figures during 2023-24 to 2025-26 and BE 2026-27 under this Head are given below:

(Rs. in Crore)

S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	70.22	74.96	68.20	6.76(-)
2	2024-25	76.86	79.48	75.21	4.27(-)
3	2025-26	73.03	69.50	55.93 (upto15.01.26)	13.87(-)
4	2026-27	71.90			

3.36 The BE 2025-26 of Rs. 73.03 crore was reduced to Rs. 69.50 crore at RE stage. However, the AE is Rs. 55.93 crore (upto 15 January 2026). On being asked to explain the reasons for underutilization of the allocated funds and also provide the updated actual expenditure and anticipated expenditure by the end of March 2026 under this Head, the Ministry provided the following information:

“As on 10.02.2026, an amount of Rs. 60.77 crore (87% of RE) has been utilized out of total allocated RE of Rs. 69.56 crore. The remaining amount will be utilized during the current Financial Year while keeping within the FRBM limits.”

3.37 On a question relating to the details of employment related schemes and programmes implemented by the Directorate General of Employment along with the outcomes/achievements during the last three years, the Ministry furnished the following information:

“The Directorate General of Employment, Ministry of Labour and Employment, Government of India, is running the National Career Service (NCS) Portal which is a one-stop solution for providing career related services including jobs from private and government sectors, information on online & offline job fairs, job search & matching, career counselling, vocational guidance, information on skill development courses, skill/training programmes etc. through a digital platform [www.ncs.gov.in].

During the last three years i.e. from 2022-23 to 2024-25, more than 2.95 crore jobseekers and more than 41.51 lakh employers are registered on NCS Portal. Further, more than 4.27 crore vacancies have been mobilized during the same period.”

3.38 On a further query about the actual placements out of 4.27 crore vacancies mobilised on the NCS Portal, year-wise alongwith the verification mechanism to ensure authenticity of vacancies posted on the Portal, the Ministry in their supplementary reply stated as under:

“As on 31.01.2026, more than 8.78 crore vacancies have been mobilised on NCS Portal. Notifying final hiring figures is not a mandatory requirement on NCS Portal. Currently, employers registering on the NCS Portal are required to verify their credentials through PAN or GSTIN validation. This verification mechanism ensures the authenticity of the vacancies posted on the portal.

Further, the NCS portal has integrated with the Employees' Provident Fund Organisation (EPFO) through a consent-based registration mechanism, allowing EPFO-registered employers to onboard onto the NCS platform. This strengthens employer authenticity.”

3.39 On a vital question regarding the coordination between the Directorate and the State Employment Exchanges and the steps taken to integrate the employment exchanges in the States/UTs, the Ministry replied as follows:

“As on date, 31 States/UTs have been integrated with the NCS portal including 7 States/UTs which are directly using NCS Portal.”

3.40 On further being prodded to furnish the names of the States/UTs which are yet to be integrated with the NCS portal along with the reasons therefor, the Ministry in their supplementary reply provided the following details:

“As on date, 31 States/UTs have been integrated with the NCS portal including 7 States/UTs which are directly using NCS Portal.

Staging has been completed with the Portal of the State of Kerala. The remaining States (Tamil Nadu, West Bengal, Sikkim and Ladakh) are in the process of revamping or testing their own employment portals. Once these State portals are operational, their integration with the NCS portal will be undertaken.”

3.41 On the priority areas and targets envisioned by the Directorate for 2026-27 and the expected outcome, the reply given by the Ministry is as under:

“National Career Service (NCS)

For the year 2026–27, the Directorate has identified key priority areas aimed at strengthening accessibility, inclusivity, and technology driven

service delivery under the National Career Service (NCS) ecosystem. A major focus will be on establishing Career Lounges to enhance the outreach of the National Career Service (NCS) in Tier-2 and Tier-3 regions. These Career lounges will serve as coordination hubs between academia and government, enabling the development of localized employment solutions.

Further, integration with the Bhashini platform will ensure that all NCS services, including registration, job search, counselling, and helpdesk support, are available in various Indian languages.

These initiatives are expected to significantly enhance user engagement, improve job matching efficiency, and expand the reach of NCS services across the country.

National Career Service Centres for SC/STs:

The Priority areas and targets envisioned by the National Career Service Centres for SC/STs for 2026-27 are as follows:

- To enhance the employability of SC/ST jobseekers registered with Employment Exchanges/Career Centres through coaching, training, counselling and vocational guidance and to provide employment assistance through job fairs.
- To provide career information and guidance at appropriate stages to enable informed decision-making and long-term career planning.
- To promote employment opportunities for SC/ST jobseekers by enabling their participation in job fairs and supporting them in availing services offered through government schemes and related platforms.

The expected outcomes for year 2026-27 of the National Career Service Centres for SC/STs is given as below:

Welfare of SC/ST Jobseekers (No. of candidates)	
Outcome	2026-27
Coaching to prepare SC/ST Candidates for competitive exams/ Selection Tests for Group C posts	2160
Computer Training to SC/ST Job Seekers	4455

Vocational Guidance and Career Counselling services to SC/ST Job Seekers	2,50,000
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National Career Service Centres for Differently Abled

“Align all training programmes with the National Skills Qualification Framework (NSQF) to ensure national recognition and industry relevance. Partner with Sector Skill Councils (SSCs) for curriculum design, assessment, and certification.

Once the training programmes are aligned with NSQF, certificates awarded by NCSC for DA Centres will be recognized at the national level.”

3.42 As far as the status of integration of NCS with the Bhashini platform is concerned, the Ministry in their supplementary reply, stated as under:

“NCS portal has been integrated with the Bhashini platform.”

3.43 On the achievements under the National Career Service Centres for SC/STs in terms of enhancing their employability and employment during the last three fiscals, the Ministry gave the following details in their written supplementary reply:

“With a view to enhance the employability and employment, more than 7.81 lakh SC/ST candidates were provided ‘Career Counselling/ vocational guidance/ Typing/ Shorthand’ during the last 03 fiscal years i.e., from 2022-23 till 2024-25. In addition, 12,729 SC/ST candidates were provided training in various computer courses over the same period. Further, to support their placement, 899 job fairs were organized.”

3.44 On being asked about the status of aligning all training programmes with NSQF and partnering with Sector Skill Councils under the National Career Service Centres for Differently-Abled persons belonging to SCs/STs, the Ministry in their supplementary replies furnished the following information:

“The process of aligning all training programmes being conducted by National Career Service Centres for Differently Abled (NCSC for DA) with the National Skills Qualifications Framework (NSQF) is currently underway in partnership with the Skill Council for Persons with Disability.”

IV. Central Sector Schemes/Projects

**(i) Labour, Employment And Price Statistics (LEAPS)
[erstwhile Labour and Employment Statistical System (LESS)]**

4.1 The erstwhile Labour and Employment Statistical System (LESS) scheme has been renamed as Labour, Employment & Price Statistics (LEAPS) for 16th FCC. The SFC has appraised the scheme on 13.11.2025 and SFC recommendations has been approved by the competent authority.

4.2 Following activities are undertaken/proposed to be undertaken under the above captioned umbrella scheme of the Bureau:

Index Numbers

a) Consumer Price Index Numbers for Industrial Workers (CPI-IW) 2016 = 100

Consumer Price Index for Industrial Workers on base 2016=100 is effective from September, 2020. It is compiled for 88 centres and All-India on monthly basis. The index is mainly used for regulation of dearness allowance payable to workers in the organized sector, Government employees and pensioners.

b) Base Updation of Consumer Price Index Numbers for Industrial Workers (CPI-IW)

Base year revision of the CPI(IW) to a more recent base is a long and time taking process. CPI (IW) base year revision is distinct from other CPI numbers base revision i.e. CPI—AL/RL, in the sense that the target groups of both the indices are different. Workers segment catered to under the CPI-IW is more broad based and comprehensive with more than 100 proposed number of centres against the 88 centres in the existing series. Similarly, the coverage of markets and items would also see significant increase.

c) Consumer Price Index Numbers for Agricultural and Rural Labourers (CPI-AL/RL) base year 2019=100

In this series, the coverage was also increased from 20 to 34 States along with the increase in the number of sample price villages from 600 to 787. The indices are compiled on monthly basis. It is used in estimation of Minimum Support Prices, deriving VB-G RAM G wages, fixation of procurement/support prices of agricultural crops by CACP and updation of material cost under PM-POSHAN scheme etc.

d) Base updation of Consumer Price Index Numbers for Agricultural and Rural Labourers (CPI-AL/RL)

According to international best practices, the base year of CPI should ideally be updated every 5 years and not beyond 10 years. Various Commissions and Committees such as Technical Advisory Committee (TAC) on Statistics of Prices and Cost of Living (SPCL), National Statistical Commission (NSC), National Commission on Labour, etc.; have also recommended for revision of base year of CPI-(AL/RL). In response, the Labour Bureau, Ministry of Labour and Employment has now started the exercise of revision of the base year of the CPI (AL/RL).

CPI-AL/RL is an important index used for fixation and revision of wages of workers engaged in agricultural occupations under the Minimum Wages Act, 1948; for updation of wages under VB-G RAM G Scheme and updation of cooking cost under Mid-day Meal scheme. Additionally, the index is also utilised for research & policy making by a large number of agencies/research scholars/policy makers.

e) Wage Rate Index

Labour Bureau has been compiling Wage Rate Index(WRI) since 1969. The base year of WRI is 2016=100. Under the WRI series, half-yearly wise (point-to-point) WRI data for selected 37 industries in three sectors viz. Manufacturing, Plantation and Mining are released.

4.3 The BE, RE and AE figures under this Head during the last three fiscals and BE 2026-27 are as follows:

(Rs. in Crore)					
S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	110.00	44.80	33.76	11.04(-)
2	2024-25	50.00	26.58	12.72	13.86(-)
3	2025-26	72.72	25.00	14.67 (upto15 January 2026)	10.33(-)

4	2026-27	75.00			
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4.4 The Committee has observed that while the actual expenditure under Labour and Employment Statistical System (LESS) was Rs. 12.72 crore during 2024-25, an allocation of Rs. 72.72 crore was made in BE 2025-26. However, the allocation was drastically reduced at the RE stage to Rs. 25.00 crore. Even against this considerably reduced RE, only Rs. 14.67 crore could be utilized upto 15 January 2026 resulting in a shortfall of Rs. 10.33 crore. Further, BE 2026-27 under LESS has substantially been enhanced to Rs. 75.00 crore.

4.5 When asked to furnish the reasons for gross reduction of funds at RE stage during FY 2025-26 and substantial enhancement in BE 2026-27, the reasons for underutilization of funds during 2025-26, the updated actual expenditure and the anticipated expenditure by the end of March, 2026 and the plans for effective utilization of the enhanced BE 2026-27, the Ministry gave a detailed reply as under:

- (i) “Labour Bureau is engaged in collection, compilation, analysis and dissemination of Labour and price statistics on different facets of Labour at All India level. Provision was for 5 all India Surveys out of which two were undertaken. Remaining 3 were not taken up due to abnormal years.
- (ii) The actual expenditure under the LESS scheme incurred upto 9th February 2026 stands at Rs 15.88 crore. Labour Bureau would achieve the Final Expenditure of Rs 24.88 crores by the end of March 2026, as against RE allocation of Rs 25.00 crores reflecting almost 99.52 percent utilization.
- (iii) The BE estimate for 2026-27 under LEAPS (erstwhile LESS) scheme is Rs 75.00 crores (Approx). It has been planned to utilize the enhanced BE 2026-27 on conducting new Surveys (Occupational Wage Survey, Revamped Quarterly Employment Surveys, Employment Perception Survey) Base Updation of Consumer Price Index for Industrial Workers (CPI-IW) and Consumer Price Index for Agricultural Labourers and Rural Labourers (CPI-AL/RL), Automation of Labour Bureau Activities. Preparatory works have already been started. Expert Groups have already been constituted and had extensive deliberations. Expert groups have suggested methodology for selection of center, updation of consumption baskets etc.”

4.6 When asked about the proposed new base year for CPI – IW, CPI – AL and CPI – RL and the expected date of release, the Ministry provided the following data:

“Base year(s) proposed for CPI-IW, CPI-AL& CPI-RL is 2026 and the new series of these indices are likely to be released in 2028.”

4.7 On being asked to provide the status of the action taken on the various recommendations given by Arun Jaitley National Institute of Financial Management (AJNIFM) during the Third Party Evaluation of the Scheme, particularly with regard to recruitment of permanent field and statistical staff, whose acute shortage is affecting the timely generation and dissemination of vital labour market indices, the Ministry replied as under:

- (i) “The recruitment for 65 posts of Investigator Gr-II (level-6) and 05 Data Entry Operator (Level-5) is under final stage.
- (ii) The third Party Evaluation by AJNIFM recommended, inter-alia, base updation of CPI-IW, increase number of Centres inclusion of new products and capturing of online purchase of items, the transformation of Wage Rate Index into Construction of Labour Cost Index, Quarterly Employment Survey and Employer Perception Survey. These have been agreed to. Preparatory work are already underway as mentioned above.”

4.8 On being asked to state the fresh initiatives envisaged under LESS for timely/early compilation and release of Consumer Price Index Numbers for Industrial workers, Agricultural and Rural Labourers, wage rate index as well as early completion of Base updation of CPI for Industrial workers, Agricultural and Rural Labourers, the Ministry submitted as under:

“The fresh initiatives envisaged under LEAPS for timely/early compilation and release of Consumer Price Index Numbers for Industrial workers, Agricultural and Rural Labourers, wage rate index as well as early completion of Base updation of CPI for Industrial workers, Agricultural and Rural Labourers, include:

- (i) Automation of Labour Bureau
- (ii) Setting up of project Monitoring Unit
- (iii) Capacity Building (including training) plan for staffs of Labour Bureau.
- (iv) Administrative labour statistics to be aligned with Labour Codes.”

4.9 On a further query as to the expected date of commencement of the fresh initiatives envisaged under LEAPS such as Automation of Labour Bureau, setting up of project Monitoring Unit, Capacity Building (including training) plan for staff of Labour Bureau and Administrative labour statistics to be aligned with Labour Codes along with the likely date of completion, the Ministry in their supplementary reply stated as under:

“The RFP and a bid for the automation process is already floated for selection of an implementation agency. Bidding process is expected to be completed within March 2026 and automation process has an implementation timeline of one year from the award of contract. Similarly, the proposal for setting up of a PMU has also been initiated and is under approval process. Capacity building has been streamlined after carrying out a detailed training need assessment.

The Labour Codes have come into force from 21.11.2025. Draft central Rules under Labour Codes have been pre-published on 30.12.2025 for seeking comments. There is single annual return under Codes, which is part of draft Rules.

Most States/UTs are in the process of aligning with the new framework of the Labour Codes and pre-published draft rules. Post final notification of Rules under Codes by (Centre/State/UT), Labour Bureau would migrate to the new regime.”

(ii) Labour Welfare Scheme

4.10 Labour Welfare Scheme has 3(three) components viz. Revised Integrated Housing Scheme, Health Scheme and Education Scheme. The beneficiaries of the scheme are Beedi/Cine/Non-Coal Mines workers. Salient features of the scheme are as under:

Housing Scheme (RIHS 2016): Revised Integrated Housing Scheme (RIHS)-2007 for Beedi/Cine/Non-coal mine workers was modified/strengthened and reintroduced as Revised Integrated Housing Scheme (RIHS)-2016 w.e.f. 22nd March, 2016 to provide subsidy of Rs. 1,50,000/- (per beneficiary) in three (03) installments at 25:60:15 ratio i.e., Rs. 37,500/-, Rs. 90,000/- and Rs. 22,500/- respectively to the bonafide workers for construction of pucca houses. It is highlighted that the backlogs of RIHS- 2007 are still being cleared under the same budget head as RIHS- 2016. The RIHS-2016 has now been converged with Pradhan Mantri Awas Yojana (PMAY) and all Welfare Commissioners were directed on 25th September, 2018 not to issue new sanction of 1st installment under RIHS and send the pending applications to the

concerned Blocks/ULBs for sanction under PMAY. The Housing Component under the scheme (residual payment) reached its sunset on 31st March, 2024.

Education Scheme: Financial Assistance (Scholarship) is provided for Education to the wards of Beedi/Cine/non-coal mine workers currently varying from Rs. 1000/- to Rs.25000/- per student per annum depending on the course/class in which the student is enrolled. The applications under this component are invited and processed through the National Scholarship Portal and the benefits under scheme are being transferred through Direct Benefit Transfer (DBT) system.

Health Care Scheme: This component provides health care services to Beedi/Cine/Non-coal mine workers and their dependents through a network of 11 hospitals and 279 dispensaries across the country through Outpatient Department (OPD) and In-patient Department (IPD). The Primary health care facilities are also provided to these workers and to their dependents via mobile medical units (MMUs) directly at their doorstep, ensuring access for those living in remote areas. Besides this the reimbursement of expenditure incurred for specialized medical treatment is also provided as below:-

S. No.	Purpose	Nature of Assistance
1.	Cancer	Reimbursement of expenditure up to Rs. 7,50,000/- on treatment, medicines and diet charges incurred by workers, or their dependents.
2.	Tuberculosis	Reservation of beds in T.B. Hospitals and domiciliary treatment for workers. Subsistence allowance of Rs. 750/- to Rs. 1000/- p.m is granted as per the advice of the treating physician
3.	Heart Diseases	Reimbursement of expenditure up to Rs. 1,30,000/- to workers
4.	Kidney Transplantation	Reimbursement of expenditure up to Rs. 2,00,000/- to workers
5.	Minor diseases like Hernia, Appendectomy, Ulcer, Gynaecological	Reimbursement of expenditure up to Rs. 30,000/- to workers and their dependents

	diseases and Prostrate diseases.	
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The Labour Welfare Scheme continues as an umbrella scheme with emphasis on consolidating and strengthening the Health and Education components. Major forthcoming initiatives include structural reforms under the Health component, particularly proposed convergence with the Employees' State Insurance Corporation (ESIC), and enhancement of eligibility thresholds under the Education component. The draft SFC for continuation of the scheme for the 16th Finance Commission Cycle is currently under preparation.

4.11 The details of budgetary allocation and utilization during 2023-24 to 2025-26 and BE 2026-27 under the Scheme are as follows:

(Rs. in Crore)					
S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	75.00	102.00	81.31	20.69(-)
2	2024-25	50.68	50.68	40.27	10.41(-)
3	2025-26	50.68	78.09	14.17 (upto 15 January 2026)	63.92(-)
4	2026-27	52.00			

4.12 The Committee have observed that the BE 2025-26 of Rs. 50.68 crore was substantially increased to Rs. 78.09 crore at RE stage. However, only an amount of Rs. 14.17 crore has been utilized under this Head upto 15th January, 2026 indicating that almost two-thirds of the funds allocated for the scheme remains unutilized. For BE 2026-27, a slightly escalated amount as against the BE 2025-26 i.e. Rs. 52.00 crore has been allocated for the scheme.

4.13 The Ministry was asked to explain the reasons for the abysmally low utilization of funds vis-a-vis the enhanced RE 2025-26 and the realistic expectation of utilization of funds under the scheme during the remaining period of the current fiscal. They were also asked to explain the specific plan of action to utilize the entire allocation considering the fact that while Health Care Scheme is demand driven, Housing Scheme has attained sunset and has been converged with Pradhan Mantri Awas Yojana and only Education Scheme is in operation. The Ministry furnished the following reply to these queries:

“The Labour Welfare Scheme (LWS) has three components, namely Health, Education and Housing. The Housing component has been converged with Pradhan Mantri Awas Yojana (PMAY) and attained sunset status for residual payments on 31.03.2024. Accordingly, no budgetary provision was made for the Housing component during FY 2024-25.

During FY 2025-26, a supplementary provision of Rs. 27.40 crore was made to ensure clearance of pending housing instalment cases with completed documentation during the current Financial Year.

The balance amount of around Rs. 18.00 crore is proposed to be carried forward as committed liability in BE 2026-27 for settlement of residual backlog cases under RIHS-2007 and RIHS-2016.

Utilisation under the Education component of the Labour Welfare Scheme during FY 2025-26, is governed by the procedural timelines prescribed under the National Scholarship Portal (NSP) and the DBT Mission. The RE/BE exercise for 2025-26 was finalised in September 2025, when the scholarship cycle for AY 2025-26 had not progressed to a stage where reliable, eligibility-confirmed beneficiary data was available, as verification at Institute Nodal Officer (INO) and State Nodal Officer (SNO) levels was still underway; accordingly, projections were made conservatively based on past expenditure trends. Subsequently, the requirement of Rs. 77.99 crore has been assessed on the basis of actual verified applications available on NSP as on 24.12.2025, as furnished by NSP-PMU team. As per the NSP/DBT procedure, fresh scholarship cases become eligible for payment only after centralised sanity checks, de-duplication and system driven fraud analytics conducted by NIC after closure of verification windows; the Post-Matric verification process concluded on 15 January 2026. Consequently, utilisation up to mid-January remains low due to the backend-loaded nature of the disbursement process, and expenditure is expected to increase during the remaining period of FY 2025-26, subject to availability of final, eligibility-confirmed beneficiary data.

The Health component of the scheme is demand-driven and the purchase of medicines and its disbursement to the beneficiaries based on the footfall of the patients in the hospital and dispensaries.”

4.14 On a further query regarding the number of identity cards that have so far been issued to Beedi, Cine and Non-Coal Mine workers and the assessment made by the Ministry on the number of new Beedi, Cine and Non-Coal Mine workers eligible for issuance of identity cards, the Ministry furnished the following details:

“Approximately 49.82 lakh Beedi workers, 0.44 Lakhs Cine workers and 1.25 Lakhs Non-Coal Mine workers had been registered, prior to the repeal of the Cess Acts pertaining to Beedi, Cine and Non-Coal Mine workers following the implementation of the Goods and Services Tax (GST) in 2017.

The proposal for issuance of Identity Cards to eligible workers under Labour Welfare Scheme is under consideration and mechanism for this is being finalized.”

4.15 On a specific query of the Committee regarding the transitional arrangements that are in place for Labour Welfare Scheme beneficiaries with the notification of Code on Social Security, 2020, the Ministry replied as under:

“The Ministry of Labour and Employment administers Labour Welfare Schemes comprising three components, namely Education (Scholarship), Health, and Housing, for Beedi, Cine and Non-Coal Mine workers {i.e., Iron Ore Mines, Manganese Ore & Chrome Ore Mines (IOMC) workers, Limestone & Dolomite Mines (LSDM) workers, and Mica Mines workers}.

The Code on Social Security has been notified by the Ministry of Labour and Employment w.e.f. 21st November, 2025. Pending examination and finalisation of new scheme(s)/framework under the Labour Codes, it is proposed that the existing provisions under the Education and Health components of the Labour Welfare Schemes may be continued for a further period of two years, i.e., 2026–27 to 2027–28.

The Housing Component (RIHS) was converged with Pradhan Mantri Awas Yojana (PMAY) in 2018 and since then, has been continued solely for clearance of residual liabilities relating to the second and third instalments of cases approved during the currency of the RIHS component.”

4.16 The Committee observed that as against the substantially enhanced under Labour Welfare Scheme at RE stage during 2025-26, only a paltry amount could

be expended. When asked how they plan to fully utilize the allocation for 2026-27, the Ministry replied as under:

“The Budget Estimate for FY 2026–27 has been fixed keeping in view realistic utilisation capacity and past expenditure trends. As per the proposed plan, issuance of identity cards to new Beedi, Cine and Non-Coal Mine workers is proposed to be resumed from FY 2026–27, which had remained suspended following the repeal of the Welfare Fund Acts. With expansion of the registered beneficiary base, the demand for health and education-related benefits is expected to increase, which, in turn, is likely to lead to improved utilisation of budgetary allocations.

Further, the Ministry proposes to ensure effective utilisation of funds through early assessment of projected scholarship requirements based on verified data, close coordination with NIC-NSP and the DBT Mission for timely completion of system checks, and prompt processing of fund release proposals upon availability of final beneficiary data.

Around Rs. 18.00 crore is as committed liability in BE 2026-27 for settlement of residual backlog cases under RIHS–2007 and RIHS–2016. Accordingly, the allocation for FY 2026–27 has been calibrated in a prudent and realistic manner.”

4.17 The Ministry has stated that the Labour Welfare Scheme continues as an umbrella scheme with emphasis on consolidating and strengthening the Health and Education components. Major forthcoming initiatives include structural reforms under the Health component, particularly proposed convergence with the Employees’ State Insurance Corporation (ESIC) and enhancement of eligibility thresholds under the Education component. The draft SFC for continuation of the scheme for the 16th Finance Commission Cycle is currently under preparation.

4.18 When asked to state the expected time of completion of the draft EFC and timeline for implementation of structural reforms, particularly under the health and education components, the Ministry answered in their written reply as under:

“The Labour Welfare Scheme continues as an umbrella scheme with emphasis on consolidation and strengthening of the Health and Education components. The draft SFC proposal, which include enhancement of income threshold, for continuation of the Scheme during the 16th Finance Commission cycle is under preparation and is subject to interministerial consultations and approval of the competent authority.

Regarding convergence of Health Component with Employees' State Insurance Corporation (ESIC) it is stated that:-

The Code on Social Security, 2020 has been notified by the Ministry of Labour & Employment w.e.f. 21st November, 2025.

As per sub-para 86 of para 01 of the Code, an "unorganised worker" means a home-based worker, self-employed worker or a wage worker in the unorganised sector and includes a worker in the organised sector who is not covered by the Industrial Disputes Act, 1947 or Chapters III to VII of this Code.

Further, para 45 of the Code provides that the Central Government may frame schemes for unorganised workers, gig workers and platform workers and their families for providing benefits admissible under the ESIC.

It is submitted that till new schemes/framework under the labour codes are examined/decided, the current provision of health component of LWS is proposed in draft SFC to be continued for a further period of two years i.e. 2026-27 to 2027-28."

V. Social Security Schemes for Workers

(i) Employees Pension Scheme, 1995

a) The Employees' Pension Scheme for EPF Members:

5.1 The Employees' Pension Scheme, 1995 (EPS'95) came into effect on 16th November, 1995 replacing the erstwhile Employees' Family Pension Scheme, 1971 (EFPS).

5.2 As per para 3 of EPS-95, an amount equivalent to 8.33% of the monthly wages from the Employer's share of Provident Fund contributions is contributed to Employees' Pension Fund which is a pooled fund. The Central Government also contributes at the rate of 1.16% of the monthly pay (limited to the wage ceiling of fifteen thousand rupees only) of EPS Members. The contribution of the Central Government is invested in the Public Account of the Government of India.

b) The Employees' Pension Scheme for EPF Pensioners:

5.3 The Central Government issued Gazette Notification No. 593(E) dated 19.08.2014 providing a minimum pension of Rs.1,000/- per month for member / widow(er) / disabled/nominee/ dependent parent pensioners, Rs.750/-per month for orphan pensioners and Rs.250/-per month for children pensioners. The payment of pension with the revised minimum pension applicable has commenced from September, 2014. The difference of total amount of pension calculated as per existing provisions of EPS-95 and revised minimum pension as

per this amendment (para 12(7A) of EPS95) is provided by the Central Govt under this scheme as grant-in-aid. As per provisional figures of March 25, there are 20.67 lakh beneficiaries of minimum pension under this scheme.

5.4 The BE, RE and AE figures during 2023-24 to 2025-26 and BE 2026-27 under this Head are given below:

(Rs. in Crore)

S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	9167.00	9760.00	9127.00	633.00(-)
2	2024-25	10950.00	10235.00	10235.00	0
3	2025-26	11250.00	10500.00	7857.35 (upto15 January 2026)	2642.65(-)
4	2026-27	11000.00			

5.5 The Committee have observed that the BE 2024-25 of Rs.10950 crore was reduced to Rs. 10235 crore at RE stage and the Ministry was able to utilize the entire allocated fund. However, in FY 2025-26, as against the BE of Rs. 11250 Crore, the RE was reduced to Rs. 10500 Crore. Also, till 15 January 2026 , the utilization stands at Rs. 7857.35 crore indicating a shortfall of Rs. 2642.65 Crore.

5.6 When asked to state the reasons for reduction of BE 2025-26 at RE stage and whether the scheme would achieve full utilization of the RE allocation during the remaining period of the current fiscal, the Ministry furnished the following written reply:

“Of the total Budget Estimate (BE) 2025-26 of Rs. 11,250 crore allocated to the Employees’ Pension Scheme, 1995 (EPS-95), a primary component

of Rs. 10,250 crore represents the Central Government's statutory contribution mandated under Para 3(2) of the Scheme, at the rate of 1.16% of the 'pay' of contributory EPS members.

The initial BE for 2025-26 in respect of EPS-95 was predicated on the expected rollout of the **Employment Linked Incentive (ELI) Scheme (PMVBRY)** by the close of FY 2024-25. However, the PMVBRY became operational in **August 2025**. The anticipated increase in coverage under EPFO due to the PMVBRY scheme was anticipated to lead to higher requirement of funds for 1.16 % GoI contribution under EPS for FY 2025-26.

In light of this timeline, the budgetary allocation has been calibrated at the Revised Estimate (RE) stage. This adjustment ensures fiscal accuracy by aligning the requirements with actual expenditure trends for the current Financial Year.

It is expected that the scheme would achieve full utilization of the RE allocation by the end of the current year."

5.7 On the issue of bifurcation of Central Government Share and Grant-in-Aid provided during the last three years viz. 2023-24, 2024-25 and 2025-26 (as on 31.01.2026), the Ministry provided the following details:

"The bifurcation of 'Central Government Contribution @ 1.16% of pay' and 'Grant-in-Aid' received from the Government during the years 2023-24, 2024-25 and 2025-26 (as on 31.01.2026) is as under:

Year	Grant-in-Aid in respect of Minimum Pension (Rs. in Crore)	Govt. Cont. @ 1.16% of pay (Rs. in Crore)
2023-24	960.00	8167.00
2024-25	985.00	9250.00
2025-26 (as on 31.01.2026)	851.79	7885.05

5.8 The Committee have observed that an enhanced allocation of Rs.11000 crore has been provided for EPS, 95 in the BE 2026-27. On being asked to state the purpose for which the allocation has been enhanced and the measures

taken/proposed to be taken to effectively utilize the allocated funds in 2026-27, the Ministry provided the following reply:

“An outlay of Rs. 11,000 Crore has been proposed for the Financial Year 2026–27, an increase from the RE 2025-26 of Rs. 10,500 Crore. The increased allocation is sought to meet the anticipated increase in the statutory obligation of the payment of ‘Government Contribution @ 1.16% of pay’, which is driven by following factors:

- **Expanding Membership Base:** A consistent year-on-year increase in the total number of EPS subscribers.
- **Wage Growth:** A general rise in the ‘pay’ levels of members, which directly impacts the 1.16% contribution quantum.
- **Expenditure Trends:** An analysis of historical expenditure patterns and current-year utilization, both of which indicate a sustained growth trajectory.

For effective utilization of funds, following steps are being taken -

- Regular monitoring of actual expenditure against the Quarter Expenditure Plan/Monthly Expenditure plan
- Submission of monthly budget demand proposals within time”

5.9 The Ministry further informed that the total outlay has been revised to Rs. 11,144 crore in BE 2026-27.

5.10 On the total contribution of the Central Government and the Employers so far under the Employees Pension Scheme, the following information was provided by the Ministry:

“The total amount sanctioned by the Central Government during the FY 2025-26 (as on 31.01.2026) in respect of EPS, 1995 is as under:

(Rs. in Crore)		
Year	Grant-in-Aid in respect of Minimum Pension	Govt. Cont. @ 1.16% of pay
2025-26 (upto 31.01.2026)	851.79	7885.05

The total contribution of the Employers during the FY 2025-26 (as on 31.12.2025) in respect of EPS, 1995 is Rs. 54433.65 Cr. This also includes

the lumpsum arrears deposited by the employers in respect of approved applications for grant of Pension on higher wages (POHW), pursuant to the Hon'ble Supreme Court judgement.”

5.11 On a query whether instances of non-payment/non-contribution of their share by employers have come to the notice of the Government and the action taken in this regard, the Ministry replied as under:

“Yes, instances of non-payment/non-contribution of employees’ share by employers have come to the notice.

In this regard, the EPF & MP Act, 1952 provided the following powers to EPFO authorities for effective monitoring and to ensure that timely payment of statutory dues are received in respect of employees covered under the Act;

1. Amounts due or escaped from assessment were determined under Sections 7A subject to provisions u/s 7B and 7C of the Act (Now covered u/s 125 of CoSS, 2020).
2. Damages for delayed remittances were levied under Section 14B (Now covered u/s 128 of CoSS, 2020).
3. Assessed amounts were recovered by taking actions under Sections 8B to 8G (Now covered u/s 129-132 of CoSS, 2020)
4. Prosecution filed in a Court of Law against defaulting employers, for non-deposit of dues and returns under Sections 14, 14A and 14AA of the EPF & MP Act, 1952 as well as under relevant provisions of the Schemes framed under the Act. (Now covered u/s 135-138 of CoSS, 2020)
5. Criminal cases can be filed against defaulting employer under section 316 of BNS (section 406 & 406 of IPC), for criminal breach of trust where employees' share of contribution deducted from the wages of employees are not remitted within stipulated time.

** The EPF & MP Act, 1952 has been repealed, and the Code on Social Security, 2020 has come into effect from 21st November 2025.”*

5.12 On a specific query of the Committee as to how the Ministry will ensure that the employees get their due benefits since instances of non-payment/non

contribution of employees' share by the employers have come to notice, the Ministry in their supplementary reply, provided the following information:

“Instances of non-payment/ non-contribution of employees' share by employers have come to the notice.

In this regard, the EPF & MP Act, 1952 provides the following powers to EPFO authorities for effective monitoring and to ensure that timely payment of statutory dues are received in respect of employees covered under the Act;

I. Amounts due or escaped from assessment were determined under Sections 7A subject to provisions u/s 7B and 7C of the Act (Now covered u/s 125 of CoSS, 2020).

II. Damages for delayed remittances were levied under Section 14B (Now covered u/s 128 of CoSS, 2020).

III. Assessed amounts were recovered by taking actions under Sections 8B to 8G (Now covered u/s 129-132 of CoSS, 2020)

IV. Prosecution were filed in a Court of Law against defaulting employers, for non-deposit of dues and returns under Sections 14, 14A and 14AA of the EPF & MP Act, 1952 as well as under relevant provisions of the Schemes framed under the Act. (Now covered u/s 135-138 of CoSS, 2020)

V. Criminal cases can be filed against defaulting employer under section 316 of BNS (section 406 & 406 of IPC), for criminal breach of trust where employees' share of contribution deducted from the wages of employees are not remitted within stipulated time.

Action taken against defaulter to secure compliance during last three years

	7A cases Initiated	7A cases finalized by issue of final orders	14B cases for default in payment due	Assessed arrears amount recovered (in cr.)
2024-2025	3597	4886	55,722	4545.95
2023-2024	4515	5719	49,568	3961.52
2022-2023	6237	7601	42,150	3390.02
2021-2022	3879	6979	40,765	3711.06

** The EPF & MP Act, 1952 has been repealed, and the Code on Social Security, 2020 has come into effect from 21st November 2025.”*

5.13 As to the number of beneficiaries under the scheme and whether all the eligible workers have been covered under the Scheme, the Ministry furnished the following reply:

1. “EPF and MP Act, 1952 administered by EPFO is mandatory for establishments employing 20 or more members while voluntary coverage is available for establishments below this threshold.
2. The EPF membership is mandatory for workers whose wages at the time of joining was Rs.15,000/- per month or less. Voluntary membership is available, at joint option of employer and employee for those whose wages were above the wage ceiling limit at the time of joining.
3. The EPS membership is mandatory for workers whose wages at the time of joining was Rs.15,000/- per month or less. Voluntary membership is not available.
4. Under Employees’ Provident Fund & Miscellaneous Provisions Act, 1952 members are provided with the benefits of Provident Fund, Pension and Insurance, as per the provisions of Employees’ Provident Fund Scheme, 1952; Employees’ Pension Scheme, 1995 and Employees’ Deposit Linked Insurance Scheme, 1976 respectively.
5. Number of EPS contributory members for the FY 2024-25 is **7.31 crore.”**

(ii) Social Security for Plantation Workers in Assam

5.14 Following Schemes are dealt by Assam Tea Employees Provident Fund Organization:

(a) The Family Pension Scheme, 1972:- The Family Pension cum Life Assurance Scheme, introduced in the year 1972 for providing monthly family pension benefit to families in the event of death of an employee of the tea plantation worker while in service. The scheme aims at providing monthly family pension benefit to families in the event of death of an employee of the tea plantation worker while being a member of the Fund. A lump sum onetime benefit of Rs.2000/- is immediately paid on death of the tea plantation worker. At present, the minimum monthly family pension is Rs.1000/- p.m and the maximum family pension is Rs.1500/- p.m which depends on the PF balance of the member on the date of death. The scheme

covers all the members of the Provident Fund scheme enrolled with ATEPFO. For this Scheme, the beneficiaries don't require to contribute any amount.

(b) The Deposit Linked Insurance Scheme, 1984:- The Deposit Linked Insurance Scheme, introduced in the year 1984 for providing one time monetary Assurance benefit to families in the event of death of an employee of the tea plantation worker while in service. At present, the minimum assurance benefit is Rs.1,00,000/- and the maximum assurance benefit is Rs.2,00,000/- which depends on the PF balance of the member on the date of death. The scheme covers all the members of the Provident Fund scheme enrolled with ATEPFO. For this Scheme, the beneficiaries don't require to contribute any amount.

5.15 The BE, RE and AE figures under this Head during the last three fiscals and BE 2026-27 are as follows:

(Rs. in Crore)

S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	60.00	59.94	59.87	00.07(-)
2	2024-25	66.20	63.39	63.39	0
3	2025-26	66.87	61.37	46.84 (upto 15 January 2026)	14.57(-)
4	2026-27	62.99			

5.16 The Committee have observed that under this Head, BE 2025-26 of Rs. 66.87 crore was reduced to Rs. 61.37 crore at RE stage. But contrary to the complete utilization of the allocated funds in FY 2024-25, the AE is Rs. 46.84 crore (upto 15 January 2026) indicating a shortfall of Rs. 14.57 crore. On being asked to explain the reasons for the reduction in the allocated funds at RE stage despite achieving full utilization in the previous FY, the Ministry furnished the following reply:

“The Actual Expenditure (AE) of Rs. 46.84 crore reported is up to 15 January 2026 only. The balance amount is expected to be fully utilized by the end of the Financial Year, i.e., 31.03.2026.

Tea industry is entirely dependent on the climatic conditions. Due to less rainfall and less yield / crop during 2025-26, the workers, more particularly the temporary workers were engaged for a lesser number of days by garden managements across Assam. Therefore, there is a considerable downward revision in wage expenditure and thereby downward revision of RE 2025-26. Accordingly, the allocation under the concerned Head was revised proportionately.”

5.17 The Ministry in a written statement have stated that the Ministry of Finance has revised the Financial Outlays, i.e., BE for the year 2026-27 to Rs.68.99 crore.

5.18 On being asked as to whether the Ministry would be able to utilize the remaining funds within the current fiscal while complying with the FRBM limits, the Ministry stated as under:

“An amount of Rs. 51.68 crore has been utilized up to 31 January 2026 against the Revised Estimate (RE) 2025-26 of Rs. 61.37 crore.

The remaining balance amount of Rs. 9.69 crore is expected to be fully utilized by 31.03.2026. It may further be noted that the overall utilization will remain within the prescribed FRBM limits for the current fiscal year.”

5.19 When the Ministry was asked as to the proportion of Planation Workers, permanent and temporary, who are covered under the Social Security Schemes available for them, the Ministry furnished the following reply:

“As on 31.03.2025, the total member strength stands at 12,94,483 nos, comprising 4,51,405 permanent workers and 8,43,078 temporary workers. Permanent workers constitute approximately 34.9% of the total membership, while temporary workers account for about 65.1%.

It may be noted that all plantation workers, both permanent and temporary, are covered under the social security schemes, namely Family Pension cum Life Assurance Scheme and Deposit Linked Insurance Scheme.”

5.20 On being asked as to how the social security and welfare provisions under the new Labour Codes are to be implemented in the plantations in Assam and what are the challenges that are being faced/identified at the ground level in

extending these provisions to all eligible workers, the Ministry in their written reply stated as under:

“With regard to the implementation of the new Labour Codes in the plantations of Assam, it is stated that the chapter of Provident Fund under Social Security Code, 2020 does not apply to any other establishment belonging to or under the control of Central Government or a State Government and whose employees are entitled to the benefit of contributory provident fund or old age pension in accordance with in any scheme or rule framed by the central government or the state government governing such benefits. As such ATEPFO is excluded from the provisions of Social Security Code, 2020.

However, the other three Labour Codes, namely the Code on Wages, 2019, the Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, fall under the administrative jurisdiction of the Labour Welfare Department, Govt. of Assam.

Accordingly, matters relating to implementation, enforcement, and ground-level challenges in respect of these Codes are dealt with by the concerned Department.”

5.21 On a further question as to the enforcement actions that have been taken against Tea Estates that fail to comply with statutory social security obligations such as contributory provident fund payments, minimum wage norms, etc., the Ministry submitted as under:

“ATEPFO initiates appropriate legal action against Tea Estates (TEs) that fail to comply with statutory social security obligations, including non-deposit of Provident Fund (PF) contributions.

In cases of default in deposit of PF dues, action is taken in accordance with the provisions of the Act, which includes lodging of FIRs, filing of criminal cases against the defaulting establishments, and initiation of recovery proceedings under Section 15 of ATPPF & PF and DLI Scheme Act, 1955 (as amended upto date). Under Section 15, defaulting Tea Estate may be attached and subsequently sold through public auction for recovery of arrear dues.”

5.22 When further queried as to the number of tea estates that are currently in PF default and what is the total outstanding amount of arrears, the Ministry in their supplementary reply stated as under:

“As on January 2026, 165 Tea Estates are in PF Default with the total default amount being Rs 393.48 crore.”

5.23 On being asked as to how the data on plantation workers are being maintained and updated at the national level so that all the mandatory social security and welfare amenities are extended to them and the mechanism in place to address the gaps in the data-base, the Ministry furnished the following reply:

“The Plantation workers’ data is prepared and maintained at the garden level, which are forwarded to ATEPFO through the centralized online portal of the Assam Tea Employees Provident Fund Organization (ATEPFO) (<https://www.atepfo.in>). The data submitted by Tea garden / factory managements are reconciled / verified from time to time through physical inspection at the garden level. The data after reconciliation / verification is stored in the central database of ATEPFO.

The system incorporates validation mechanisms to ensure that the total members shown in their statutory forms match the member-wise contribution chart. It also checks for duplicacy of records. Any mismatch or duplication is flagged for rectification before acceptance, thereby preventing data gaps and ensuring uninterrupted extension of statutory social security benefits.”

5.24 When asked to explain the action that has been taken by the Government to expand the social security model similar to the Assam Tea Employees Provident Fund Organization beyond Assam, the Ministry in their written reply submitted as under:

“ATPPF & PF and DLI Scheme Act, 1955 (as amended upto date) is a State Act and is applicable to the tea garden / tea factory employees within the state of Assam.”

(iii) Coaching and Guidance for SC, ST and Other Backward Classes (Welfare of SC/ST job seekers through Coaching, Guidance and Vocational Training)

5.25 A scheme for “Welfare of SC/ST jobseekers” through the network of 25 NCSC for SC/STs across the country. The objective of the scheme is to enhance the employability of SC/ST jobseekers through vocational guidance, career counselling, computer training, pre-recruitment training etc. These Centres conduct outreach programmes like job fairs, career talk and group

guidance activities in various educational institutes for channelizing the job seekers in appropriate vocations. Market driven O-level software, Computer Hardware Maintenance, Office Automation Accounting and Publishing Assistant, Computer Application Business Accounting Associate and Cyber Secured Web Development Associate training are imparted to jobseekers through NIELIT with a view to prepare them to meet the demands of the labour market. A coaching programme is also run through local training institutions to prepare SC/ST jobseekers for the competitive examinations. In order to build confidence among SC/STs jobseekers confidence building programmes and pre-recruitment trainings are organized for facilitating SC/ST job seekers entry into the world of work. The scheme has been approved for continuation during 15th Finance Cycle i.e., from 2020-21 to 2025-26.

The ministry is proposing to merge the three schemes National Career Service (NCS), National Career Service Centres for SC/STs (erstwhile Coaching Cum guidance Centres, and National Career Service Centres for Differently Abled (erstwhile Vocational Rehabilitation Centre) into a single umbrella scheme, namely 'National Career Service (NCS)', to be continued for the next five years (2026-27 to 2030-31). Their merger under a single umbrella scheme will ensure better convergence, efficient use of resources, standardized service delivery, and improved coordination. The integrated framework will enable inclusive access to counseling, training, and placement support for all jobseekers, including SC/ST and differently-abled persons, through a unified and technology-driven platform. The preparation of draft EFC memo of the said scheme is currently underway.

5.26 The details of the budgetary allocation and utilization under this Head during 2023-24 to 2025-26 and BE 2026-27 are as follows:

(Rs. in Crore)

S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	25.00	25.00	23.88	01.12(-)
2	2024-25	20.60	20.60	18.87	01.73(-)
3	2025-26	20.61	20.61	15.17 (upto	05.44(-)

				15.01.26)	
4	2026-27	25.00			

5.27 The Committee have observed that BE 2024-25 of Rs. 20.60 crore was kept stagnant at RE stage and the Ministry was able to utilize an amount of Rs.18.87 crore leaving a shortfall of Rs. 1.73 crore. During 2025-26 also, the RE was kept at the same level as the BE of Rs. 20.61 crore. The Actual Expenditure upto 15 January 2026 is Rs. 15.17 crore leaving a shortfall of Rs. 5.44 crore. On being asked to state whether the Ministry would be able to utilize the balance funds during the remaining period of the current fiscal while complying with the FRBM limits, the Ministry furnished the following reply:

“The BE and RE for FY 2025-26 is Rs. 20.61 crore out of which an amount of Rs. 16.04 crore (77.86%) has been utilized as on 09.02.2026 and rest of the amount would be utilized as per the FRBM limits.”

5.28 When the Committee queried as to what is the rationale behind seeking an enhanced BE of Rs. 25 crore for 2026-27 given that the Ministry was not able to utilize the entire allocated funds available at RE stage since 2023-24, the Ministry replied as under:

“The rationale behind seeking an enhanced BE of Rs 25 crore for 2026-27 is to start three new computer courses in remaining 15 NCSC Centres for SC/ST.”

5.29 On being asked about the specific schemes/programmes that are being supported under this Head and how the Ministry will ensure that the coaching and guidance programmes are aligned with the competitive examinations relevant to employment in Government Services and access to higher education, the Ministry stated as under:

“The specific schemes/programmes that is being supported under this Head is ‘Welfare of SC/ST Jobseekers’ by providing vocational guidance, career counselling, computer training, pre recruitment training, Typing and Shorthand facilities to SC/ST candidates through 25 SC/ST Centres. Under the scheme these Centres conduct outreach programmes like Individual guidance, group guidance, career talk, CBP, PRT activities, job fairs in various educational institutes to enhance the employability of SC/ST students. The computer training is provided to increase the employability of the SC/ST candidates. Further, Special Coaching Scheme and guidance programmes conducted under this scheme are aligned with the competitive examinations relevant to employment in Government by

preparing candidates for various competitive exams, especially Groups ‘C’ & equivalent Posts organised by various recruitment agencies i.e. SSC, Bank, Railway etc.”

5.30 On the category-wise details of SC/ST candidates who got employment on the basis of training(s) provided under the Scheme, the Ministry furnished the following information:

“The category-wise details of SC/ST candidates who got the employment under the SC/ST Centres are as follows:

S.No.	Year	SC	ST	Total
1	2024-25	3272	1066	4338
2	2025-26*	2003	685	2688
Total		5275	1751	7026
Note: * upto January 2026				

5.31 When the Committee sought to know the preparedness of the Ministry to provide vocational guidance, career counselling, typing and shorthand facilities to 2.6 lakh SC/ST job seekers during 2026-27, the Ministry stated in their written reply as under:

“DGE is implementing ‘Welfare of SC/ST Jobseekers’ scheme through 25 centres. These Centres provide vocational guidance, career counselling (through Individual Guidance, Group guidance), career talk at School /College/ Institutes. Out of 25 centres 14 centres providing typing and shorthand facilities SC/ST jobseekers.

Last year NCSC for SC/ST Centres provided the Vocational guidance and career counselling, training to 2.54 lakh candidates and during year (2026-27), Vocational guidance and career counselling, training will be provided to 2.6 lakhs candidates under this scheme.”

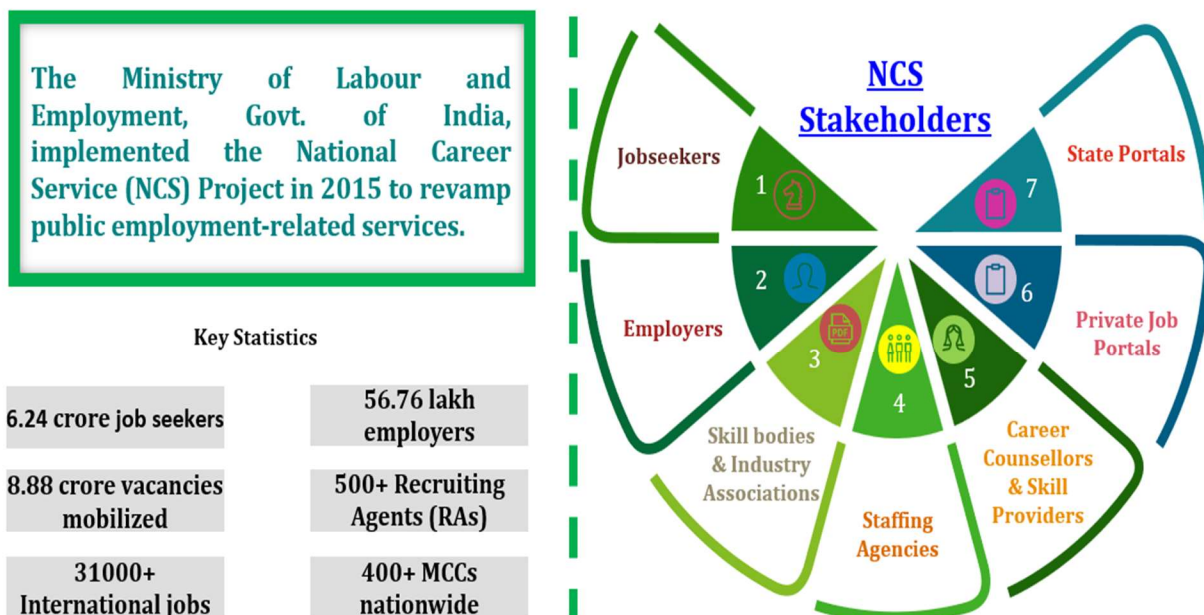
5.32 On a query as to whether the allocated funds (BE) for 2026-27 will be adequate to meet the target of providing ample training to a huge number of SC/ST job seekers, the Ministry replied as follows:

“The allocated funds (BE) for 2026-27 are adequate to provide the training for 6105 SC/ST candidates in Coaching/ computer courses as proposed.”

(iv) National Career Services

National Career Service: A One-stop Solution

The NCS Portal is a one-stop solution for career-related services including jobs from the private and government sector, information on online and offline job fairs, skill / training programs, etc.



5.33 The Ministry of Labour and Employment, Government of India, is running the National Career Service (NCS) Portal which is a one-stop solution for providing career related services including jobs from private and government sectors, information on online & offline job fairs, job search & matching, career counselling, vocational guidance, information on skill development courses, skill/training programmes etc. through a digital platform [www.ncs.gov.in]. The portal was launched by the Hon'ble Prime Minister in July 2015. The main objectives of NCS project are as follows:

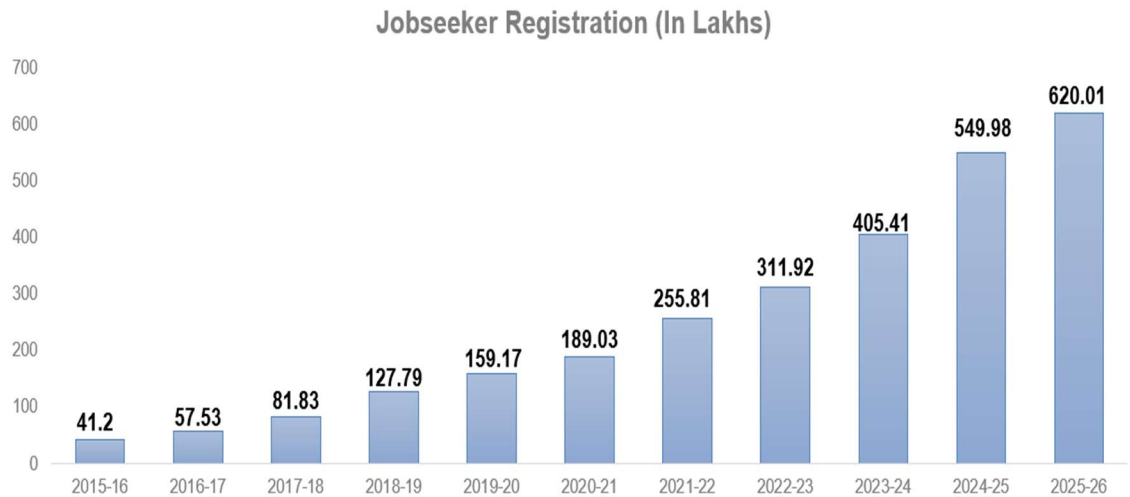
1. Enhancing career and employment opportunities
2. Counselling and guidance for career development
3. Enhancing quality of workforce
4. Focusing on inclusive growth initiatives.
5. Empowering youth through digital skills.

5.34 Following are the main features of NCS portal:

- (i) Around 1,182 approved counsellors providing career guidance.
- (ii) 3960+ job roles with a knowledge repository of career content on these job roles.

- (iii) Toll-Free Call Centre (Helpdesk No. 1514) in 7 different languages.
- (iv) Integration with 30 States for information exchange.
- (v) Strategic MoU partnerships with portals/private organizations like Zepto, Zomato, Swiggy, Microsoft, Apna, Rapido, FoundIt (Formerly Monster), Monster, Freshers world, HireMee, TCS-iON, Microsoft, CSC, TMI-e2e, Amazon etc.
- (vi) Linkage with EPFO, ESIC, MSDE (Skill India portal), Digi Locker, PIMS.
- (vii) Linkage with Govt. recruitment bodies – UPSC, SSC, Railway Recruitment Boards etc.

Year-wise Jobseekers Registration on NCS Since 2015-16



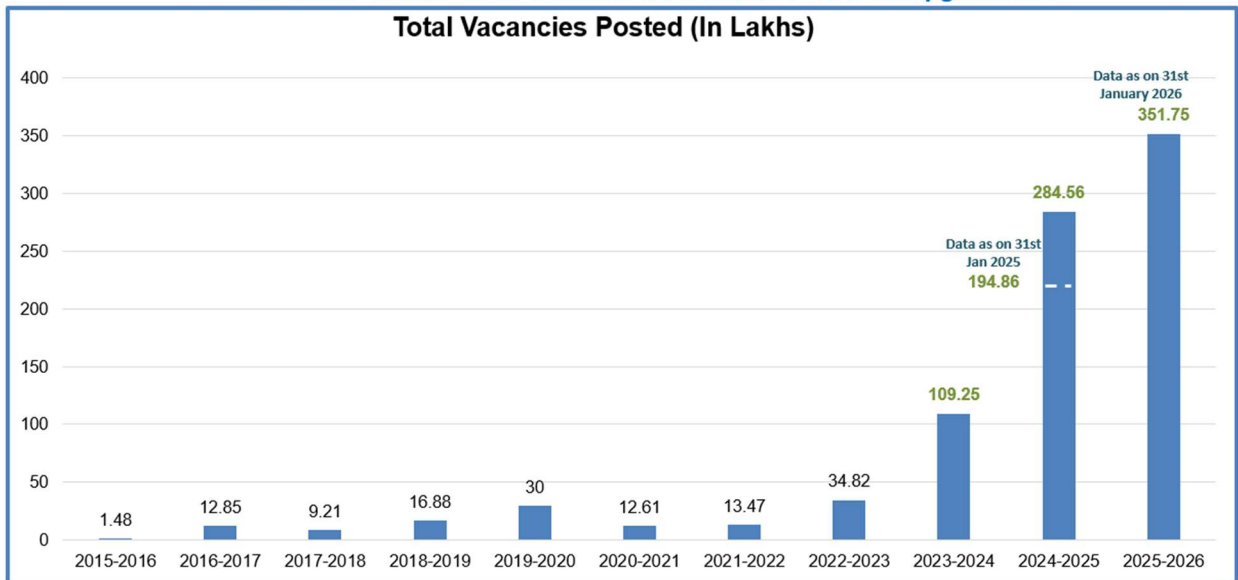
Jobseekers since Inception = 6.20 Cr

Active Jobseekers = 2.46 Cr

Data as on 31st Jan 2026

NCS: Year-on-Year Growth Trend in Vacancies Posted Since 2015-16

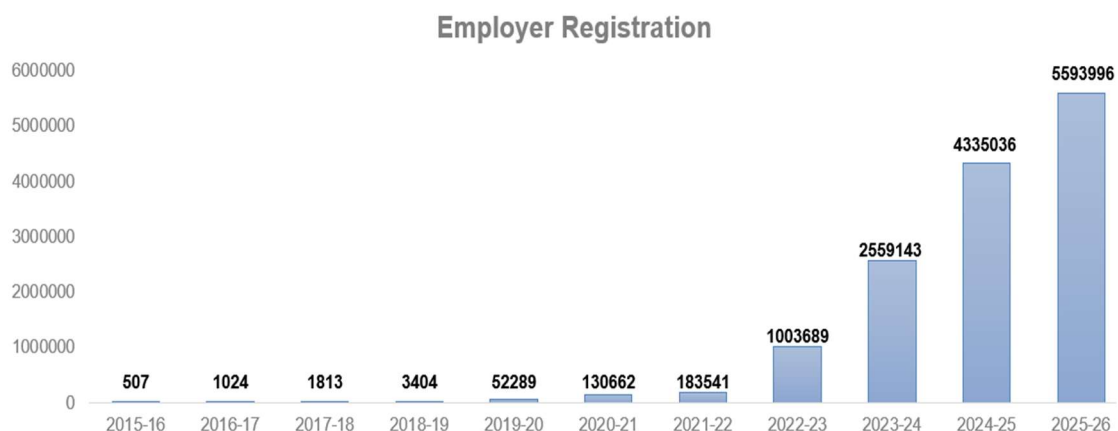
Around 10–12 lakh active vacancies are available on NCS at any given time



- Vacancies since Inception = 8.78 Cr
- Active Vacancies = 10.76 Lakh
- Increase of 1.5 Crore seen in vacancies since Jan 2025 to Jan 2026

Highest Number of Vacancies: NCS saw over 3.51 Crores job vacancies during 2025-26 being posted by Employers & Placement agencies which is highest since inception.

Year-wise Employer Registration on NCS Since 2015-16

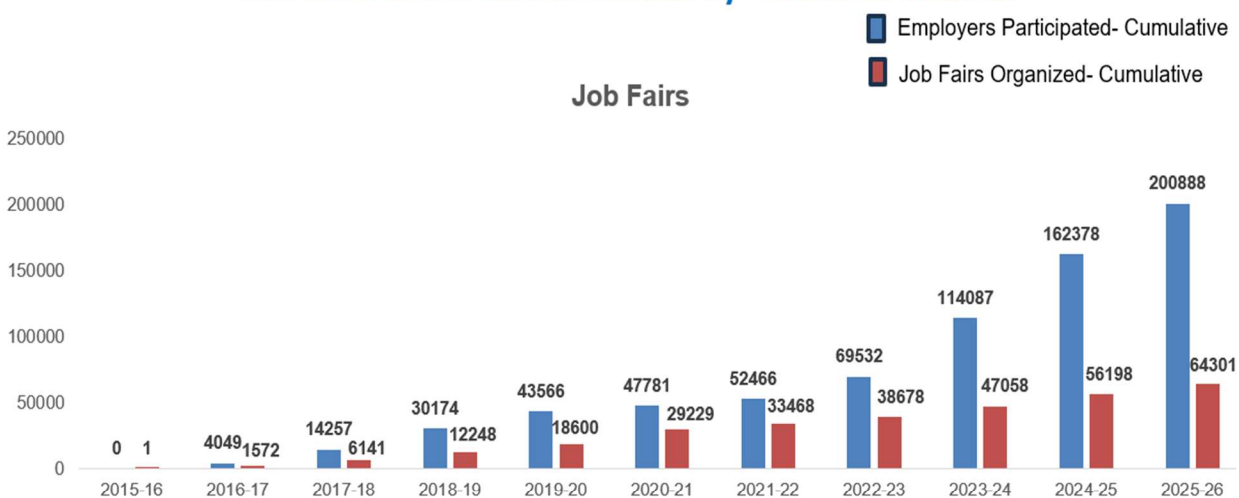


Employers on NCS Portal= 55.93 Lakh

Increase of 186588 employer registration seen from Jan 2025 to Jan 2026

Data as on 31st Jan 2026

NCS- Data of Job fairs conducted by MCC Since 2015-16



- Organized 8,103 job fairs through the NCS Portal, engaging 38,510 employers. Which resulted in final selection of over 1 Lakh job seekers during the FY 2025-26 (till 31.01.2026).
- Total Finally Selected Candidates Since Inception = 699665

Data as on 31st January 2026

5.35 The BE, RE and AE figures during 2023-24 to 2025-26 and BE 2026-27 under NCS are given below:

(Rs. in Crore)

S. No.	Year	BE	RE	AE	Shortfall/Excess Expenditure w.r.t. RE
1	2023-24	52.00	52.00	46.90	05.10(-)
2	2024-25	58.00	58.00	47.43	10.57(-)
3	2025-26	77.00	60.00	39.83 (upto15 January 2026)	20.17(-)
4	2026-27	80.00			

5.36 The Committee have observed that under this Head, BE 2025-26 of Rs. 77.00 crore was reduced to Rs. 60.00 crore at RE stage but the AE upto 15 January, 2026 is only Rs. 39.83 crore resulting in an unspent balance of Rs. 20.17 crore. When asked to state whether the Ministry would be able to meet their commitment and utilize the remaining funds during the current fiscal while keeping within the FRBM limits, the Ministry replied as below:

“As on 10.02.2026, an amount of Rs. 48.1crore has been utilized out of total allocated RE i.e. Rs. 60.00 crore. The remaining amount will be utilized during the current Financial Year while keeping within the FRBM limits.”

5.37 The Committee have observed that as per the target fixed during 2024-25, 02 Career Lounges in Model Career Centres with Industry Partnership were to be set up. Out of the two, one Career Lounge has been opened in NICS, Noida. When asked to state whether the non-setting up of the Second Career Lounge was due to non-receipt of proposals from States/UTs or other reasons, the Ministry furnished as under:

“One career lounge has been opened in NICS, Noida during 2025-26. Further, it is proposed to set up Career Lounges during the next Finance Commission period from 2026-27 to 2030-31, on the basis of the proposal received from the States/UTs. The same has been proposed in the EFC Memorandum of Umbrella Scheme i.e. National Career Service (NCS).”

5.38 On being asked about the key objectives and strategic vision of the upgraded National Career Service 2.0 and how it differs from the existing NCS portal in terms of scope, functionalities and user experience, the Ministry stated in their written reply as under:

“NCS has been upgraded with cloud-based, mobile-first architecture and AI-enabled features such as intelligent job matching, personalized recommendations, skill gap analysis, AI-assisted interview support, etc.

This marks an important step towards modernising the platform and improving scalability, accessibility, and user experience.

Further, to expand reach and inclusion, the NCS Android mobile application was launched in November 2025, enabling anytime-anywhere access, particularly benefiting youth, migrant workers, and jobseekers in remote areas.”

5.39 On how NCS 2.0 will integrate with other Government digital platforms such as eShram, EPFO, ESIC, etc. to ensure seamless data sharing and service delivery, the Ministry replied as under:

“The National Career Service portal has already been integrated with the e-Shram Portal (a database of the unorganised workers), with a specific focus on extending employment services to workers in the unorganised sector. This integration enables effective utilisation of the extensive worker database available on e-Shram to create a seamless linkage between job seekers and employers, thereby improving access to formal employment opportunities, skilling initiatives, and career progression, while promoting inclusivity and social security in the labour market.

Further, to strengthen verification and tracking of actual employment outcomes, the integration of the NCS portal with EPFO has been initiated.”

5.40 The Committee have observed that the Ministry is proposing to merge three schemes National Career Service (NCS), National Career Service Centres for SC/STs (erstwhile Coaching Cum guidance Centres and National Career Service Centres for Differently Abled (erstwhile Vocational Rehabilitation Centre) into a single umbrella scheme, namely ‘National Career Service (NCS)’, to be continued for the next five years (2026-27 to 2030-31). The preparation of draft EFC memo of the said scheme is currently underway.

5.41 When asked how the budgetary provision is to be made for the new umbrella scheme of ‘National Career Service’ in the BE 2026-27 and how it will be utilised pending approval of EFC, the Ministry stated as follows:

“It is proposed to merge the three existing Schemes namely National Career Service (NCS), National Career Service Centres for SC/STs (erstwhile Coaching Cum guidance Centres and National Career Service Centres for Differently Abled (erstwhile Vocational Rehabilitation Centre).

Since the three schemes pursue the common goal of enhancing employability and providing career-related services. Their merger under a single umbrella scheme will ensure better convergence, efficient use of resources, standardized service delivery, and improved coordination. The integrated framework will enable inclusive access to counselling, training, and placement support for all jobseekers, including SC/ST and differently-abled persons, through a unified and technology-driven platform.

Further, the budgetary provision for the proposed umbrella scheme in BE 2026-27 has been made on the basis of the average expenditure incurred during the previous Finance Commission cycle and allocations for new initiatives already proposed in the EFC Memorandum. Pending approval of the EFC, expenditure will continue to be incurred under the existing approved Budget Estimates of the three schemes, in accordance with the prescribed financial rules/ norms.”

5.42 On being asked about the expected date of finalization and approval of the umbrella scheme of ‘National Career Service’ and the efforts being made for its early implementation, the Ministry replied as below:

“The EFC memo of umbrella scheme has been submitted for the approval of Hon’ble Minister (L&E). Upon approval, necessary efforts will be made for its timely implementation after due appraisal by the EFC and approval by the competent authority.”

**(v) Pradhan Mantri Viksit Bharat Rojgar Yojana(PM-VBRY)
[erstwhile New Employment Generation Scheme]**

5.43 Pradhan Mantri Viksit Bharat Rozgar Yojana is a new scheme that was earlier called the New Employment Generation Scheme. The features of PM-VBRY are as under:

- The PMVBRY is a Central Sector Scheme designed to promote employment generation, enhance employability, and improve social security coverage across all sectors, with a special focus on the manufacturing sector.
- The Scheme consists of two parts with Part A focused on first timer employees and Part B focused on employers.
- With an outlay of Rs 99,446 Crore, the Pradhan Mantri Viksit Bharat Rozgar Yojana aims to incentivize the creation of more than 3.5 Crore jobs in the country, over a period of 2 years. Out of these, 1.92 Crore beneficiaries will be first timers, entering the workforce.
- Registration Period: August 1, 2025, to July 31, 2027.
- Implementing Agency: Employees’ Provident Fund Organisation (EPFO).

Pradhan Mantri Viksit Bharat Rozgar Yojana: At a Glance



**Approved by
Union Cabinet
on 1st July, 2025**



**Implemented
through EPFO**



**Total Outlay:
₹ 99,446 Cr.**



**Targeted Job
Creation:
3.5 Cr. jobs**



**Start Date: 1st
Aug' 25**



**Registration
Period: 1st
Aug'25 – 31st
July'27**



**Benefits of 04
years and 02
years to
manufacturing
and other sectors
respectively**



Scheme has 02 Parts viz.

- **Part A- For Employees – approx. 1.92 Cr. beneficiaries**
- **Part B- For Employers - up to ₹3,000 per month per new employee**



Dual Incentive Structure:

- **Part A –Paid directly through DBT using Aadhaar-Based Payment System (ABPS).**
- **Part B –Transferred directly to Employers' PAN-linked bank accounts.**

5.44 When the Committee sought to know the current status of the Scheme, the Ministry, in a written reply, stated as under:

“The Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY) has been introduced during the year 2025-26 and the Scheme is presently in full implementation stage. For effective implementation of the scheme, a robust monitoring framework has been instituted. A steering Committee with representation from various labour intensive and related Ministries/Department and an internal Executive Committee have been constituted to ensure effective monitoring of the scheme. Comprehensive Scheme Guidelines, outlining the eligibility criteria for incentives to both employees and employers have been issued. The scheme and its provisions have been widely disseminated through extensive outreach efforts across the country. The first instalment of beneficiary incentive is due for March, 2026.

- As on 31.01.2026, the status of registration of establishments and Probable beneficiary members are as under:
- Total establishments registered: 447869
- *Probable Part A Beneficiary Employee: 34,41,246
- *Probable Part B Beneficiary Employee: 56,56,750

*Under the scheme the incentives are payable only after continuous employment of six months.”

5.45 On being asked as to whether the ground work for implementation of the Scheme was completed and also to provide details of implementation along with the timeline for operationalization of this new scheme, the Ministry replied as follows:

“The ground work for implementation of PM-VBRY has been completed and the scheme is fully operational.

- The scheme and its provisions have been widely disseminated through extensive outreach efforts across the country. Further, Ministry has prioritised State-level outreach through high-level meetings with State Labour and Industry Ministers
- State Cross-Functional Teams has been constituted, comprising officers from EPFO, ESIC and CLC officers. These teams are conducting workshops, webinars and stakeholder meetings, and are engaging directly with State authorities and industry to strengthen awareness and participation at the grassroots level.
- Comprehensive Scheme Guidelines, outlining the eligibility criteria for incentives to both employees and employers have been issued. The scheme and its provisions have been widely disseminated through extensive outreach efforts across the country.
- Dashboard has been developed for monitoring the progress of the scheme at the National, State & District level
- A dedicated portal (pmbry.epfindia.gov.in) has been developed to facilitate all scheme-related processes and for real-time monitoring of beneficiaries and sector-wise progress.
- Help Desk / Toll-free - 14480/1800-180-1850 is operational for PMVBRY.”

5.46 On being queried on the stakeholders and the manner in which PM-VBRY would be implemented on the ground by the EPFO and the preparedness of EPFO for implementing the scheme, the Ministry replied as under:

“The key stakeholders of the Scheme include the Ministry of Labour& Employment, Employees’ Provident Fund Organisation (EPFO), employers and employees. The Scheme is being implemented on the ground through EPFO by leveraging its existing digital infrastructure and field offices. EPFO is undertaking system integration and administrative preparedness to ensure smooth implementation of the Scheme. EPFO has also developed, a dedicated portal (pmbry.epfindia.gov.in) to facilitate all scheme-related processes and for real-time monitoring of beneficiaries and sector-wise progress.

In addition to this, various seminars, webinars, and physical meetings were conducted with labour-intensive ministries to create wide awareness about the scheme. Eleven zonal conferences were jointly organised at various locations by the Ministry of MSME, where EPFO officers presented an overview of PMVBRY. A 6 Week targeted campaign has been conducted from 1st November 2025, focusing on a specific sector each week, such as Textile, Pharmaceuticals, MSME, etc.”

5.47 When further queried whether any physical and financial (year-wise outlay of allocated funds) targets have been set/proposed for this scheme, the Ministry furnished the following reply:

“Physical Target (2026-27) as per the Cabinet Note: Part A Beneficiary- 95,89,637, Part B Beneficiary- 1,30,31,333

Financial Target (2026-27): The scheme is demand-driven, meaning there are no pre-determined target.”

(vi) Shram Registration, Inspection, Samadhan and Transparency Initiative (SRISTI)

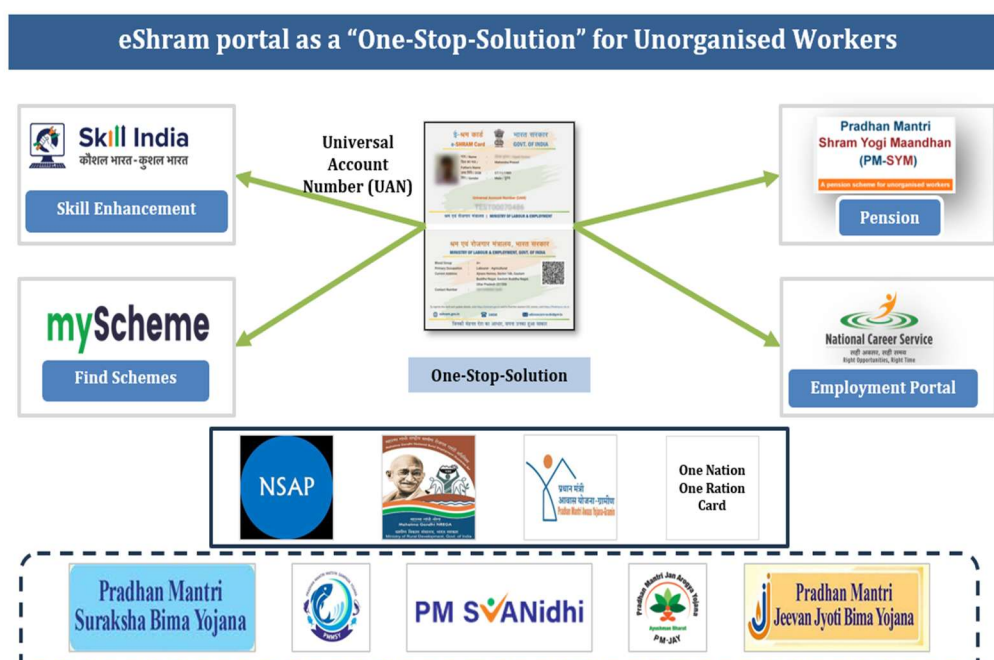
5.48 The Ministry has informed that the National Database of Unorganized Workers (NDUW) (eShram), an ongoing Central Sector Scheme has been merged with a new project for Revamping of Portals under Ministry of Labour & Employment (MoLE) into a single umbrella Scheme to be called as ‘Shram Registration, Inspection, Samadhan and Transparency Initiative (SRISTI). The Scheme has been appraised by SFC on 13.11.2025 and approved by the competent authority for next FCC from FY 26-27 to FY 2030-31.

5.49 On being asked about the current status of this Scheme, the Ministry provided the following reply:

“SRISTI is an umbrella scheme comprising four key components eShram, Shram Suvidha Portal, Samadhaan Portal and PENCIL Portal. All four portals are fully functional and operate independently within their respective domains:

- **eShram:** The eShram portal continues to function as the National Database of Unorganised Workers under an ongoing Central Sector Scheme of the Ministry of Labour and Employment. As of 8 February 2026, more than 31.51 crore unorganised workers have been registered on the platform. The portal now offers multilingual access in 22 Indian languages and is further complemented by the eShram mobile application,

which significantly enhances outreach, accessibility and service delivery for unorganised workers across the country.”



Benefit seen: Improvement in India's Social Security ranking from 19% to 64.3%

- **Shram Suvidha Portal:** Shram Suvidha Portal (SSP) is a compliance and regulatory portal that enables employers to register, submit returns, generate challans and comply with statutory obligations. It also supports inspection workflows, labour inspector reporting, and automated MIS for enforcement activities.
- **Samadhaan Portal:** Samadhaan Portal is the Ministry’s primary grievance redressal portal which enables workers, employers and other stakeholders to file, track and escalate grievances relating to labour issues. The portal supports case registration, allocation to concerned authorities, status tracking, dashboards for monitoring, and an appeal mechanism.
- **PENCIL Portal :** Pencil Portal supports the Ministry’s activities related to child labour, tracking rehabilitation, case management and coordination with States and stakeholders.

5.50 When the Committee wanted to know whether any timeline has been decided for its operationalization along with the physical as well as financial parameters envisaged for this Scheme, the Ministry furnished the following details:

“SRISTI is designed as an umbrella scheme comprising of two major components (i) eShram and (ii) Revamping of Portals under Ministry of Labour & Employment (Shram Suvidha Portal, Samadhaan Portal and PENCIL Portal). Each of these components has its own implementation pathway and operates independently. With regard to timelines, it is submitted that eShram is already fully operational and continues to function as an ongoing Central Sector Scheme of the Ministry of Labour and Employment. The portal remains active as the national database for unorganised workers, providing continuous registration and service delivery without any discontinuity. The other components of the SRISTI architecture are also functional, and their activities are being carried forward as part of the overall strengthening and integration efforts envisioned under the scheme.

Under the SRISTI architecture, eShram will continue to serve as the central national repository for unorganised workers. The physical parameters envisaged for eShram include IT operations and maintenance, worker registration, and integration with social security schemes. In addition, the scheme also covers Information, Education and Communication (IEC) activities, operation of a call centre and grievance management system, as well as project management functions to ensure effective implementation and service delivery.

As regards the revamping of Shram Suvidha, Samadhaan and PENCIL Portals are concerned, the physical parameters envisaged include IT operations and maintenance, registration, licencing and inspection of establishments, grievance redressal mechanism for stakeholders and workers welfare initiatives. In addition, the scheme envisages to bring more services on digital platform for the convenience of stake holders including employers and workers.

The financial outlay for the scheme has been approved in principle for the FCC period FY 2026–27 to FY 2030–31 and Rs. 295.62 cr are allocated out of which Rs. 244.55 cr are allocated for eShram and Rs. 51.07 cr for Revamping of portals under Ministry of Labour & Employment (MoLE).”

5.51 When the Committee wanted to know whether data architecture across the four portals is interoperable and the details of API-based integration in this regard, the Ministry in their supplementary reply, stated as under:

“The portals eShram, Samadhan, Shram Suvidha Portal, and the PENCIL platform have been developed to address distinct programme objectives and cater to different stakeholder groups under the Ministry.

Under the SRISTI which is an umbrella scheme, it is envisaged to integrate the platforms through API and make them interoperable.”

VI. Scheme for Rehabilitation of Bonded Labourer, 2021

6.1 Ministry of Labour & Employment is implementing a Central Sector Scheme for rehabilitation of bonded labourer. The scheme was last revamped w.e.f 27.01.2022 and known as Central Sector Scheme for rehabilitation of bonded labourer – 2021. The features of the scheme are as under:

- The scheme is demand driven.
- Financial assistance for rehabilitation of a rescued bonded labourer is Rs. 1 lakh per adult male beneficiary, Rs. 2 lakhs for special category beneficiaries such as children including orphans or those rescued from organized & forced begging rings or other forms of forced child labour and women and Rs. 3 lakhs in cases of bonded or forced labour involving extreme cases of deprivation or marginalization such as trans-genders, or women or children rescued from ostensible sexual exploitation such as brothels, massage parlours, placement agencies etc., or trafficking or in cases of differently abled persons or in situations where the District Magistrate deems fit.
- The release of rehabilitation assistance is linked with conviction of the accused. However, immediate cash assistance upto Rs. 30,000/- may be provided to the rescued bonded labour by the District Administration irrespective of the status of conviction proceedings. Further, in case, where the trial has not been concluded, but the District Administration has arrived at a *prima-facie* finding and proof of bondage, then the proposal for cash assistance shall not be stopped for want of details of conviction. However, final disbursement of cash assistance and non-cash assistance shall be made upon proof of bondage and other legal consequences as per judicial process.
- The Scheme provides for creation of a Bonded Labour Rehabilitation Fund at District level by each State with a permanent corpus of at least Rs. 10 lakh at the disposal of the District Magistrate which would be renewable for extending immediate help to the released bonded labourers.
- The benefits prescribed are in addition to other cash or non-cash benefits which a beneficiary under this scheme is entitled to, by or under any other scheme or law applicable for the time being in force.

The scheme is being proposed to be merged with Labour Welfare Scheme to be continued for the next five years (2026-27 to 2030-31).

6.2 The Committee have observed that the scheme is being proposed to be merged with Labour Welfare Scheme to be continued for the next five years (2026-27 to 2030-31). On being asked to provide the detailed note on the modus operandi involved in this merger and the reasons for the proposed merger along with the manner in which it would have greater impact under Labour Welfare Scheme, the Ministry in their written reply, stated as follows:

“i. The Centre sector scheme for Rehabilitation of Bonded Labour was approved for continuation upto Financial Year 2025-26.

For further continuation of the scheme, an evaluation study was undertaken through VVGNNI and based on findings of the study report certain modifications were proposed in components of the scheme.

ii. The Financial outlay of the Central Sector Scheme for Rehabilitation of Bonded Labourer-2021 during FY 2021-22 to FY 2025-26 was Rs. 50 Crore. A comparative statement detailing BE, RE & Expenditure during last five FYs is as follows:

Year	BE (in Cr.)	RE (in Cr.)	Expenditure (in Cr.)
2021-22	10.00	10.00	3.69
2022-23	10.00	10.00	5.15
2023-24	10.00	6.98	1.34
2024-25	6.00	6.00	1.31
2025-26 (as on 31.12.2025)	6.00	6.00	1.06

iii. Considering the past year expenditure trends and nature of scheme being Demand Driven, the proposed outlay for the Central Sector Scheme for Rehabilitation of Bonded Labour Scheme was also proposed to be reduced to Rs. 10 crore for FY 2026-27 to FY 2030-31 (Rs. 2 crore for each Financial Year).

However, Point (iii) of the Department of Expenditure, Ministry of Finance’s O.M no. 01(01)/PFC-II/2025 dated 06.06.2025 (copy enclosed) states that,

“Keeping in view the minimum critical mass required for a central government scheme to have meaningful impact across States/UTs, it must be ensured that no CSS should have financial outlay below Rs. 300 crore for five years”.

which means, any Central Sector Scheme to be eligible as an independent scheme must have an outlay of more than Rs. 300 Crore.

iv. This issue was discussed during meetings held to discuss the provisions of the modified scheme and it was observed that the Components of the Labour Welfare Scheme provide welfare facilities such as health, housing, and education to labourers. The Central Sector Scheme for Rehabilitation of Bonded Labourers focuses on the rehabilitation of rescued bonded labourers. As both are welfare-oriented schemes with aligned objectives, it was decided to merge them under the overall umbrella of Labour Welfare Scheme.”

6.3 On the specific timeline fixed for the scheme to be fully functional post-merger, the Ministry replied as under:

“The existing scheme is operational as of now. The revised scheme with certain reduced components of (Survey, will continue to function as a part of Labour Welfare Scheme post-merger.”

6.4 When the Committee sought to know how the budgetary allocations for rehabilitation of bonded labourers can be ring-fenced within the larger Labour Welfare Scheme to avoid dilution of focus, the Ministry in their supplementary reply, stated as below:

“The Central Sector Scheme for Rehabilitation of Bonded Labourers, 2021 has recently been revised and subsumed as a component of the Umbrella Scheme – Labour Welfare Scheme, recognizing that both initiatives are welfare oriented and share closely aligned objectives.

The budgetary allocations for Rehabilitation of Bonded Labourers will be provided under distinct budgetary head under the Labour Welfare Scheme that will allow separate accounting.”

6.5 The Committee have observed that continuing the trend of sub-optimal utilisation of funds under the scheme during 2025-26 also, the actual utilisation of the allocated funds of Rs. 3.00 crore (RE) stands at Rs.1.06 crore. When asked whether this meagre utilization of allocated fund indicates fewer inspections and special drives, the Ministry furnished the following reply:

“The Bonded Labour System has been abolished by the Bonded Labour System (Abolition) Act, 1976. Under the Bonded Labour System (Abolition) Act, 1976 identification, release and rehabilitation of freed bonded labour is the direct responsibility of the concerned States/Union Territories. In

order to assist the States/UTs in their task of rehabilitation of released bonded labourers, the Ministry of Labour& Employment was implementing a Central Sector Scheme for Rehabilitation of Bonded Labourer-2021. This scheme is demand driven where funds are provided to States/UTs on receipt of proposal from them.”

6.6 When asked whether all the States have created a Bonded Labour Rehabilitation Fund at District Level, the Ministry replied as under:

“The Ministry has been consistently pursuing with the State/UT Governments at different levels for creation of Bonded Labour rehabilitation Fund. D.O. letters were also issued by the Secretary (Labour& Employment) to the Chief Secretaries of all State/UT Governments, emphasizing the need for creation of the Fund.

As a result of these efforts, the following States/UTs have furnished information regarding the establishment of the Bonded Labour Rehabilitation Funds: *Assam, Bihar, Chhattisgarh, Delhi, Haryana, Jharkhand, Gujarat, Karnataka, Kerala, Madhya Pradesh, Puducherry, Punjab, Rajasthan, Tamil Nadu, and Uttar Pradesh.*

The Ministry is actively following up with the remaining States/UTs, to ensure creation of the Bonded Labour Rehabilitation Funds in all districts of all the States/UTs.”

VII. Allocation for North Eastern Areas

7.1 The BE 2025-26 of Rs. 3208.67 crore for North Eastern Areas has been reduced to Rs.1191.14 crore at RE stage. When asked to state the reasons for the reduction of funds at the RE stage and also to furnish the amount utilized out of the RE, the Ministry replied as below:

“North Eastern Region (NER) is provided with gross budgetary support amounting to at least 10 % of the allocation of schemes. If the revised estimates for the scheme are reduced for any reason, the NER components will be automatically reduced. The reduction of fund at RE stage is mainly under PMVBRY scheme. The PMVBRY scheme was notified to take effect from 1 August 2025, following Cabinet approval on 1 July 2025, instead of the originally envisaged date of 1 April 2025 which had formed the basis of the BE 2025-26 estimation. Consequently, only those beneficiaries enrolled in August 2025 who complete the stipulated six months of sustained employment within the Financial Year will become eligible for benefits. This has led to a substantial reduction in the actual requirement

at the RE stage. An expenditure of Rs. 897.29 crore has been incurred as on 10.02.2026, which constitutes 75.33% of the RE allocation.”

7.2 On a further query as to how the Ministry will ensure that under-utilisation in a major scheme does not disproportionately affect the allocation for NER, given that at least 10% of scheme outlay is mandated for NER allocation, the Ministry in their supplementary reply, stated as under:

“As per the directions of Ministry of Finance issued in Budget Circulars and instructions of Ministry of Development of North-Eastern Region (MDoNER), non-exempted Central Ministries / Departments are mandated to spend 10% of Gross Budgetary Support (GBS) of Central Sector (CS) and Centrally Sponsored (CSS) Schemes on North-East Region (NER).

2. The NER allocation and expenditure of MoLE during the last three Financial Years and current Financial Year (up to 24.02.2026) are as under:

(Rs. in Crore)

FY	NER Allocati on (BE)	NER Allocation (RE)	NER Expenditu re	% NER Expenditure against NER RE Allocation
2022-23	1615.92	1535.87	1393.31	90.72%
2023-24	1243.50	1204.33	1107.11	91.93%
2024-25	2191.07	1758.97	1086.56	61.77%
2025-26	3208.67	1191.14	897.12*	75.32%

*Up to 24.02.2026.

3. It may please be noted that NER expenditure of MoLE during the FYs 2022-23 and 2023-24 was more than 90% against NER RE allocation.

During FYs 2024-25 and 2025-26 (up to 24.02.2026), the NER expenditure of MoLE was low due to PMVBRY scheme. This is an outlier as the PMVBRY scheme could not be launched in FY 2024-25 and the whole NER allocation 2024-25 (BE: Rs. 1000 Crore / RE: 657.09 Crore) remained un-utilized. The scheme was approved by the Cabinet in mid-year on 01.07.2025 with effective date of implementation as 01.08.2025. As per the scheme provision, the payment to the first timers (Part A) and to the Employers (Part B) will be made after receipt of 6 months Electronic Challan-cum-

Return (ECR) along with contributions in EPFO. Due to revision at RE stage, the NER allocation of PMVBRY has been reduced from Rs. 2000 Crore (BE) to Rs. 64.46 Crore (RE).

Now that PMVBRY has been launched and its expenditure structure has been streamlined, MoLE's NER commitments are expected to be fulfilled in the next Financial Year.”

7.3 The Committee have also observed that the BE 2026-27 has been enhanced to Rs. 3198.76 crore. When asked to explain the Scheme/component-wise increase in allocation during 2026-27 and how the Ministry proposes to utilize the increased funds completely, the Ministry replied as follows:

“The Budget allocation for FY 2026–27 and FY 2025–26 is Rs. 3198.76 crore and Rs. 3208.67 crore, respectively. It may be observed that there is no significant increase in the overall allocation of funds between the two Financial Years.

Bureau Heads have been advised to ensure proportionate expenditure during the year by fixing monthly and quarterly targets and also to review actual expenditure vis-a-vis targets. The pace of expenditure is also being reviewed on weekly basis by AS&FA and Secretary, MoLE.”

7.4 On further query whether unspent balances under NER head are liable to lapse or can be re-appropriated, the Ministry in their supplementary reply, stated as under:

“Normally the savings available under mandatory 10% provision earmarked for the northeast areas are not available for re-appropriation to meet other additionalities under non-northeast area expenditure. However, if there has been overall reduction in total expenditure ceiling of any ministry/department at Revised Estimate Stage and the savings under northeast areas as corollary is available, the same may be used to meet the additionalities under the other items in order to avoid bloating of appropriations.

The Ministry closely monitors NER allocations and surrenders anticipated savings at the RE stage to avoid unnecessary parking of funds. Expenditure under NER is reviewed periodically by Secretary and AS&FA, to ensure timely releases and corrective measures wherever required.”

VIII. Labour Codes

Operationalising provisions relating to Minimum Floor Wage under Code on Wages, 2019

The Code on Wages, 2019 & The draft Code on Wages (Central) Rules, 2025

8.1 The Code on Wages, 2019 was enacted on 08.08.2019 by subsuming the provisions of four labour laws, i.e.,

(i) The Minimum Wages Act, 1948; (ii) The Payment of Wages Act, 1936; (iii) The Payment of Bonus Act, 1965 and (iv) The Equal Remuneration Act, 1976.

The provisions of the Code on Wages, 2019 apply uniformly to all employees, including those belonging to unorganized sector. Following are some of the benefits of the Code on Wages, 2019:-

- i Universalisation of Applicability of Minimum Wages across employments.
- ii. Timely Payment of Wages to all employees, irrespective of any wage ceiling and establishment strength.
- iii. Wage protection by virtue of fixation of statutory Floor Wage to be fixed by the Central Government, below which no employee shall be paid wages.
- iv. Fixation of working hours constituting a normal working day and adequate provision for rest day.
- v. Provision of compensation with overtime rate of wages that shall not be less than twice the normal rate of wages for working beyond normal working hours or on day of rest.
- vi. Capping of allowances at 50% of total remuneration, exceeding which the allowances shall be calculated as wages (excesspart), there by ensuring adequate statutory benefits linked to wages such as PF contribution, gratuity, etc.
- vii. Enhancement of limitation period for filing of claims upto 3 years.
- viii. Shifting the burden of proof on employer to prove that all the dues have been paid by him.

8.2 During the course of evidence, the Committee observed that the revision of minimum floor wages has not been taken up for a long time now. Unless minimum floor wages are done, the regular increase in the minimum wages cannot be done. As minimum floor wages will decide the minimum wages in

different sectors, the representatives of the Ministry were asked to immediately take up the issue of revision of the minimum floor wages.

The representative of the Ministry responded as under:

“Sir, we will take it up.”

8.3 Further, the Ministry was asked regarding the progress made in operationalising provisions relating to floor wage under the Code on Wages, 2019. It was also queried whether the Floor Wage under the Code has been formally notified and how the Ministry will ensure that States do not fix minimum wages below the notified floor wage. The Ministry, in their supplementary reply, stated as follows:

“The provisions of the Code on Wages, 2019 with an aim to universalize the applicability of Minimum Wages and timely payment of Wages to all employees have come into effect vide Notification S.O. 5322 (E) dated 21.11.2025.

As per Section 9 (1) of the Code on Wages, 2019, the Central government is mandated to fix the floor wage. The Section 9(2) of the Code stipulates that the minimum rates of wages fixed by the Central and States/UT Governments shall not be less than the floor wage and where the minimum rate of wages fixed by respective Governments are higher than the floor wage so fixed by them, then they shall not reduce such minimum rate of wages.

Further, as per section 9 (3) of the Code on Wages, 2019, the Central government is to obtain the advice of the Central Advisory Board (CAB) before fixing the floor wage.

The Central government under Section 42(1) of the Code shall constitute a tripartite Central Advisory Board, which, inter alia, shall consist of five representatives of State Governments with an equal number each of employer and employee representatives to be nominated by the Central Government and independent members not exceeding one-third of the total strength.

In this regard, the Draft Rules under the Code on Wages, 2019 were pre-published vide Notification G.S.R. 936 on 30.12.2025 for inviting the comments/suggestions/objections of the stakeholders in 45 days. The comments/suggestions/ objections so received are being examined/analysed and the process of finalization of Rules is underway.

Once the Code on Wages (Central) Rules are finalized and notified, the Central Government will constitute a Committee as per Section 8(1) of the Code to provide inputs on fixation of Floor Wage. Further the Central government shall also constitute the Central Advisory Board for providing its advice on the proposal of Floor Wages referred to it. Further as per Section 9(3) of the Code, the Central government is to consult State governments before fixation of floor wage. Accordingly, notification of the floor wage shall be undertaken upon completion of the said statutory prerequisites.”

Notification of Rules post Implementation of Labour Codes

8.4 On a query by the Committee as to when the Rules pertaining to the Labour Codes will be finally notified, the representative of the Ministry deposed before the Committee during evidence as under:

“Sir, we have pre-published on 30th of December, so, we are hopeful of trying to finish all these by March end. हम एक पहले करेंगे, उसमें 30 दिन का टाइम दिया था। But that is the goal that we have kept for ourselves. We are hopeful that we shall be able to achieve it.”

8.5 On a further observation by the Committee during the course of evidence that without the Rules, implementation will be very difficult and the States are just looking forward to the rules and are not able to implement even certain things which are very clear, the representative of the Ministry submitted as under:

“For the central rules, as I said, our goal is by March. For States, we are doing regional workshops. We have already completed four workshops, only one workshop is left, which will cover all the States where we are even supporting and guiding them on the rules. Wherever there are gaps and divergences, we are working on them also. Similarly, we are having a lot of frequently asked questions because the trade unions, employers and workers have doubts. So, we put FAQs on our website and when we go to these regional workshops, whatever questions the States are asking or employers or workers are asking, we are clarifying them on a concurrent basis and putting on our website.”

IX. National Child Labour Project (NCLP)

9.1 Our Constitution provides for protection of children from involvement in economic activities and avocations unsuited to their age and this is provided for in the Fundamental Rights (Article- 24). Directive Principles of State Policy in the Constitution also strongly reiterate this commitment.

Legal Protection of Children at Work

9.2 The Child and Adolescent Labour (Prohibition & Regulation) Act, 1986 as amended in 2016 *inter-alia* covers complete prohibition on employment or work of children below 14 years of age in all occupations and processes; linking the age of the prohibition of employment with the age for free and compulsory education under Right to Education Act, 2009; prohibition on employment of adolescents (14 to 18 years of age) in hazardous occupations or processes and making stricter punishment for the employers contravening the provisions of the Act.

9.3 The Child Labour (Prohibition & Regulation) Amendment Rules, 2017, *inter-alia*, cover provision for prevention, rescue and rehabilitation and convergence, definition of “help” in the family enterprises owned by the family of the child and regulation of child artists to ensure their safety and security. The Rules also provides for District Nodal Officer (DNO) and Task Force under the chairmanship of District Magistrate to ensure that the provisions of the Act are properly enforced.

9.4 The Standard Operating Procedure (SOP) framed by the Ministry works as a ready reckoner for trainers, practitioners and monitoring agencies to ensure complete prohibition of child labour and protection of adolescents from hazardous labour ultimately leading to Child Labour Free India. The online portal PENCiL (Platform for Effective Enforcement for No Child Labour) developed by the Ministry of Labour & Employment provide for a mechanism for both enforcement of the legislative provisions and effective implementation of the National Child Labour Project (NCLP). The Portal has components like Complaint Corner, Child Tracking System, and NCLP data. Complaints of child labour can be registered electronically on the Portal to the concerned District Nodal Officers (DNOs) for taking prompt action.

9.5 During the course of evidence, the Committee observed that child labour is rampant in this country for economic and social reasons and sought to know the scheme that will remove child labour and ensure that the child is properly supported.

9.6 In response, the representative of the Ministry deposed before the Committee as under:

“.....the Labour Codes amalgamated 29 previous Acts. The Child and Adolescent Labour (Prohibition and Regulation) Act has not been amalgamated. It continues, and enforcement in both the Central and State domains continues. So, we will be doing that. But in terms of identifying and rehabilitating, as you said, we will frame a scheme with specific financial provisions and take it to the Finance Ministry.”

9.7 On being asked about the key reasons and policy objectives behind the merger of NCLP with SSA, the Ministry in their supplementary reply, stated as follows:

“In alignment with the Ministry of Finance, Department of Expenditure No. 42(02) PF-II/2014 dated 8th December 2020, any scheme proposed to be implemented beyond 31.03.2021 was required to be evaluated in terms of their instructions and a rationalization process. The goal was to eliminate redundancies in the schemes. Accordingly, this Ministry initiated necessary process to evaluate the scheme for its continuance beyond 31.03.2021.

Further, while finalizing the note for Standing Finance Committee (SFC), it was observed that the objectives of National Child Labour Project (NCLP) Scheme were similar with Samagra Shiksha Abhiyaan (SSA) of Department of School Education and Literacy. The NCLP scheme focused on providing rescued children with bridge education, vocational training, mid-day meal, stipend, health care and recreation etc. with the ultimate objective of preparing them to be mainstreamed into the formal system of education. These bridge courses are also provided in STCs under Samagra Shiksha Abhiyan. In addition, SSA focusses on providing primary and secondary education. It was also noted that the names of many rescued children appeared in independent surveys conducted by both the NCLP and SSA. Therefore, in order to ensure optimum utilization of available resources and avoid duplication at any stage, the Government decided to merge / subsume NCLP with SSA. After due procedure and approval of the competent authority, the merger was finalized. Consequently, the children under NCLP get an opportunity to access greater benefits under SSA.”

9.8 When the Ministry was asked as to how the core objectives of NCLP have been preserved within the SSA framework, the Ministry replied as under:

“The objective of NCLP Schools was to provide bridge education through Special Training Centres to the rescued child labourers for further mainstreaming in formal education system. After merger of the scheme, bridge education to the rescued child labour is being provided directly through Special Training Centres of Samagra Shiksha Abhiyaan (SSA) of Department of School Education and Literacy, followed by formal primary/secondary education. Thus the core objective of the NCLP Scheme i.e. to withdraw child labourers and mainstream them into formal education is not affected by the merger.”

9.9 Regarding a query on whether a separate vertical/mechanism for child labour tracking, identification and rehabilitation will continue to exist post-merger, the Ministry in their supplementary reply, furnished as below:

“Yes, a mechanism for tracking and monitoring continues to exist through the PENCiL (Platform for Effective Enforcement for No Child Labour) portal of MoLE. The portal includes a specific Child Tracking System component. Additionally, District Nodal Officers (DNOs) have been appointed to handle complaints & upload data on rescued child labourers.”

9.10 When the Ministry was asked as to how the roles and responsibilities are to be divided between the Ministry of Labour and the Ministry of Education post-merger, the Ministry provided the following information:

“Ministry of Labour and Employment: Retains the role of formulating policies and programs to combat child labour. It is responsible for the legislative framework, specifically enforcing the Child and Adolescent Labour (Prohibition & Regulation) Act, 1986. It also administers the PENCiL portal for complaint registration and tracking.

Ministry of Education (Department of School Education and Literacy): Responsible for the rehabilitation and mainstreaming of rescued children into the formal education system through STCs operational under the Samagra Shiksha Abhiyan (SSA). The Department also conducts periodic door-to-door surveys to identify out-of-school children.”

X. Employees’ State Insurance Corporation (ESIC)

The Employees State Insurance Act, 1948

Coverage

10.1 The Employees' State Insurance Act, 1948 applies to factories employing 10 or more persons. The provisions of the Act are being brought into force area-wise in stages. The Act contains an enabling provision under which the 'Appropriate Government is empowered to extend the provisions of the Act to other classes of establishments, industrial, commercial agricultural or otherwise. Under these provisions, the appropriate Governments have extended the provisions of the Act to shops, hotels, restaurants, cinemas including preview theatres, road motor transport undertaking, newspaper establishments, educational & medical institutions, establishments engaged in insurance business, Non-banking Financial Companies, Port Trust, Airport Authorities and warehousing establishments etc. employing 10 or more employees. Employees of Factories and establishments covered under the Act drawing monthly wages up to Rs. 21000/- per month and Rs. 25000/- per month for persons with disabilities are covered under the scheme.

10.2 The ESI Scheme is now operated in 36 States/UTs. As on 31.03.2025, 3.84 crore Insured Persons and 14.91 crore beneficiaries are covered under the scheme.

10.3 During the course of evidence, the Committee raised a query regarding the status of a proposal to increase the wage ceiling under the ESI scheme as a lot of people will be left out if it is not increased and there is also a demand from the labourers for many years. In response, the representative of the Ministry submitted as under:

“.....that is currently under the consideration of the Government, and your recommendation in that will also be very supportive as that is under active consideration of the Government.”

10.4 When the Ministry sought to know whether there is a proposal to revise the existing wage ceiling of Rs. 21,000 per month under ESIC which has been a long pending demand of the labourers for several years and the timeline for implementation of the revised wage ceiling, the Ministry in their supplementary reply, stated as follows:

“As per Section 2(89) of Code on Social Security, 2020 the “wage ceiling” means such amount of wages as may be notified by the Central Government, for the purpose of becoming a member under Chapter IV (ESIC). Presently, the threshold limit for coverage is Rs. 21,000 per month.

Further, to examine the request of the wage ceiling enhancement and other related issues the Hon’ble Chairman constituted a committee comprising of members from the ESI corporation, expert from VVGNI and officers of the ESI Corporation. The committee after detailed deliberation has submitted its report with the recommendations, which is under consideration.”

10.5 As regards the estimated additional number of employees likely to be brought under ESIC coverage due to the enhanced wage ceiling, the Ministry apprised the Committee *vide* their supplementary reply as follows:

“Estimated additional number of employees likely to be brought under ESIC coverage due to the enhanced wage ceiling are a sunder:

	Up to Rs. 25,000/-	Up to Rs. 30,000/-	Up to Rs. 35,000/-	Up to Rs. 40,000/-	More than Rs. 40,000/-
Additional coverage	5652800	9734800	12246000	13188000	17270000

10.6 When the Ministry was asked regarding the preparedness of ESIC hospitals and dispensaries to handle the projected increase in beneficiaries post revision in wage ceiling, the Ministry furnished the following reply:

“The Employees’ State Insurance Corporation (ESIC) currently operates a network of 166 hospitals and 1,603 dispensaries across the country. To further strengthen service delivery, ESIC plans to expand its footprint through the establishment of 98 additional hospitals and 61 new dispensaries.

In addition, ESIC has signed an MoU with the National Health Authority (NHA), enabling ESI beneficiaries to directly access PM-JAY empaneled hospitals in emergencies and for routine referrals where required treatment is not available at ESIC health facilities. Further, ESIC will also utilize State Government health facilities to enhance access to healthcare services for its beneficiaries.

These measures will significantly enhance ESIC’s capacity to manage the growing beneficiary load and ensure timely access to quality healthcare services.”

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PART-II

OBSERVATIONS/RECOMMENDATIONS

I. General Overview

1. The Committee appreciate and welcome the implementation of the Labour Codes and observe that it has been received and well taken by the working force in both Government and Private Sectors. The Committee observe that co-operation of the States is highly important for effective implementation the Codes. Since, monitoring the implementation of the Codes is very essential, the Committee recommend that a permanent Co-ordination and Interaction Board consisting of representatives of both Centre and States may be constituted on priority basis. Secondly, the various programmes conceptualized by the Union Government are to be implemented by the States in letter and spirit. The Committee also note that States are not performing as expected. Hence, the above Co-ordination Board should also look into the implementation of the various schemes. The Rules to be framed for the smooth implementation of the Labour Codes may also be taken up in a stipulated time frame on priority.

2. Strengthening Social Security and Emergency Relief Mechanisms for Contractual Labour

The Committee observe that a significant number of workers engaged as contractual labour perform duties similar to those of regular workers. However, despite existing statutory provisions relating to social security and safety, it has been noted that in cases of workplace accidents, including fatal accidents, the delivery of relief and compensation to contractual labourers is often delayed. Such delays adversely affect the financial stability and welfare of the workers' families. The Committee, therefore, recommend that all contractual labourers engaged in regular and perennial activities should be ensured timely coverage under social security schemes, including Employees' State Insurance (ESI), Employees' Provident Fund (PF), and other statutory benefits, on par with the regular employees. Further, the Committee recommend that the Union Government, in coordination with State Governments, should consider establishing empowered committees or dedicated mechanisms at appropriate levels to monitor compliance with social security provisions and ensure expeditious disbursement of relief and compensation in cases of workplace accidents involving contractual labour.

3. Registration and Protection of Gig Workers under the e-Shram Framework

The Committee note that gig workers have become an integral part of the modern supply chain, particularly in urban areas, by facilitating the delivery of essential goods and services through digital platforms. However, many gig workers remain outside the formal labour registration and social security framework. The Committee recommend that all aggregators should mandatorily register gig workers on the e-Shram Portal, and engagement of such workers should be linked to this registration. The registration should remain valid for a minimum period of one year, during which social security benefits such as insurance, health, and accident coverage should continue even if the worker discontinues work with the aggregator before completion of the year. The Committee further recommend that the Government should consider incorporating specific provisions for gig and platform workers within the labour codes, clearly defining the responsibilities of aggregators and ensuring their contribution towards the social security and welfare of gig workers, to be implemented effectively by the States.

II. Overall Budgetary Allocation and Utilization

4. Addressing RE Shortfalls and Persistent Underutilization of Funds

The Committee note with concern the persistent trend of substantial reduction at the Revised Estimates (RE) stage and significant shortfall in actual expenditure vis-à-vis RE during the last three Financial Years. The persistent shortfalls indicate structural issues in budget forecasting and implementation planning. The Committee are of the considered view that repeated overestimation at the Budget Estimates (BE) stage undermines fiscal credibility and reflects inadequacies in demand assessment and preparedness of schemes. The Committee, therefore, recommend that the Ministry of Labour and Employment evolve a more realistic and evidence-based budgeting framework, particularly for newly announced schemes, by factoring in approval timelines, implementation readiness, absorptive capacity and historical expenditure trends. A detailed scheme-wise variance analysis (BE vs RE vs AE) and actual expenditure incurred along with corrective measures taken, may be furnished to the Committee on quarterly basis. Moreover, rationalisation and reappropriation of the Budget may be undertaken depending upon the funds which have not been spent in certain areas and certain schemes and where the Ministry require more funds for certain projects/programmes/schemes.

5. Delays in Approval of Schemes

The Committee observe that major savings during 2024–25 arose due to non-approval or delayed approval of schemes, particularly Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY), as well as projects under Labour and Employment Statistical System (LESS). The Committee are constrained to note that such delays result in avoidable surrender of funds and disrupt intended outcomes. The Committee recommend that the Ministry put in place a time-bound mechanism for obtaining SFC/EFC/Cabinet approvals well in advance of the Financial Year in which allocations are proposed. No substantial allocation should be projected at the BE stage unless the scheme has achieved adequate administrative and financial readiness. The Committee further assert that old schemes should continue till the new schemes are approved so that there is no gap in implementation. It should be done properly with end-to-end approach, including financial end-to-end approach. If the scheme is conceptualised without financial backing, it will see sunset very soon. The Committee observe that multiple alterations in certain schemes indicate lack of adequate preparatory work and thorough review of previous gaps which were not undertaken before implementation. The Committee emphasize that any new scheme or revision in the form of merger or otherwise is undertaken, must be foolproof, addressing all anomalies, gaps and shortcomings of earlier schemes. Achievement is one thing, and the path to achievement is something more than the achievement itself, and therefore careful planning and implementation are imperative. The Committee, therefore, urge the Ministry to implement such schemes as flagship programmes with the highest priority and submit monthly reports on enrolment, employment retention, and payments made, enabling continuous monitoring of the schemes on a month-to-month basis. The Committee may be apprised of the progress made in this regard.

6. Back-Loading of Expenditure

The Committee note that expenditure during 2025–26 has been considerably back-loaded, raising concerns regarding compliance with the ceiling of 33 per cent expenditure in the last quarter and 15 per cent in March as stipulated by the Department of Expenditure. The Committee are of the considered view that systemic improvements are necessary and recommend that the Ministry should ensure balanced quarterly expenditure by fixing realistic Quarterly Expenditure Plans and strictly monitored adherence thereto. Accountability of Bureau Heads for significant deviations may be clearly defined and enforced. The Committee further recommend institutionalization of a digital dashboard for real-time monitoring of financial and physical progress under each scheme. Early-warning mechanisms for potential savings may be developed so that funds

can be reallocated in time. The Committee desire that a quarterly statement detailing scheme-wise expenditure incurred by the Ministry be furnished in a timely manner.

7. Monitoring of PM-VBRY

The Committee observe that the Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY) accounts for a substantial proportion of the total Revenue Budget allocation for 2026–27. Given the magnitude of allocation and its critical objective of employment generation, robust monitoring assumes paramount importance. The Committee recommend that the Ministry submit quarterly reports indicating the number of beneficiaries, establishments covered, sector-wise employment generation, and expenditure incurred. The Committee further desire that an independent third-party evaluation of the scheme be undertaken within a reasonable timeframe to assess employment additionality and cost-effectiveness.

8. Sustainability of Employees' Pension Scheme (EPS), 1995

The Committee note that a significant allocation has been earmarked towards statutory obligations under the Employees' Pension Scheme (EPS), 1995. The Committee recommend that the Ministry furnish a medium-term actuarial assessment of the sustainability of EPS liabilities and place before them the projected fiscal implications over the next five years. Periodic actuarial reviews may be institutionalized to ensure long-term financial prudence.

9. Demand-Driven Schemes

The Committee note that schemes such as National Database of Unorganized Workers (NDUW), Bonded Labour Rehabilitation and National Career Service (NCS) are demand-driven in nature and expenditure depends upon demand received. However, subdued demand leading to under-utilization of funds suggests the need for proactive outreach by the Ministry. Observing that the Labour Department is dependent on State Labour Departments for most of the schemes to be implemented, the Committee recommend that all kinds of anomalies should be removed and schemes should be implemented with the assistance of the State Governments. The Committee strongly feel that continuous interaction with the States can bring them on board and give them confidence, so that the entire allocated amount is expended within the stipulated time. The Committee, therefore, urge the Ministry to undertake targeted awareness drives in coordination with States/UTs to enhance beneficiary participation and improve fund utilization. State-wise performance monitoring mechanisms may also be introduced.

10. Coordination with Ministry of Finance and Augmentation of Allocated Funds

The Committee note that the funds allocated for 2026–27 is marginally lower than the amount sought and that certain schemes are under appraisal stage or in the merger stage. The Committee observe that significantly lower allocations have been made to certain flagship schemes which are at the merger stage which, in turn, is likely to adversely affect their implementation and effectiveness. The Committee are of the considered view that insufficient budgetary allocations undermine the objectives of these schemes and prevent the Ministry from achieving the intended outcomes in areas such as social security, skill development, employment retention, and child labour rehabilitation. The Committee, therefore, strongly urge the Ministry of Labour and Employment to ensure that adequate and realistic budgetary provisions are made for all schemes, keeping in view their scope, projected beneficiaries, and implementation requirements. The Committee recommend that the Ministry undertake a detailed assessment of financial requirements for each scheme and submit a comprehensive action plan along with revised budget proposals for consideration in the forthcoming Demands for Grants. The Committee further recommend that the Ministry strengthen pre-budget consultations with the Ministry of Finance by furnishing outcome-based justifications and realistic cash-flow requirements. The Ministry may also project additional requirements at the RE stage in a timely manner to avoid disruption in implementation. The Committee would like to be apprised of the steps taken to bridge the funding gaps and ensure timely and effective implementation of all schemes under the Ministry.

11. Alignment with Recommendations of the Sixteenth Finance Commission

The Committee take note of the observations of the Sixteenth Finance Commission regarding rationalization of subsidies and the need for clear targeting and exit mechanisms. The Committee recommend that all continuing schemes of the Ministry incorporate clearly defined beneficiary criteria, periodic review mechanisms, and sunset clauses to ensure that the benefits reach the intended sections and fiscal resources are utilized efficiently.

Scheme-wise Analysis of Performance

Secretariat

12. Projection of Budget Estimates

The Committee note that the BE 2026–27 has been projected on the basis of past expenditure trends, committed liabilities and anticipated initiatives. However, frequent deviations between BE, RE and AE in preceding years suggest scope for improvement in estimation methodology. The Committee recommend that the Ministry institutionalize a structured forecasting mechanism incorporating (i) trend analysis of at least three preceding years, (ii) quantified assessment of committed liabilities, and (iii) clear mapping of new initiatives with implementation timelines. The Committee also desire that a statement indicating the basis of estimation under major object heads may be furnished to them at the time of examination of the next Demands for Grants of the Ministry.

13. Monitoring and Clearance of Liabilities

The Committee note that against the BE of Rs. 106.54 crore for 2025–26 under the Secretariat Head, the allocation was enhanced to Rs. 122.50 crore at the RE stage on account of pending liabilities, debit claims, publicity expenditure relating to Labour Codes and payment for professional services. The Committee are of the view that accumulation of liabilities and debit claims indicate the need for better internal financial control and periodic reconciliation. The Committee recommend that quarterly liability statements be prepared and reviewed at the level of Secretary and AS&FA to ensure timely settlement and avoid sudden requirement of additional funds at the RE stage. Efforts should be made to minimize spill-over liabilities to subsequent Financial Years. The Committee also recommend that the Ministry should adopt a more calibrated approach in projecting RE requirements by undertaking a realistic assessment of pending liabilities and time-bound payment schedules so as to avoid bunching of expenditure in the last quarter.

14. Publicity and Implementation of Labour Codes

The Committee note that additional funds were sought for media campaigns and outreach following the implementation of the Labour Codes with effect from 21.11.2025, and that expenditure was partly met through re-appropriation. The Committee are of the view that expanded responsibilities arising from the implementation of Labour Codes necessitate stable and predictable provisioning rather than reliance on re-appropriations. The Committee, therefore, recommend that expenditure relating to awareness, capacity building and IT infrastructure under the Labour Codes be factored in a structured manner in the BE itself, along with clearly defined annual action plans and measurable outreach outcomes.

15. Safeguarding Core Secretariat Functions and Ensuring Optimal Utilization in 2026-27

While taking note of the Ministry's assurance that the marginal variation in BE 2026-27 will not adversely affect policy formulation, coordination and monitoring functions, the Committee emphasize that the Secretariat Head performs critical functions relating to policy design, inter-ministerial coordination, monitoring of schemes and legislative implementation. Hence, adequate provisioning under this Head must be ensured to strengthen institutional capacity, particularly in the context of expanded regulatory oversight post implementation of the Labour Codes. The Committee urge that the Ministry ensure balanced quarterly expenditure during 2026-27 and avoid upward/downward revisions in the RE stage as well as the 'March Rush' towards the end of the Financial Year. Monthly expenditure targets under each object head may be fixed and deviations beyond a reasonable threshold should be specifically reviewed. The Committee expect the Ministry to take timely corrective action and furnish a comprehensive Action Taken Note on the above recommendation of the Committee.

**Directorate General of Factory Advice Service and Labour Institutes
(DGFASLI)**

16. Addressing Persistent Underutilization of Funds

The Committee note with concern the recurring shortfall in expenditure under DGFASLI during 2023-24, 2024-25 and 2025-26 (up to 15 January 2026). The Committee are of the considered view that persistent underutilization reflects deficiencies in planning, timely recruitment and execution of approved programmes. The Committee, therefore, recommend adoption of an outcome-based budgeting framework linking financial outlays with clearly defined physical targets such as number of inspections, training programmes conducted, research studies completed, modernization milestones achieved and safety awareness initiatives undertaken. The Committee also strongly recommend that the Ministry undertake a comprehensive review of the expenditure management mechanism under this Head and put in place a robust system of quarterly financial planning and monitoring to ensure optimal utilization of funds. The Committee expect that the Ministry will take earnest steps to address the systemic issues leading to underutilization and ensure that the enhanced allocation during 2026-27 corresponds with measurable outcomes and improvements in occupational safety, health standards and enforcement mechanisms across the country. A quarterly progress report in this regard may be furnished to the Committee.

As delays in procurement and modernization projects have also contributed to lower expenditure levels, the Committee recommend that all major procurement processes and capital works be initiated in the first half of the Financial Year with strict timelines for completion. A centralized monitoring mechanism at the Ministry level may be instituted to prevent spillovers and last-quarter expenditure concentration. The Committee also direct the Ministry to submit a detailed Action Taken Note outlining specific measures proposed to ensure full utilization of the enhanced BE 2026-27 of Rs. 41.11 crore and improvement in institutional capacity of DGFASLI.

17. Filling up of Vacancies and Capacity Augmentation

The Committee observe that a significant portion of savings appears to be attributable to vacant posts in technical and administrative cadres under the DGFASLI. Given the expanded mandate of DGFASLI under the Occupational Safety, Health and Working Conditions Code (OSH&WC), the Committee recommend that all sanctioned vacancies be filled in a time-bound manner during 2026-27. A dedicated implementation and monitoring cell should also be created within DGFASLI to coordinate with State Governments, develop standardized training modules, strengthen digital inspection systems and ensure effective enforcement across sectors, including dock safety. The Committee further recommend that the Ministry should assess the adequacy of existing manpower in the light of additional responsibilities and seek augmentation wherever necessary.

Underscoring the critical role of DGFASLI in safety promotion, training and research, the Committee recommend expansion of training programmes for State Inspectorates, industry stakeholders and workers, along with modernization of laboratories and strengthening of data collection and research capabilities. The Committee further recommend that adequate emphasis should be laid on emerging sectors and high-risk industries.

Directorate General of Mines Safety (DGMS)

18. Ensuring Full and Timely Utilization of Allocated Funds

The Committee are of the considered view that substantial shortfall in expenditure during 2025-26 (up to 15 January 2026) and the recurring variations between BE, RE and AE in preceding years under the Directorate General of Mines Safety (DGMS) reflects the need for effective financial planning and timely execution of approved schemes which are critical for strengthening mine safety oversight. The Committee, therefore, recommend that the Ministry should institute a stringent quarterly

expenditure monitoring mechanism, with clearly defined physical and financial targets, so as to ensure full utilization of the allocated funds within the prescribed parameters of the Ministry of Finance. The Committee further direct that any anticipated savings be identified well in advance and reappropriated appropriately.

The Committee further note that BE 2026-27 has been enhanced to Rs. 128.90 crore and emphasize that mere incremental increases in allocation, without corresponding absorptive capacity and implementation preparedness, may not yield the desired outcomes. The Committee recommend that the enhanced allocation be backed by a detailed action plan outlining recruitment schedule, modernization initiatives, inspection targets, training programmes and technology upgradation measures. The Ministry should ensure that projections are realistic, need-based and linked to measurable improvements in mine safety indicators.

19. Filling of Vacancies and Strengthening Field Enforcement

The Committee observe that vacancies in DGMS, particularly in technical and inspection cadres, adversely affect the frequency and quality of inspections and enforcement activities. The Committee strongly recommend expeditious filling of all sanctioned posts in a time-bound manner and, if required, creation of additional posts in view of expanding mining activities and responsibilities under the OSH&WC Code. The Committee are of the view that strengthening field formations is indispensable for effective compliance monitoring.

20. Capacity Building under the OSH&WC Code and Adoption of Modern Technologies

The Committee underscore that DGMS has a pivotal role in implementation of the OSH&WC Code in the mining sector and recommend comprehensive capacity-building initiatives, including specialized training in modern mining technologies, digital risk-based inspection tools, real-time monitoring systems in mines, data analytics for accident prevention and strengthening of research and testing facilities and disaster management preparedness. The Committee believe that adoption of technology-driven oversight will significantly improve safety outcomes and transparency and urge the Ministry to ensure that DGMS is technologically and institutionally equipped to discharge its enhanced statutory mandate.

21. Stringent action against illegal mining operations

The Committee note that the Ministry has furnished information regarding the number of registered mines as maintained by the Directorate General of Mines Safety (DGMS). However, the Committee observe that the data relating to unregistered/illegal mines is either not centrally compiled or is dependent upon inputs received from State Governments and other agencies. The Committee are of the considered view that absence of reliable and consolidated data on unregistered mines hampers effective enforcement of safety standards and undermines labour welfare measures envisaged under the Mines Act, 1952. The Committee, therefore, recommend that the Ministry of Labour and Employment, in close coordination with the Ministry of Mines and the State Governments, undertake a time-bound exercise to prepare a comprehensive and verified database of all operational mines, clearly indicating the number of registered and detected unregistered mines across the country. The Committee further desire that a robust mechanism be institutionalised for periodic updating of such data and for initiating stringent action against illegal mining operations to safeguard the interests, safety and welfare of mine workers. The Committee would like to be apprised of the action taken in this regard within three months.

International Cooperation

22. Concern over Sharp Variations and Underutilization

The Committee express concern over the substantial increase in RE 2025-26 from Rs. 41.99 crore to Rs. 52.05 crore, juxtaposed with the very low actual expenditure of Rs. 4.28 crore (up to 15 January 2026). The Committee are of the considered view that such wide divergences between projections and actual expenditure indicate deficiencies in advance planning, realistic assessment of activities and timely execution of approved international engagements. The Committee recommend that future projections under this Head be made strictly on the basis of confirmed programmes, firm commitments and approved schedules of multilateral and bilateral engagements.

The Committee also note that BE 2026-27 of Rs. 52.03 crore has been kept at almost the same level as RE 2025-26 and urge the Ministry to put in place strict financial oversight through establishment of an internal monitoring mechanism to track commitments, disbursements, and deliverables under each international project or engagement. The Ministry

should ensure that enhanced allocations are commensurate with clearly identified and actionable priorities.

23. Outcome-Oriented International Engagements

The Committee note that expenditure on international cooperation must yield fruitful outcomes in terms of policy inputs, technical collaborations, capacity building, labour mobility arrangements, and strengthening of institutional frameworks. The Ministry should, however, adopt an outcome-based framework for all international engagements, clearly indicating objectives, expected deliverables and post-engagement follow-up mechanisms. The Committee, therefore, recommend that a comprehensive Annual International Cooperation Calendar may be prepared at the beginning of the Financial Year, covering bilateral meetings, MoUs, training exchanges, ILO-related commitments and multilateral conferences. Expenditure planning should be phased quarter-wise to prevent last-minute rush or avoidable savings. Any anticipated deferment of events should be promptly reflected in revised projections.

24. International Reference Classification of Occupations

The Committee note that a feasibility study on adoption/adaptation of the International Reference Classification of Occupations based on skill and qualification requirements is being undertaken under the agreement between the Government of India (GoI) and the International Labour Organization (ILO). The Committee further note that such international occupational classification frameworks are widely used to standardize labour market data, enable global comparability, and align skill mapping with evolving industry standards. The Committee are of the considered view that harmonisation of India's occupational classification framework with internationally accepted standards would facilitate better skill benchmarking, improve labour market information systems, strengthen workforce mobility (both domestic and international), and enhance recognition of Indian qualifications abroad. It would also support evidence-based policy formulation, targeted skilling initiatives, and improved employment exchanges under various Government programmes. The Committee, therefore, desire that the Ministry of Labour and Employment may expedite the feasibility study in a time-bound manner, particularly for the benefit of the Indian labour force to enable them to obtain skill-based occupations abroad. The Committee further urge the Ministry to ensure close coordination with concerned Ministries/Departments dealing with skill development, education, and migration so that any transition to an

international classification system is seamless and aligned with national priorities. The Committee would like to be apprised of the progress made in this regard at the earliest.

Directorate General of Employment

25. Underutilization of Funds under Directorate General of Employment

The Committee note that under the Head 'Directorate General of Employment', there has been a recurring shortfall in expenditure vis-à-vis the Revised Estimates during the last three years. During 2025-26, against the RE of Rs. 69.50 crore (subsequently Rs. 69.56 crore), expenditure as on 10.02.2026 stood at Rs. 60.77 crore, with assurance that the remaining amount would be utilized within the Financial Year. While the Committee take note of the Ministry's submission, they observe that consistent underutilization indicates scope for improvement in planning, demand estimation and pace of implementation. The Committee, therefore, recommend that the Directorate General of Employment strengthen its internal monitoring mechanism by fixing realistic quarterly targets and closely tracking scheme-wise progress. The Directorate should also furnish a detailed object-head wise analysis of savings to the Committee, along with corrective measures proposed to avoid recurrence of such shortfalls.

26. Need for Tracking Actual Placements through the National Career Service Portal

The Committee note the submissions of the Ministry of Labour and Employment that more than 2.95 crore jobseekers and 41.51 lakh employers have registered on the National Career Service (NCS) Portal, and that over 4.27 crore vacancies were mobilized on the portal during the period 2022-23 to 2024-25. While the Committee appreciate the efforts of the Directorate General of Employment under the Ministry of Labour and Employment in expanding the reach of the portal, they observe that the information primarily reflects vacancies posted rather than the actual number of placements facilitated through the portal. The Committee are of the firm view that the true effectiveness of the NCS Portal can be assessed only when reliable and verifiable data on actual employment outcomes is available. In the absence of such outcome-based data, it becomes difficult to evaluate the extent to which the portal is contributing to meaningful employment generation. The Committee, therefore, recommend that the Ministry institute a robust mechanism to track and report the number of candidates actually placed through the NCS Portal on a year-wise basis, including sector-wise and State-wise details. The Ministry may also consider establishing a systematic verification mechanism for vacancies

posted by employers, including periodic validation, employer authentication and feedback from placed candidates, so as to ensure the credibility and authenticity of job listings. This would enhance transparency, accountability and effectiveness of the portal and enable it to play a more substantive role in addressing employment opportunities across the country.

27. Integration and Strengthening of National Career Service Ecosystem

The Committee note that the National Career Service (NCS) Portal has mobilized substantial registrations and vacancies during the last three years and that 31 States/UTs have been integrated with the portal. The Committee further note the proposed establishment of Career Lounges, integration with Bhashini platform and targeted interventions for SC/STs and Differently Abled persons. While appreciating these initiatives, the Committee are of the view that greater convergence with State Employment Exchanges and measurable outcome benchmarks are essential for improving employment matching efficiency. The Committee, therefore, recommend that the Ministry of Labour and Employment ensure full integration of all remaining States/UTs with the NCS Portal within a time-bound framework and develop key performance indicators such as placement rates, job retention rates and employer satisfaction indices. The Committee also desire that annual outcome reports, including category-wise placement data for SC/STs and Differently Abled jobseekers, be placed before them to assess the effectiveness of the interventions.

Central Sector Schemes/Projects

Labour, Employment and Price Statistics (LEAPS)

[erstwhile Labour and Employment Statistical System (LESS)]

28. Persistent Underutilization and Enhanced BE under LEAPS

The Committee note with concern the wide variations between BE, RE and Actual Expenditure under the Labour, Employment and Price Statistics (LEAPS) scheme (erstwhile Labour and Employment Statistical System [LESS]) during the last three Financial Years. The Committee observe that the allocation of Rs. 72.72 crore at BE stage during 2025-26 was drastically reduced to Rs. 25.00 crore at RE stage, and even against the reduced RE, expenditure remained subdued for a substantial part of the Financial Year. Although the Ministry has stated that expenditure is likely to reach Rs. 24.88 crore by the end of March 2026, such recurring fluctuations indicate deficiencies in advance planning and realistic assessment of survey timelines. The Committee further note that the BE for 2026-27 has

been substantially enhanced to Rs. 75.00 crore for undertaking major surveys, CPI base updation and automation initiatives. While appreciating the proposed initiatives, the Committee recommend that the Ministry of Labour and Employment ensure that preparatory activities, including finalization of methodology, sampling framework, expert consultations and field readiness, are completed well in advance so that the enhanced allocation for 2026–27 is utilized in a phased and balanced manner. The Committee also desire that a detailed quarterly implementation calendar for all proposed surveys and CPI base updation activities be furnished to them.

29. Strengthening Statistical Capacity and Timely Release of Labour Market Indices

The Committee note the recommendations made by the Arun Jaitley National Institute of Financial Management (AJNIFM) in its Third Party Evaluation, particularly regarding recruitment of permanent field and statistical staff, base updation of CPI-IW, increase in number of centres and transformation of survey instruments. The Committee are informed that recruitment for certain posts is at the final stage and preparatory work for base updation and new surveys is underway. The Committee emphasize that timely and credible labour and price statistics are critical for evidence-based policy formulation, wage fixation and social security decisions. Persistent manpower shortages and delays in base revision adversely affect the reliability of key indices. The Committee, therefore, recommend that the Ministry expedite completion of the ongoing recruitment process and prepare a comprehensive manpower augmentation plan for the Labour Bureau. Automation of data collection, establishment of a Project Monitoring Unit and alignment of administrative statistics with the Labour Codes should be implemented within a clearly defined timeline. The Committee further desire that periodic status reports on base updation of CPI-IW and CPI-AL/RL, along with timelines for release of revised series, be submitted to them.

Labour Welfare Scheme

30. Low Utilisation and Mid-Year Enhancement under Labour Welfare Scheme

The Committee note with concern that during 2025–26, the BE of Rs. 50.68 crore under the Labour Welfare Scheme (LWS) was enhanced to Rs. 78.09 crore at the RE stage, whereas utilisation up to mid-February

2026 remained significantly low. The Committee take note of the Ministry's explanation that the Housing component has attained sunset status; supplementary provision was made for residual housing liabilities and that utilisation under the Education component is back-end-loaded due to National Scholarship Portal (NSP) verification timelines. While taking into consideration the procedural constraints under the DBT framework, the Committee are of the view that such substantial variations between BE, RE and actual expenditure reflect deficiencies in advance demand assessment and synchronisation with scholarship cycles. The Committee, therefore, recommend that the Ministry of Labour and Employment institute a more robust forecasting mechanism aligned with NSP timelines so that realistic projections are made at the BE stage itself. The Committee further desire that a component-wise quarterly expenditure plan for Health and Education be prepared and adhered to, and that supplementary provisions be sought only on the basis of firm, eligibility-verified beneficiary data.

31. Structural Reforms and Convergence with ESIC

The Committee note that the Labour Welfare Scheme is proposed to continue as an umbrella scheme with consolidation of Health and Education components and that convergence of the Health component with the Employees' State Insurance Corporation (ESIC) is under examination in the context of the Code on Social Security, 2020. The Committee also note that the draft SFC proposal for continuation of the scheme during the 16th Finance Commission Cycle is under preparation. The Committee are of the considered view that prolonged uncertainty regarding the future structure of the Health component may affect service delivery to beneficiaries. The Committee, therefore, recommend that the Ministry finalize the SFC proposal within a time-bound framework and clearly indicate the roadmap for convergence with ESIC, including financial implications, coverage norms and transition arrangements. The Committee further recommend that enhancement of eligibility thresholds under the Education component be accompanied by strengthened beneficiary identification and monitoring systems to ensure targeted delivery and optimal utilisation of funds. The Committee expect the Ministry to apprise them of definitive timelines for approval and implementation of the proposed reforms.

32. Identification and Welfare Coverage of Beedi, Cine and Non-Coal Mine Workers

The Committee note with concern that the proposal for issuance of identity cards to eligible workers under the Labour Welfare Scheme is still under consideration and that the mechanism for the same is being finalized. The

Committee also take note of the Ministry's submission that following the notification of the Code on Social Security, 2020 w.e.f. 21 November 2025, the existing Education and Health components of the Labour Welfare Schemes are proposed to be continued for a transitional period of two years (2026-27 to 2027-28), while the Housing component (RIHS) has been converged with Pradhan Mantri Awas Yojana (PMAY) and is presently limited to clearing residual liabilities. The Committee are of the considered view that Beedi, Cine and Non-Coal Mine workers constitute a highly vulnerable and largely unorganized segment of the workforce, and timely identification and registration of such workers is essential to ensure that they receive the intended benefits under various welfare schemes. Considering that Beedi workers often work in conditions involving continuous exposure to tobacco dust, which may lead to serious health complications including respiratory diseases such as Tuberculosis, the Committee emphasize the need for enhanced medical support and preventive health measures. The Committee, therefore, recommend that the Ministry expedite the finalization and implementation of a comprehensive mechanism for issuance of identity cards to all eligible Beedi, Cine and Non-Coal Mine workers within a clearly defined timeline to facilitate their effective access to welfare benefits. The Ministry should also undertake a fresh nationwide assessment and updation of the database of such workers, including identification of new eligible beneficiaries, so that no deserving worker is left out of the welfare net. The Committee further recommend that during the transition to the new framework under the Code on Social Security, 2020, the Ministry should ensure uninterrupted and effective delivery of education, health and housing-related welfare benefits to these workers. The Ministry may also explore strengthening convergence with existing flagship schemes, particularly housing and health initiatives, while instituting an effective monitoring mechanism to ensure that the benefits reach the intended beneficiaries in a timely and transparent manner.

Social Security Schemes for Workers

Employees Pension Scheme, 1995

33. Variations in Budget Allocation and Utilization under Employees' Pension Scheme, 1995

The Committee note that under the Employees' Pension Scheme (EPS), 1995, the BE for 2025-26 was reduced from Rs. 11,250 crore to Rs. 10,500 crore at the RE stage, primarily on account of recalibration of projected liabilities linked to the rollout of PM-VBRY and the corresponding Government contribution @ 1.16% of pay. The Committee further note that

utilisation as on mid-February 2026 was below the RE allocation, though the Ministry has expressed confidence of full utilisation by the end of the Financial Year. While appreciating the statutory and demand-linked nature of the Scheme, the Committee are of the view that large mid-year adjustments point to the need for more robust actuarial and coverage-based forecasting. The Committee, therefore, recommend that the Ministry of Labour and Employment, in coordination with Employees' Provident Fund Organisation, adopt a more dynamic projection model incorporating real-time payroll data, membership growth trends and wage progression patterns to enhance accuracy of BE projections. The Committee also desire that a medium-term liability statement for EPS, including projected Government contribution and minimum pension obligations for the next five years, be furnished to them.

34. Compliance Enforcement and Universal Coverage

The Committee note instances of non-payment/non-contribution of statutory dues by certain employers and also the enforcement mechanisms available under the Code on Social Security, 2020. The Committee further note that EPS membership is mandatory only up to the prescribed wage ceiling and that 7.31 crore contributory members were covered during 2024–25. The Committee emphasize that timely remittance of both employer and employee contributions is essential to safeguard the pension entitlements of workers. The Committee, therefore, recommend that enforcement and inspection mechanisms be further strengthened through technology-enabled compliance monitoring and risk-based inspections. The Committee also recommend that the Ministry undertake targeted awareness and compliance drives to ensure that all eligible establishments and workers are brought under coverage, particularly in sectors witnessing rapid formalisation. A periodic status report indicating action taken against defaulting employers and progress towards universal coverage may be placed before the Committee.

35. Enhancement of Minimum Pension

The Committee note that the minimum pension of Rs. 1,000 per month under the Employees' Pension Scheme, 1995 has remained unchanged for a considerable period of time despite the rising cost of living. During the course of evidence, the Committee observed that numerous representations have been received from pensioners seeking an upward revision of the minimum pension, particularly considering the financial hardships faced by elderly and economically vulnerable beneficiaries. The Committee further take note of the submission of the Ministry of Labour and Employment that the Government of India is already extending financial support towards the Scheme, including the contribution of 1.16 per cent for currently serving members of the Employees' Provident Fund Organisation and the budgetary support provided for ensuring the minimum pension of Rs. 1,000 per month. However, the Committee are of the considered view that the existing minimum pension amount is inadequate to meet even the basic

needs of pensioners, particularly in the present economic scenario marked by inflation and rising healthcare and living expenses. The Committee, therefore, recommend that the Ministry undertake an urgent and comprehensive review of the minimum pension under the Employees' Pension Scheme, 1995 with a view to enhancing it to a more realistic and dignified level. The Committee further recommend that the Ministry explore the possibility of increasing budgetary support to the Scheme, so as to ensure that pensioners receive a reasonable minimum pension commensurate with present-day living costs, thereby providing greater social security and financial stability to lakhs of retired workers covered under the Scheme.

Social Security for Plantation Workers in Assam

36. Utilisation of Funds and Climatic Vulnerability under Social Security for Plantation Workers in Assam

The Committee note that while full utilisation was achieved during 2024–25, there has been a reduction at the RE stage and comparatively lower utilisation during 2025–26 under the Social Security for Plantation Workers in Assam which was attributed primarily to adverse climatic conditions affecting wage expenditure and employment days in tea gardens. The Committee take note of the Ministry's assurance that the remaining allocation will be utilised within the current Financial Year while adhering to FRBM limits. The Committee are of the view that a welfare scheme of this nature, catering to a vulnerable workforce, should not be significantly impacted by seasonal fluctuations. The Committee, therefore, recommend that the Ministry of Labour and Employment, in coordination with the Government of Assam and the Assam Tea Employees Provident Fund Organization (ATEPFO), evolve a stabilisation mechanism to cushion the impact of climatic and production-related fluctuations on social security provisioning. The Committee further desire that a detailed statement indicating year-wise beneficiary coverage and expenditure pattern be furnished to them to assess long-term sustainability of the scheme.

37. Coverage, Enforcement and Data Integrity

The Committee note that 12.94 lakh plantation workers (both permanent and temporary) are covered under the social security schemes administered by Assam Tea Employees Provident Fund Organization (ATEPFO) and that enforcement actions, including attachment and recovery proceedings, are initiated against defaulting Tea Estates. The Committee also note that data on plantation workers is maintained through an online portal with validation mechanisms and periodic physical verification. While appreciating the enforcement framework, the Committee emphasize that timely remittance of contributions and accurate beneficiary data are critical for safeguarding workers' entitlements. The Committee, therefore, recommend that enforcement mechanisms be further strengthened through technology-driven compliance monitoring and periodic third-party audits of

contribution records. The Committee also recommend that the Ministry explore, in consultation with States having significant plantation workforce, the feasibility of adopting best practices from the Assam model to ensure uniform social security coverage of plantation workers across the country. The Committee expect to be apprised of concrete steps taken in this regard.

Coaching and Guidance for SC, ST and Other Backward Classes (Welfare of SC/ST job seekers through Coaching, Guidance and Vocational Training)

38. Utilisation Trends and Enhanced Allocation for 2026–27

The Committee note that under the Scheme, the Ministry has not been able to fully utilise the allocated funds during the last three Financial Years, and that utilisation during 2025–26 has also remained below the RE allocation for a substantial part of the year. At the same time, the BE for 2026–27 has been enhanced to Rs. 25.00 crore with the proposal to introduce new computer courses in additional centres. While appreciating the initiative of expanding training infrastructure, the Committee are of the view that enhancement of allocation should be accompanied by visible improvement in absorption capacity and placement outcomes. The Committee, therefore, recommend that the Ministry should prepare a centre-wise performance review indicating enrolment, completion rates, placement outcomes and cost per beneficiary. The Committee further desire that quarterly monitoring mechanisms be strengthened to ensure full and timely utilisation of funds within the prescribed fiscal norms.

39. Outcome Orientation and Employment Linkages

The Committee note that during 2024–25 and 2025–26 (upto January 2026), a total of 7026 SC/ST candidates reportedly secured employment after availing training under the Scheme. The Committee are of the view that measurable employment outcomes should remain the core objective of the Scheme and recommend for institutionalising structured placement tracking mechanisms to capture not only the number of candidates placed but also the nature of employment, wage levels and job retention. The coaching modules should be periodically aligned with evolving recruitment patterns of major agencies such as SSC, Railways and Banking institutions, and with emerging private sector opportunities. The Committee further recommend that outreach to educational institutions and convergence with digital employment platforms be strengthened to ensure that the targeted coverage of 2.6 lakh SC/ST jobseekers during 2026–27 translates into substantial employment gains. The Committee expect the Ministry to undertake all necessary measures in a sustained and proactive manner to achieve this objective.

National Career Services

40. Budgetary Management and Outcome Orientation

The Committee note that under the National Career Service (NCS) Scheme, the BE for 2025–26 was reduced from Rs. 77.00 crore to Rs. 60.00 crore at the RE stage and that utilisation has remained moderate for a substantial part of the Financial Year. While the Ministry has expressed confidence in full utilisation within FRBM limits, the Committee are of the view that recurring under-utilisation points to the need for improved planning and staggered release of funds. The Committee, therefore, recommend that the Ministry of Labour and Employment institute a quarterly outcome-linked expenditure framework under the National Career Service, linking fund release with measurable outputs such as verified placements, counselling sessions, employer onboarding and job fairs conducted. The Committee further desire that State-wise and component-wise utilisation details be furnished in the next Demands for Grants to enhance transparency and accountability.

41. Strengthening NCS 2.0, Integration and Umbrella Scheme Implementation

The Committee note that the NCS platform has been upgraded to NCS 2.0 with AI-enabled features, integration with the e-Shram Portal, and proposed integration with the Employees' Provident Fund Organisation for tracking employment outcomes. The Committee also note the proposal to merge three schemes into a single umbrella scheme of National Career Service for the next Finance Commission Cycle. While appreciating the move towards convergence and digital modernisation, the Committee emphasise that technological upgrades must translate into concrete employment outcomes, particularly for SC/ST candidates and persons with disabilities. The Committee, therefore, recommend that the Ministry should prepare clearly defined transition roadmap with definite timelines, financial implications and institutional responsibilities upon approval of the umbrella scheme. The Committee further recommend that the integration with EPFO and other databases be expedited to enable real-time verification of placements and to minimise duplication of beneficiaries. A comprehensive impact assessment of MoU partnerships with private platforms may also be undertaken to evaluate the quality and sustainability of employment generated through the NCS ecosystem.

Pradhan Mantri Viksit Bharat Rojgar Yojana (PM-VBRY)
[erstwhile New Employment Generation Scheme]

42. Strengthening Implementation and Monitoring of PM-VBRY

The Committee note that the Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY), with an ambitious outlay of Rs. 99,446 crore and target of generating 3.5 crore jobs over two years, has been launched in August 2025 and is presently in full implementation stage. The Committee observe that a dedicated portal, dashboard, and toll-free help desk have been established to monitor progress, alongside State-level outreach and cross-functional teams involving EPFO, ESIC, and CLC officers. While the groundwork appears comprehensive, the Committee emphasise that timely verification of continuous employment (six months) is critical to ensure that incentives reach eligible beneficiaries and that employment generation targets are realized. The Committee, therefore, recommend that the Ministry institute a real-time monitoring and impact evaluation framework under PM-VBRY, linking disbursement of incentives to verified employment data, and ensuring quarterly reporting to the Committee. Further, the Committee urge that integration with existing labour databases (EPFO, e-Shram, ESIC) be strengthened to prevent duplication and facilitate seamless tracking of both Part A and Part B beneficiaries. The Committee may also be apprised of the enrolment in this flagship scheme, employment retention over the preceding six months, payments disbursed to beneficiaries, etc. on month-to-month basis.

43. Ensuring Awareness, Stakeholder Engagement, and Sectoral Coverage

The Committee note that EPFO has undertaken extensive outreach through workshops, webinars and sector-specific campaigns to create awareness among employers and employees, including Textiles, Pharmaceuticals and MSMEs regarding the PM-VBRY scheme. Eleven zonal conferences have been organised and a six-week targeted campaign has been conducted. Despite these efforts, the Committee recognise that uptake in smaller and informal establishments may lag due to lack of awareness or limited administrative capacity. Accordingly, the Committee recommend that the Ministry prepare a comprehensive stakeholder engagement and awareness strategy for FY 2026–27, including regular State and District-level monitoring of enrolment rates, targeted campaigns for inadequately represented sectors and mechanisms to provide rapid grievance redressal. Additionally, the Committee recommend that annual performance targets—both physical (beneficiaries covered) and financial (incentives disbursed)—be periodically reviewed to ensure alignment with the scheme’s goal of generating 3.5 crore jobs by July 2027.

Shram Registration, Inspection, Samadhan and Transparency Initiative (SRISTI)

44. Ensuring Seamless Functionality and User Experience under SRISTI

The Committee note that the Shram Registration, Inspection, Samadhan and Transparency Initiative (SRISTI) has been operationalized as an umbrella scheme comprising eShram, Shram Suvidha, Samadhaan and PENCIL Portals, with each platform fully functional and serving its designated domain. The Committee observe that eShram continues as the national database of unorganised workers, supporting over 31.51 crore registrations, while the other portals handle compliance, grievance redressal and child labour monitoring. In view of the critical importance of continuity in services for unorganised workers and stakeholders, the Committee recommend that the Ministry should ensure that all portals maintain uninterrupted operations during the SRISTI integration. In particular, it is recommended that a robust monitoring mechanism be instituted to track system performance, user accessibility and grievance resolution timelines, with quarterly reporting to the Committee to ensure transparency and accountability.

45. Strengthening Outreach, Awareness and Data Quality

Noting that SRISTI is intended to consolidate key labour-related portals, the Committee observe that during the transition, unorganised workers and States/UTs may face challenges in data integration and awareness of new features. Although the existing platforms will continue to function independently, the Committee emphasise that effective exchange of data as well as Information, Education and Communication (IEC) campaigns are critical to ensure that all stakeholders—especially workers in remote or underserved areas—are aware of the continued services and do not experience disruption. Accordingly, the Committee recommend that the Ministry develop a structured outreach and capacity-building strategy, including multilingual awareness campaigns, stakeholder training workshops, and real-time helpline support. Further, the Committee recommend periodic audits of the eShram database to ensure data accuracy, eliminating duplication and facilitating seamless integration with other SRISTI portals, thereby improving service delivery and enabling evidence-based policy making for unorganised workers.

Scheme for Rehabilitation of Bonded Labourer, 2021

46. Merger of the Central Sector Scheme for Rehabilitation of Bonded Labour with Labour Welfare Scheme

The Committee note that the Central Sector Scheme for Rehabilitation of Bonded Labourer, 2021, is being merged with the Labour Welfare Scheme for the next five-year period (2026-27 to 2030-31) due to sub-optimal fund utilization, limited financial outlay and overlapping objectives of welfare and rehabilitation. The Committee observe that the merger is expected to enhance convergence of resources, reduce administrative duplication and provide a more holistic approach towards welfare, including health, housing, education and rehabilitation of freed bonded labourers. The Committee recommend that the Ministry develop a detailed operational plan post-merger, clearly defining components, fund allocation and monitoring mechanisms, to ensure that the rehabilitative measures under the scheme are effectively implemented without any dilution of focus on rescued bonded labourers.

The Committee further note that only 15 States/UTs have created Bonded Labour Rehabilitation Funds at the district level and recommend that the Ministry should institute a structured follow-up mechanism with all States/UTs to ensure creation and operationalization of Bonded Labour Rehabilitation Funds in every district. Periodic inspections, awareness campaigns and outreach drives should be conducted to identify and rehabilitate any remaining bonded labourers. Detailed data of the beneficiaries, including category-wise breakdown (adult male, women, children, extreme deprivation cases) must be collated to enable targeted interventions and ensure accountability.

Allocation for North Eastern Areas

47. Timely Implementation of Schemes

The Committee note that the reduction in allocation for the North Eastern Areas at the Revised Estimates (RE) stage in 2025–26 was primarily due to the delay in operationalization of the PM-VBRY scheme, which came into effect from 1 August 2025 instead of 1 April 2025. The Committee recommend that the Ministry take all necessary steps to ensure timely notification and operationalization of new schemes, so that budgetary

allocations are fully utilized within the Financial Year and beneficiaries receive the intended support without delay. As the PM-VBRY is fully operational now, the Committee expects that the pace of utilization of funds would pick up and the allocated funds would be fully utilized during the ongoing and upcoming fiscal.

48. Monitoring and Targeted Utilization of Funds

The Committee observe that the overall allocation for North Eastern Areas in 2026–27 has not significantly increased compared to the previous year and scheme-wise and State-wise allocations have not been separately earmarked. The Committee recommend that the Ministry should set clear monthly and quarterly expenditure targets, along with strengthened monitoring mechanisms, to ensure optimal utilization of funds. Further, the Ministry should consider providing a framework for State-wise monitoring of expenditure in the North Eastern Region, to improve accountability and transparency in fund utilization.

Labour Codes

49. Operationalising provisions relating to National Floor Level Minimum Wage under Code on Wages, 2019

The Committee note that the National Floor Level Minimum Wage (NFLMW) was last revised several years ago and may no longer adequately reflect the prevailing cost of living, inflationary trends and the basic consumption needs of workers and their families across the country. The Committee further note that the NFLMW form the basis for determining the minimum wages across various sectors and regions of the country. Unless NFLMW is revised, regular increase in the minimum wages cannot be done. The Committee express concern at the stagnation in the NFLMW which undermines the objective of ensuring a minimum level of income security and social protection for vulnerable sections of the workforce, particularly those engaged in the unorganised sector. Under the Code on Wages, 2019, the concept of a statutory floor wage has been envisaged to provide a baseline for minimum wages fixed by appropriate Governments. In this context, the timely and realistic revision of the NFLMW assumes critical importance for safeguarding the dignity of labour and promoting equitable growth. The Committee, strongly recommend that the Ministry undertake an urgent review and upward revision of the NFLMW, taking into account the latest Consumer Price Index data, nutritional requirements, housing, education, healthcare and other essential expenditures. The revision should be based on transparent and evidence-based criteria and be

preceded by due consultation with representatives of workers, employers, State Governments and all other stakeholders. The Committee further recommend that a mechanism be institutionalised for periodic and automatic revision of the Floor Wage at regular intervals to prevent erosion of real wages due to inflation. The concrete steps taken in this regard, along with a definite timeline for revision, may be communicated to the Committee within three months of the presentation of this Report.

50. Compliance by States with the Notified National Floor Level Minimum Wage

The Committee note that the Ministry of Labour and Employment has notified a National Floor Level Minimum Wage (NFLMW) with the objective of providing a minimum benchmark for wage fixation across the country and ensuring a basic standard of living for workers, particularly those in the unorganized sector. The Committee further note that, in terms of the prevailing policy framework, States are required to fix their minimum wages in such a manner that it is not lower than the notified floor wage. However, the Committee are concerned that in certain instances the minimum wages fixed by some States tend to remain close to or, in effect, fall below the notified floor wage when adjustments across different categories and employments are considered. The Committee feel that such practices undermine the objective of establishing a national wage floor and may adversely affect the welfare and livelihood security of workers. The Committee, therefore, recommend that the Ministry should put in place a robust monitoring and compliance mechanism to ensure that no State fixes minimum wages below the notified floor wage. The Ministry should also institute a periodic review system, in consultation with State Governments, to verify compliance with the national floor wage and take appropriate corrective measures wherever deviations are noticed. The Committee further recommend that the Ministry should consider issuing clear operational guidelines and advisories to the States emphasizing that minimum wages notified by them must, in all circumstances, remain equal to or higher than the national floor wage. The action taken in this regard may be intimated to the Committee.

51. Notification of Rules post Implementation of Labour Codes

The Committee note that although the four Labour Codes have been enacted by Parliament, their effective operationalisation remains contingent upon the timely notification of the requisite Central Rules. The Committee are of the considered view that any further delay in notifying the Central Rules may lead to regulatory uncertainty, uneven preparedness across States and ambiguity among employers and workers regarding

compliance obligations. The Committee, therefore, strongly recommend that the Ministry of Labour and Employment should expedite the process of finalising and notifying all pending Central Rules under the aforesaid Codes within a clearly defined timeframe. The Committee further recommend that the Ministry undertake structured consultations with stakeholders, including representatives of workers, employers and State Governments, prior to final notification so as to ensure clarity, uniformity and smooth implementation.

National Child Labour Project (NCLP)

52. Reconsideration of the Merger of NCLP with SSA

The Committee note with serious concern that the National Child Labour Project (NCLP) has been subsumed under the Sarva Shiksha Abhiyan (SSA) implemented by the Ministry of Education. The Committee also note that the objective of mainstreaming rescued children into formal education may be achieved through this arrangement. The Committee, However, are not convinced that the merger adequately addresses the distinct enforcement, rescue and rehabilitation responsibilities relating to child labour, which falls squarely within the mandate of the Labour Ministry since it is the nodal Ministry responsible for enforcing the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986. The Committee are of the considered view that child labour is a complex socio-economic issue requiring a focused institutional and financial response and requires a dedicated institutional and financial framework within the Ministry of Labour and Employment. The Committee, therefore, strongly recommend that the Ministry should revisit the decision to merge the NCLP Scheme with SSA and examine the feasibility of restoring a dedicated programme or vertical for elimination and rehabilitation of child labour. The Ministry may take up the matter with the Ministry of Finance, Government of India to secure the necessary approvals and financial support. The concrete steps taken and progress achieved in this regard may be apprised to the Committee.

53. Strengthening Identification, Rescue Mechanisms and financial support for elimination of child labour

The Committee observe that effective elimination of child labour depends primarily on timely identification and rescue operations, which are vested within the mandate of the Labour enforcement machinery. The Committee, therefore, call upon the Ministry to strengthen the enforcement and monitoring framework through improved coordination with State Governments, District Authorities and the PENCiL Portal (Platform for

Effective Enforcement for No Child Labour). The Committee further recommend that District Nodal Officers be adequately empowered and supported with resources to ensure timely rescue, rehabilitation and tracking of rescued children so that they are not pushed back into child labour.

The Committee are also of the firm view that greater financial commitment is required for elimination of child labour and urge the Ministry to formulate a comprehensive action plan in this regard, supported by enhanced budgetary allocations under the Demands for Grants in the coming years, with specific targets for identification, rescue, rehabilitation and mainstreaming of affected children.

54. Institutional Coordination Between Labour and Education Ministries

The Committee observe that elimination of child labour involves both enforcement of labour laws and educational rehabilitation. In this regard, clarity in the division of responsibilities between the Ministry of Labour and Employment and the Ministry of Education is essential to avoid administrative gaps. The Committee, therefore, strongly recommend the establishment of an institutionalized coordination mechanism at the national and district levels to ensure seamless transition of rescued children from labour to mainstream education and eventual integration into the formal schooling system under Sarva Shiksha Abhiyan (SSA).

Employees' State Insurance Corporation (ESIC)

55. Expeditious Revision of Wage Ceiling

The Committee note that the existing wage ceiling of Rs. 21,000 per month for coverage under the Employees' State Insurance Corporation (ESIC) has remained unchanged for a considerable period despite sustained demands from workers and trade unions for its revision. The Committee, however, note that a Committee comprising members of ESIC, experts from the V.V. Giri National Labour Institute, and officers of ESIC has already examined the issue and submitted its report to the Ministry. In view of the fact that enhancement of the wage ceiling has the potential to bring a substantial number of additional employees under the ambit of social security benefits, the Committee are of the considered view that the matter warrants expeditious consideration and early decision. The Committee, therefore, urge the Ministry to finalise the proposal for revision of the wage ceiling under ESIC at the earliest and notify the revised limit so as to extend the benefits of the scheme to a larger segment of the workforce. The revision should be based on actuarial evaluation, financial sustainability of the ESI Fund and projected beneficiary expansion, while ensuring that contribution

rates remain reasonable for both employers and employees. The timeline for implementation of the revised wage ceiling may be intimated to the Committee.

56. Periodic Review and Rationalisation of Wage Ceiling

The Committee are of the view that periodic revision of the wage ceiling is essential to ensure that the coverage under the Employees' State Insurance Corporation (ESIC) keeps pace with changing wage levels and inflationary trends in the economy. The absence of a structured mechanism for periodic review often results in long gaps between successive revisions, thereby excluding a significant number of workers from the ambit of social security coverage. The Committee, therefore, recommend that the Ministry evolve a structured mechanism for periodic review of the wage ceiling under ESIC, taking into account wage growth, inflation, and labour market conditions. Such a mechanism would ensure that the objectives of universalising social security coverage under the Code on Social Security, 2020 are progressively realised. The steps taken and progress achieved in this regard may be communicated to the Committee.

57. Preparedness of ESIC Health Facilities to Handle Increased Beneficiaries Post Wage Ceiling Revision

The Committee note that the Employees' State Insurance Corporation (ESIC) currently operates a network of 166 hospitals and 1,603 dispensaries and plans to expand further with 98 additional hospitals and 61 new dispensaries. The Committee also appreciate the initiative of entering into an MoU with the National Health Authority (NHA), which will enable ESIC beneficiaries to access PM-JAY empanelled hospitals in emergencies or for treatments not available at ESIC facilities. The Committee further note that the Ministry plan to utilize State Government health facilities to enhance healthcare access for ESIC beneficiaries. While these measures are steps in the right direction, the Committee are of the considered view that the projected increase in beneficiaries following the revision of the wage ceiling will require robust augmentation of infrastructure, manpower, and specialized services. The Committee are concerned that several ESIC hospitals and dispensaries are already functioning under constraints relating to infrastructure gaps, shortage of medical and paramedical staff, equipment deficiencies and delays in upgradation of facilities. The Committee are of the opinion that in the absence of adequate preparedness, an increase in beneficiary load may adversely affect the quality and accessibility of healthcare services. The Committee, therefore, urge the Ministry to ensure that ESIC hospitals and dispensaries are adequately strengthened in terms of beds, medical equipment, qualified

doctors, paramedical staff, and support services to meet the rising demand. The Committee also recommend that a comprehensive action plan with timelines for expansion and integration with PM-JAY and State Government facilities be prepared and implemented without delay so as to ensure that expansion of coverage under the ESI Scheme translates into effective and quality healthcare delivery to insured workers and their families. The concrete steps taken and progress achieved may be intimated to the Committee.

New Delhi;
16 March 2026
25 Phalguna 1947(Saka)

BASAVARAJ BOMMAI
CHAIRPERSON,
STANDING COMMITTEE ON LABOUR,
TEXTILES AND SKILL DEVELOPMENT

STANDING COMMITTEE ON
LABOUR, TEXTILES AND SKILL DEVELOPMENT (2025-26)

Minutes of the Fifth Sitting of the Committee

The Committee sat on Thursday, the 26th February, 2026 from 1100 hrs. to 1330 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Basavaraj Bommai – Chairperson

**MEMBERS
LOK SABHA**

- 2 Shri G. M. Harish Balayogi
- 3 Shri Yogender Chandolia
- 4 Shri Ram Prasad Chaudhary
- 5 Shri Chandra Prakash Choudhary
- 6 Shri Asit Kumar Mal
- 7 Shri Tanuj Punia
- 8 Shri Pradeep Purohit
- 9 Shri Mukesh Rajput
- 10 Shri Raja Ram Singh
- 11 Shri Chavan Ravindra Vasantryao

RAJYA SABHA

- 12 Shri Rajendra Gehlot
- 13 Shri Abdul Wahab
- 14 Shri Rajinder Gupta

SECRETARIAT

- | | | | |
|----|---------------------------|---|------------------|
| 1. | Shri Mukesh Kumar Sharma | - | Joint Secretary |
| 2. | Ms. K. Muanniang Tunglut | - | Director |
| 3. | Ms. Mili Dinesh | - | Deputy Secretary |
| 4. | Shri S. Lalengzau Ngaihte | - | Deputy Secretary |

REPRESENTATIVES OF THE MINISTRY OF LABOUR AND EMPLOYMENT

Sl. No.	Name	Designation
1.	Ms. Vandana Gurnani	Secretary (L&E)
2.	Sh. P. Sangeeth Kumar	Director General (Stat.)
3.	Sh. Ramesh Krishnamurthi	CPFC, EPFO
4.	Sh. Alok Chandra	Senior Labour& Employment Advisor (SLEA)
5.	Ms. G Madhumita Das	Joint Secretary/Financial Advisor
6.	Sh. Ajoy Sharma	Additional Secretary (AS)
7.	Sh. Ashok Kumar Singh	Director General, ESIC
8.	Ms. Deepika Kachhal	Joint Secretary
9.	Sh. Alok Mishra	Joint Secretary
10.	Dr. Mahendra Kumar	Joint Secretary
11.	Sh. Ashutosh A. T Pednekar	Joint Secretary
12.	Ms. Sonal Mishra	Chief Labour Commissioner
13.	Sh. Binod Kumar Agarwal	Chief Controller of Accounts
14.	Sh. Ujjwal Tah	Director General, DGMS
15.	Sh. Vikas Chand Chaturvedi	Director General, DFGASLI
16.	Ms. Anjali Rawat	Deputy Director General(E)
17.	Col. Neeraj Sharma	Director General, DTNBWED
18.	Dr. Arvind	Director General, VVGNI
19.	Ms. Roli Shukla Malge	FA&CAO, EPFO
20.	Ms. T.L. Yaden	FC, ESIC
21.	Dr. Gunjan Gupta	MC, ESIC
22.	Sh. Atanu Kumar Chowdhury	Deputy Director General

2. At the outset, the Chairperson welcomed the Members of the Committee and the representatives of the Ministry of Labour and Employment (MoLE) to the Sitting of the Committee, convened for taking oral evidence of the Ministry on 'Demands for Grants (2026-27)' and drew the attention of the witnesses regarding confidentiality of the proceedings and the provisions of Direction 58 of the 'Directions by the Speaker, Lok Sabha'. Chairperson then requested the Secretary, MoLE to apprise the Committee of the budgetary allocations for FY 2026-27 and the proposed utilization thereof, performance of the Ministry in the ongoing fiscal in terms of utilization of the allocated funds and achievements of financial and physical targets; efforts made to utilize the entire allocation by the end of the financial year; status of the newly launched Scheme - Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY) with an outlay of Rs.99,446 crore; etc.

3. The Secretary, MoLE briefed the Committee on the implementation of the new Labour Codes including social security to be provided to the unorganised as

well as gig workers, regional workshops being undertaken in the States post implementation of Labour Codes and pre-publication of Central Rules. She also touched upon various subjects, such as, ILO and various conventions; MoUs signed with countries in the labour sector; FTA with European Union; PM-VBRY Scheme; third party evaluation of schemes; AI integration in National Career Services (NCS) Portal; eShram portal, revamping of PENCiL portal; integration of ESIC with PM-JAY; etc.

4. Thereafter, the representative of the Ministry made a Powerpoint Presentation on the financial allocations for 2026-27 and utilization of the allocated funds during FY 2025-26. The Presentation also highlighted the provisions under the four Labour Codes and performance of various schemes under implementation of the Ministry.

5. Members then raised queries on a wide range of subjects under the purview of the Ministry. Responding to the queries of the Members, the representatives of the Ministry explained the specific reasons for under-utilisation of funds and steps taken for full utilisation. The status of pre-publication of draft Central rules on the four Labour Codes and extending social security measures to gig and platform workers; status of implementation of PM-VBRY Scheme and role of EPFO; notification of vacancies and reflection of number of placements in NCS Portal; registration of workers on eShram portal; Social Security for Tea Plantation workers in Assam; etc. was apprised. The representatives of the Ministry also responded to the queries of the Members regarding measures to be taken for tracking and rehabilitation of child labour; takeover of beedi workers' health care by ESIC; enhancing the minimum floor wages; increase in minimum pension under EPS 1995 and re-visiting the merger of National Child Labour Project with Sarva Shiksha Abhiyan as well as other issues raised during the Sitting.

6. As some points required detailed replies, the Chairperson asked the Secretary, MoLE to furnish written replies thereon within three/four days. The Secretary assured to comply.

7. The Chairperson thanked the Secretary and other representatives of the Ministry for appearing before the Committee and responding to the queries of the Members.

(The witnesses then withdrew)

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

**STANDING COMMITTEE ON
LABOUR, TEXTILES AND SKILL DEVELOPMENT (2025-26)**

Minutes of the Eighth Sitting of the Committee

The Committee sat on Monday, the 16 March 2026 from 1500 hrs. to 1600 hrs. in Committee Room No. C, Parliament House Annexe, New Delhi.

PRESENT

Shri Basavaraj Bommai- Chairperson

MEMBERS

LOK SABHA

2. Shri G. M. Harish Balayogi
3. Shri Yogender Chandolia
4. Shri G. Lakshminarayana
5. Shri Kali Charan Munda
6. Shri Tanuj Punia
7. Shri Pradeep Purohit
8. Shri Mukesh Rajput
9. Shri Raja Ram Singh
10. Shri Manoj Tigga
11. Shri Chavan Ravindra Vasantryao

RAJYA SABHA

12. Shri Govindbhai Laljibhai Dholakia
13. Shri Rajendra Gehlot
14. Dr. Syed Naseer Hussain
15. Shri Maharaja Sanajaoba Leishemba
16. Shri Gurwinder Singh Oberoi

SECRETARIAT

1.	Shri Mukesh Kumar Sharma	-	Joint Secretary
2.	Ms. K. Muanniang Tunglut	-	Director
3.	Ms. Mili Dinesh	-	Deputy Secretary
4.	Shri S. Lalengzau Ngaihte	-	Deputy Secretary
5.	Ms. Shilpa Kant	-	Under Secretary

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee, convened for consideration and adoption of the following draft Reports on:

(i) 'Demands for Grants (2026-27)' pertaining to the Ministry of Labour & Employment;

(ii) 'Demands for Grants (2026-27)' pertaining to the Ministry of Textiles; and

(iii) 'Demands for Grants (2026-27)' pertaining to the Ministry of Skill Development and Entrepreneurship.

3. Giving an overview of the important Observations/Recommendations contained in the Draft Reports, the Chairperson solicited the views/suggestions of the Members.

4. The Committee, then, took up the Draft Reports one by one for consideration and after some deliberations, the draft Reports were adopted by the Committee with some modifications.

5. The Committee then authorized the Chairperson to finalise the Draft Reports and present them to Parliament.

The Committee then adjourned.