

Part 5 - Employer and apprentice obligations

Apprentices Act and Rules | Statutory text/source record, practical procedure, controls, remedies and Q&A.

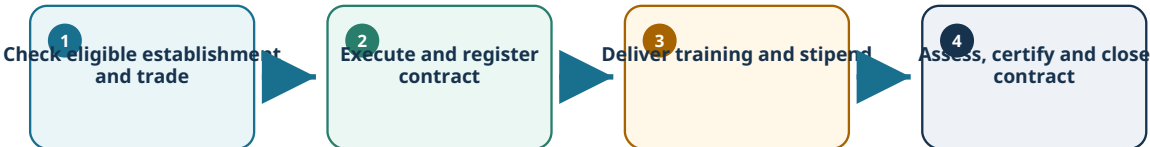
Review date: 2026-07-18

Authors: CA Nikhil Gupta & Kajri Singh

Source modules: 8

FININ2MIN LEGAL FLOW

Apprentices Act and Rules — Employer and apprentice obligations

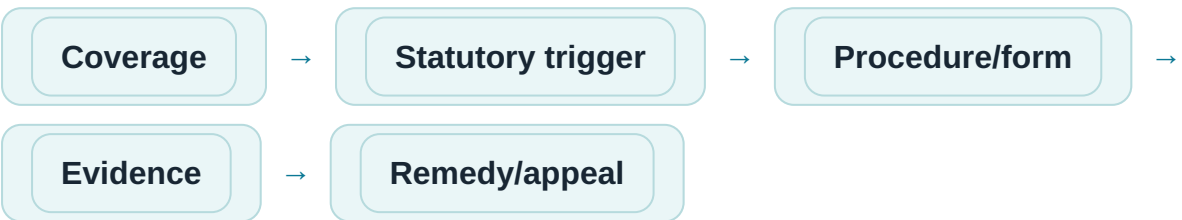


Law → trigger → procedure → evidence. Confirm the operative Central/State instrument on the event date.

Finin2min decision flow — identify the law, complete the statutory process and preserve evidence.

Source protocol. Retained provision/rule pages and official documents are consolidated below. The signed Gazette and current authority portal prevail over normalised formatting.

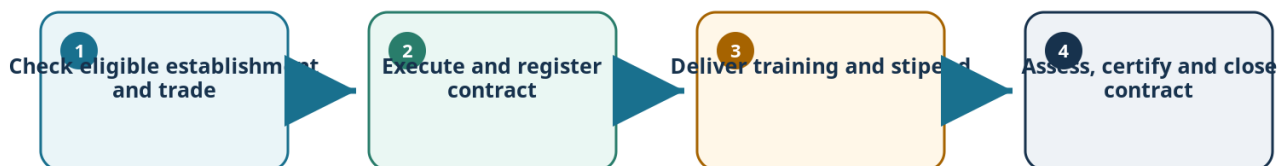
Decision flow



Part 5 - Employer and apprentice obligations

FININ2MIN LEGAL FLOW

Apprentices Act and Rules — Employer and apprentice obligations



Law → trigger → procedure → evidence. Confirm the operative Central/State instrument on the event date.

Use this flow with the chapter provision map, implementation controls, evidence checklist, limitation/forum review and remedy framework. Confirm the operative Central and State instruments on the event date.

Part 5 - Employer and apprentice obligations

Finin2min implementation explanation

Maintain a controlled implementation file for Part 5 - Employer and apprentice obligations: coverage and event date, operative Central/State instrument, responsible owner, approval and authority, form/portal step, due date, calculation basis, supporting evidence, exception, escalation and closure proof. Reconcile payroll, HR, finance, contractor and legal records before sign-off.

Practical example

A training log shows productive work but no supervised syllabus progress. Separate training from ordinary employment, appoint the responsible trainer, correct the schedule and retain safety, attendance and assessment evidence before continuing.

Calculation / control template

Control calculation: verified population or transaction base $\times$ applicable notified rate/amount $\times$ eligible period, adjusted for statutory inclusions, exclusions, ceilings, interest, compensation and prior payments. Reperform the calculation from retained source data.

Official source

Open current official source

Finin2min Summary - Chapter in 2 Minutes

This chapter turns employer and apprentice obligations into an operational control file. It covers Section 11, Section 12, Section 13, Section 14; the practical sequence is to classify coverage and event date, apply the provision and mapped Rule, complete the form/register, calculate the entitlement or exposure, and retain evidence for inspection, claim or appeal.

Who is covered

Employers, establishments, apprentices, basic-training providers and apprenticeship authorities must identify the apprentice category, trade, contract and portal route.

Main obligations and rights

- Section 11
- Section 12
- Section 13
- Section 14
- Section 15
- Section 16

Key thresholds and timelines

- Use only the threshold, rate and limitation period effective on the event date; verify the Central/ State instrument before acting.

Forms, registers and evidence

- Register
- Return
- Nomination
- Retain classification, calculation, approval, communication, acknowledgement and payment/ filing proof.

Employer risk snapshot

Highest practical risks: treating apprentices as ordinary employees without testing the statutory contract and training framework.

Employee/worker remedy snapshot

Core protection: a registered training contract, prescribed stipend/training conditions and access to the apprenticeship authority for disputes. Confirm the authority, limitation and appeal route stated in this chapter.

Old law / transition

Apply the instrument effective on the event date and preserve any accrued right, saved notification, pending proceeding or scheme-specific transition.

Five-point professional checklist

1. Freeze the event date, establishment, location and person/worker classification.
2. Identify the controlling section/ paragraph, mapped Rule, notification and appropriate Government.
3. Reperform the calculation or decision test and document every exception or approval.
4. Complete the prescribed form/ register/portal step and retain acknowledgement, payment and communication evidence.
5. Record the remedy, forum, limitation, appeal path and State variation before sign-off.

Finin2min takeaway: for employer and apprentice obligations, the defensible answer is not a policy label - it is the event-date law, the mapped procedure, the calculation and a complete evidence trail.

[Download one-page Finin2min cheat sheet](#)

Section 11

Section 11 - Obligations of employers | Apprentices Act | Finin2min

[Skip to content](#)

[finin](#)

[min](#)

[Home](#)

[Employment law](#)

[Apprenticeship](#)

[Apprentices Act, 1961](#)

[Section 11: Obligations of employers](#)

Section 11 of the Apprentices Act, 1961 explained with current 2025-26 amendments, employer controls, evidence and connected Rules.

[Law Hub L8](#)

Data reviewed on 17 July 2026

[India-first compliance](#)

[What section 11 does](#)

Lists core employer duties: training arrangements, qualified supervision, contract compliance, stipend and records.

Connected instrument: Schedules V and VI

[Finin2min practical reading](#)

Identify the apprentice category, trade, establishment jurisdiction and applicable portal before applying the provision.

Separate statutory apprenticeship from internships, probation, traineeships and ordinary employment.

Do not treat scheme reimbursement as a substitute for the employer's underlying statutory obligations.

Preserve the contract, approvals, portal trail and training evidence as one auditable file.

Employer control and evidence pack

Executed/registered contract and portal acknowledgement

Training plan, attendance/work diary and supervisor records

Stipend bank/DBT evidence where relevant

Adviser approval, correspondence or order where the section requires it

Statutory text extract

Extracted from the bundled official/consolidated source. For sections amended in 2026, the current overlay above controls over older consolidated wording.

11. Obligations of employers.—Without prejudice to the other provisions of this Act, every employer shall have the following obligations in relation to an apprentice, namely:—

(a) to provide the apprentice with the training in his trade in accordance with the provisions of this Act, and the rules made thereunder;

(b) if the employer is not himself qualified in the trade, to ensure that a person⁶[who possesses the prescribed qualifications] is placed in charge of the training of the apprentice;^{7***}

[(bb) to provide adequate instructional staff, possessing such qualifications as may be prescribed, for imparting practical and theoretical training and facilities for trade test of apprentices; and]

(c) to carry out his obligations under the contract of apprenticeship.

[Compliance consequence](#)

Failure should be tested against sections 30, 31 and 31A as in force from 22 June 2026, alongside contract termination/compensation consequences and any portal or scheme action.

← Section 10

Section 12 →

Section navigation

All Act sections

All Rules

Employer checklist

Amendment tracker

Legacy full-text viewer

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.
- Retain the official instrument and event-date evidence.

Section 12

Section 12 - Obligations of apprentices | Apprentices Act | Finin2min

[Skip to content](#)

[finin](#)

[min](#)

[Home](#)

[Employment law](#)

[Apprenticeship](#)

[Apprentices Act, 1961](#)

[Section 12: Obligations of apprentices](#)

Section 12 of the Apprentices Act, 1961 explained with current 2025-26 amendments, employer controls, evidence and connected Rules.

[Law Hub L8](#)

[Data reviewed on 17 July 2026](#)

[India-first compliance](#)

[What section 12 does](#)

Lists apprentice duties, including learning, lawful instructions, conduct and contract compliance.

Connected instrument: Schedules V and VI

[Finin2min practical reading](#)

Identify the apprentice category, trade, establishment jurisdiction and applicable portal before applying the provision.

Separate statutory apprenticeship from internships, probation, traineeships and ordinary employment.

Do not treat scheme reimbursement as a substitute for the employer's underlying statutory obligations.

Preserve the contract, approvals, portal trail and training evidence as one auditable file.

[Employer control and evidence pack](#)

[Executed/registered contract and portal acknowledgement](#)

[Training plan, attendance/work diary and supervisor records](#)

[Stipend bank/DBT evidence where relevant](#)

[Adviser approval, correspondence or order where the section requires it](#)

[Statutory text extract](#)

Extracted from the bundled official/consolidated source. For sections amended in 2026, the current overlay above controls over older consolidated wording.

12. Obligations of apprentices.—9[(1)] 10[Every trade apprentice] undergoing apprenticeship training shall have the following obligations, namely:—

- (a) to learn his trade conscientiously and diligently and endeavour to qualify himself as a skilled craftsman before the expiry of the period of training;
- (b) to attend practical and instructional classes regularly;
- (c) to carry out all lawful orders of his employer and superiors in the establishment; and
- (d) to carry out his obligations under the contract of apprenticeship.

[(2) Every graduate or technician apprentice 12[technician (vocational) apprentice] undergoing apprenticeship training shall have the following obligations, namely:—

7. The word “and” omitted by Act 4 of 1997, s. 6 (w.e.f. 8-1-1997).

9. Section 12 re-numbered as sub-section (1) thereof by Act 27 of 1973, s. 13 (w.e.f. 1-12-1974).

[Compliance consequence](#)

Failure should be tested against sections 30, 31 and 31A as in force from 22 June 2026, alongside contract termination/compensation consequences and any portal or scheme action.

← Section 11

Section 13 →

Section navigation

All Act sections

All Rules

Employer checklist

Amendment tracker

Legacy full-text viewer

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.
- Retain the official instrument and event-date evidence.

Section 13

Section 13 - Payment to apprentices | Apprentices Act | Finin2min

[Skip to content](#)

[finin](#)

[min](#)

[Home](#)

[Employment law](#)

[Apprenticeship](#)

[Apprentices Act, 1961](#)

[Section 13: Payment to apprentices](#)

Section 13 of the Apprentices Act, 1961 explained with current 2025-26 amendments, employer controls, evidence and connected Rules.

[Law Hub L8](#)

[Data reviewed on 17 July 2026](#)

[India-first compliance](#)

[What section 13 does](#)

Creates the statutory obligation to pay stipend at prescribed rates.

Connected instrument: Rule 11

[Finin2min practical reading](#)

Identify the apprentice category, trade, establishment jurisdiction and applicable portal before applying the provision.

Separate statutory apprenticeship from internships, probation, traineeships and ordinary employment.

Do not treat scheme reimbursement as a substitute for the employer's underlying statutory obligations.

Preserve the contract, approvals, portal trail and training evidence as one auditable file.

[Employer control and evidence pack](#)

[Executed/registered contract and portal acknowledgement](#)

[Training plan, attendance/work diary and supervisor records](#)

[Stipend bank/DBT evidence where relevant](#)

[Adviser approval, correspondence or order where the section requires it](#)

[Statutory text extract](#)

Extracted from the bundled official/consolidated source. For sections amended in 2026, the current overlay above controls over older consolidated wording.

13. Payment to apprentices.—(1) The employer shall pay to every apprentice during the period of apprenticeship training such stipend at a rate not less than the1[prescribed minimum rate, or the rate which was being paid by the employer on 1st January, 1970 to the category of apprentices under which such apprentice falls, whichever is higher,] as may be specified in the contract of apprenticeship and the stipend so specified shall be paid at such intervals and subject to such conditions as may be prescribed.

[(2) An apprentice shall not be paid by his employer on the basis of piece work nor shall he be required to take part in any output bonus or other incentive scheme.]

STATE AMENDMENT

Maharashtra

Amendment of section 13 of 52 of 1961.—In section 13 of the principal Act, after the existing sub-section (1), the following sub-sections shall be inserted, namely:—

“(1A) The minimum rate of stipend per month payable to trade apprentices who do training for eight

hours per day shall be as follows, namely:—

(a) During the first year of training . . . Seventy per cent. of minimum wages of semi-skilled workers notified by the State.

(b) During the second year of training . . . Eighty per cent. of minimum wages of semi-skilled workers notified by the State.

(c) During the third year of training . . . Ninety per cent. of minimum wages of semi-skilled workers notified by the State.

(1B) The trade apprentices who do training for minimum four hours per day, the rate of stipend per month shall be fifty per cent. of the rates mentioned in clauses (a), (b) and (c) of sub-section (1A), respectively:

Provided that, in the case where the minimum rate of wage for a trade is not notified by the State, then the maximum of minimum wages of the Scheduled Employment notified by the State for semi-skilled workers shall be taken into account for paying the stipend in respect of that trade:

Provided further that, in the case of trade apprentices referred to in clause (a) of section 6 of the Act, the period of training already undergone by them in a school or other institution recognized by the State Council, shall be taken into account for the purpose of determining the rate of stipend payable.”.

[Vide Maharashtra Act 17 of 2018, s. 5].

Rajasthan

Amendment of section 13, Central Act No. 52 of 1961.— For the existing section 13 of the principal Act, the following shall be substituted, namely:-

Compliance consequence

Failure should be tested against sections 30, 31 and 31A as in force from 22 June 2026, alongside contract termination/compensation consequences and any portal or scheme action.

← Section 12

Section 14 →

Section navigation

All Act sections

All Rules

Employer checklist

Amendment tracker

Legacy full-text viewer

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.

- Retain the official instrument and event-date evidence.

Section 14

Section 14 - Health, safety and welfare of apprentices | Apprentices Act | Finin2min

[Skip to content](#)

[finin](#)

[min](#)

[Home](#)

[Employment law](#)

[Apprenticeship](#)

[Apprentices Act, 1961](#)

[Section 14: Health, safety and welfare of apprentices](#)

Section 14 of the Apprentices Act, 1961 explained with current 2025-26 amendments, employer controls, evidence and connected Rules.

[Law Hub L8](#)

[Data reviewed on 17 July 2026](#)

[India-first compliance](#)

[What section 14 does](#)

[Imports health, safety and welfare protections into apprenticeship training.](#)

[Connected instrument: Rule 12; Schedule V/VI](#)

[Finin2min practical reading](#)

[Identify the apprentice category, trade, establishment jurisdiction and applicable portal before applying the provision.](#)

[Separate statutory apprenticeship from internships, probation, traineeships and ordinary employment.](#)

[Do not treat scheme reimbursement as a substitute for the employer's underlying statutory obligations.](#)

[Preserve the contract, approvals, portal trail and training evidence as one auditable file.](#)

[Employer control and evidence pack](#)

[Executed/registered contract and portal acknowledgement](#)

[Training plan, attendance/work diary and supervisor records](#)

[Stipend bank/DBT evidence where relevant](#)

[Adviser approval, correspondence or order where the section requires it](#)

[Statutory text extract](#)

[Extracted from the bundled official/consolidated source. For sections amended in 2026, the current overlay above controls over older consolidated wording.](#)

14. Health, safety and welfare of apprentices.—Where any apprentices are undergoing training in a factory, the provisions of Chapters III, IV and V of the Factories Act, 1948 (63 of 1948), shall apply in relation to the health, safety and welfare of the apprentices as if they were workers within the meaning of that Act and when any apprentices are undergoing training in a mine, the provisions of Chapter V of the Mines Act, 1952 (35 of 1952), shall apply in relation to the health and safety of the apprentices as if they were persons employed in the mine.

STATE AMENDMENT

Rajasthan

Amendment of section 14, Central Act No. 52 of 1961.— For the existing section 14 of the principal Act, the following shall be substituted, namely:-

“14. Health, safety and welfare of apprentices.- Where any apprentices are undergoing training in a factory, the provisions of Chapters III, IV and V of the Factories Act, 1948 (Central Act No. 63 of

1948), shall apply in relation to the health, safety and welfare of the apprentices as if they were workers within the meaning of that Act and when any apprentices are undergoing training in a mine, the provisions of Chapter V of the Mines Act, 1952 (Central Act No. 35 of 1952), shall apply in relation to the health, safety and welfare of the apprentices as if they were persons employed in the mine and when any apprentices are undergoing training in a shop or commercial establishment, the provisions of the Rajasthan Shops and Commercial Establishments Act, 1958 (Act No. 31 of 1958), shall apply in relation to the health, safety and welfare of the apprentices as if they were persons employed in the shop or establishment.”.

[Vide Rajasthan Act 2 of 2015, s. 7]

Compliance consequence

Failure should be tested against sections 30, 31 and 31A as in force from 22 June 2026, alongside contract termination/compensation consequences and any portal or scheme action.

← Section 13

Section 15 →

Section navigation

All Act sections

All Rules

Employer checklist

Amendment tracker

Legacy full-text viewer

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.
- Retain the official instrument and event-date evidence.

Section 15

Section 15 - Hours of work, overtime, leave and holidays | Apprentices Act | Finin2min

[Skip to content](#)

[finin](#)

[min](#)

[Home](#)

[Employment law](#)

[Apprenticeship](#)

[Apprentices Act, 1961](#)

[Section 15: Hours of work, overtime, leave and holidays](#)

Section 15 of the Apprentices Act, 1961 explained with current 2025-26 amendments, employer controls, evidence and connected Rules.

[Law Hub L8](#)

[Data reviewed on 17 July 2026](#)

[India-first compliance](#)

[What section 15 does](#)

[Regulates work hours, overtime approval, leave and holidays.](#)

[Connected instrument: Rules 12 and 13](#)

[Finin2min practical reading](#)

[Identify the apprentice category, trade, establishment jurisdiction and applicable portal before applying the provision.](#)

[Separate statutory apprenticeship from internships, probation, traineeships and ordinary employment.](#)

[Do not treat scheme reimbursement as a substitute for the employer's underlying statutory obligations.](#)

[Preserve the contract, approvals, portal trail and training evidence as one auditable file.](#)

[Employer control and evidence pack](#)

[Executed/registered contract and portal acknowledgement](#)

[Training plan, attendance/work diary and supervisor records](#)

[Stipend bank/DBT evidence where relevant](#)

[Adviser approval, correspondence or order where the section requires it](#)

[Statutory text extract](#)

[Extracted from the bundled official/consolidated source. For sections amended in 2026, the current overlay above controls over older consolidated wording.](#)

15. Hours of work, overtime, leave and holidays.—1[(1) The weekly and daily hours of work of an apprentice while undergoing practical training in a workplace shall be as determined by the employer subject to the compliance with the training duration, if prescribed.]

(2) No apprentice shall be required or allowed to work overtime except with the approval of the Apprenticeship Adviser who shall not grant such approval unless he is satisfied that such overtime is in the interest of the training of the apprentice or in the public interest.

[(3) An apprentice shall be entitled to such leave and holidays as are observed in the establishment in which he is undergoing training.]

[Compliance consequence](#)

[Failure should be tested against sections 30, 31 and 31A as in force from 22 June 2026, alongside contract termination/compensation consequences and any portal or scheme action.](#)

[← Section 14](#)

[Section 16 →](#)
[Section navigation](#)
[All Act sections](#)
[All Rules](#)
[Employer checklist](#)
[Amendment tracker](#)
[Legacy full-text viewer](#)

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.
- Retain the official instrument and event-date evidence.

Section 16

Section 16 - Employer liability for compensation for injury | Apprentices Act | Finin2min

[Skip to content](#)

[finin](#)

[min](#)

[Home](#)

[Employment law](#)

[Apprenticeship](#)

[Apprentices Act, 1961](#)

[Section 16: Employer liability for compensation for injury](#)

Section 16 of the Apprentices Act, 1961 explained with current 2025-26 amendments, employer controls, evidence and connected Rules.

[Law Hub L8](#)

[Data reviewed on 17 July 2026](#)

[India-first compliance](#)

[What section 16 does](#)

Makes the employer liable for prescribed compensation where injury arises out of and in the course of training.

Connected instrument: Schedule V/VI

[Finin2min practical reading](#)

Identify the apprentice category, trade, establishment jurisdiction and applicable portal before applying the provision.

Separate statutory apprenticeship from internships, probation, traineeships and ordinary employment.

Do not treat scheme reimbursement as a substitute for the employer's underlying statutory obligations.

Preserve the contract, approvals, portal trail and training evidence as one auditable file.

[Employer control and evidence pack](#)

[Executed/registered contract and portal acknowledgement](#)

[Training plan, attendance/work diary and supervisor records](#)

[Stipend bank/DBT evidence where relevant](#)

[Adviser approval, correspondence or order where the section requires it](#)

[Statutory text extract](#)

Extracted from the bundled official/consolidated source. For sections amended in 2026, the current overlay above controls over older consolidated wording.

16. Employer's liability for compensation for injury.—If personal injury is caused to an apprentice by accident arising out of and in the course of his training as an apprentice, his employer shall be liable to pay compensation which shall be determined and paid, so far as may be, in accordance with the provisions of the Workmen's Compensation Act, 1923 (8 of 1923), subject to the modifications specified in the Schedule.

[Compliance consequence](#)

Failure should be tested against sections 30, 31 and 31A as in force from 22 June 2026, alongside contract termination/compensation consequences and any portal or scheme action.

[← Section 15](#)

[Section 17 →](#)

[Section navigation](#)

[All Act sections](#)

[All Rules](#)
[Employer checklist](#)
[Amendment tracker](#)
[Legacy full-text viewer](#)

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.
- Retain the official instrument and event-date evidence.

Section 17

Section 17 - Conduct and discipline | Apprentices Act | Finin2min

[Skip to content](#)

[finin](#)

[min](#)

[Home](#)

[Employment law](#)

[Apprenticeship](#)

[Apprentices Act, 1961](#)

[Section 17: Conduct and discipline](#)

Section 17 of the Apprentices Act, 1961 explained with current 2025-26 amendments, employer controls, evidence and connected Rules.

[Law Hub L8](#)

[Data reviewed on 17 July 2026](#)

[India-first compliance](#)

[What section 17 does](#)

Subjects apprentices to the establishment's conduct and discipline framework, consistent with the Act and contract.

[Connected instrument: Schedule V/VI](#)

[Finin2min practical reading](#)

Identify the apprentice category, trade, establishment jurisdiction and applicable portal before applying the provision.

Separate statutory apprenticeship from internships, probation, traineeships and ordinary employment.

Do not treat scheme reimbursement as a substitute for the employer's underlying statutory obligations.

Preserve the contract, approvals, portal trail and training evidence as one auditable file.

[Employer control and evidence pack](#)

[Executed/registered contract and portal acknowledgement](#)

[Training plan, attendance/work diary and supervisor records](#)

[Stipend bank/DBT evidence where relevant](#)

[Adviser approval, correspondence or order where the section requires it](#)

[Statutory text extract](#)

Extracted from the bundled official/consolidated source. For sections amended in 2026, the current overlay above controls over older consolidated wording.

17. Conduct and discipline.—In all matters of conduct and discipline, the apprentice shall be governed by the rules and regulations 1[applicable to employees of the corresponding category] in the establishment in which the apprentice is undergoing training.

[Compliance consequence](#)

Failure should be tested against sections 30, 31 and 31A as in force from 22 June 2026, alongside contract termination/compensation consequences and any portal or scheme action.

[← Section 16](#)

[Section 18 →](#)

[Section navigation](#)

[All Act sections](#)

[All Rules](#)

[Employer checklist](#)
[Amendment tracker](#)
[Legacy full-text viewer](#)

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.
- Retain the official instrument and event-date evidence.

Section 18

Section 18 - Apprentices are trainees and not workers | Apprentices Act | Finin2min

[Skip to content](#)

[finin](#)

[min](#)

[Home](#)

[Employment law](#)

[Apprenticeship](#)

[Apprentices Act, 1961](#)

[Section 18: Apprentices are trainees and not workers](#)

Section 18 of the Apprentices Act, 1961 explained with current 2025-26 amendments, employer controls, evidence and connected Rules.

[Law Hub L8](#)

[Data reviewed on 17 July 2026](#)

[India-first compliance](#)

[What section 18 does](#)

Clarifies that an apprentice is a trainee rather than a worker, while preserving expressly applied safety and compensation protections.

[Connected instrument: Schedule V/VI](#)

[Finin2min practical reading](#)

Identify the apprentice category, trade, establishment jurisdiction and applicable portal before applying the provision.

Separate statutory apprenticeship from internships, probation, traineeships and ordinary employment.

Do not treat scheme reimbursement as a substitute for the employer's underlying statutory obligations.

Preserve the contract, approvals, portal trail and training evidence as one auditable file.

[Employer control and evidence pack](#)

[Executed/registered contract and portal acknowledgement](#)

[Training plan, attendance/work diary and supervisor records](#)

[Stipend bank/DBT evidence where relevant](#)

[Adviser approval, correspondence or order where the section requires it](#)

[Statutory text extract](#)

Extracted from the bundled official/consolidated source. For sections amended in 2026, the current overlay above controls over older consolidated wording.

18. Apprentices are trainees and not workers.—Save as otherwise provided in this Act,—

(a) every apprentice undergoing apprenticeship training in a designated trade in an establishment shall be a trainee and not a worker; and

(b) the provisions of any law with respect to labour shall not apply to or in relation to such apprentice.

[Compliance consequence](#)

Failure should be tested against sections 30, 31 and 31A as in force from 22 June 2026, alongside contract termination/compensation consequences and any portal or scheme action.

[← Section 17](#)

[Section 19 →](#)

[Section navigation](#)

[All Act sections](#)
[All Rules](#)
[Employer checklist](#)
[Amendment tracker](#)
[Legacy full-text viewer](#)

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.
- Retain the official instrument and event-date evidence.

Forms, records, portal and due-date control

Control	Evidence
Coverage and registration	Entity, location, headcount/category, registration number and portal acknowledgement.
Recurring compliance	Attendance/service, wage/benefit calculation, return/register, payment and employee communication.
Event compliance	Complaint, injury, termination, nomination, claim, inspection or dispute file with limitation diary.

Employer, employee and professional checklists

Employer

- Assign responsible officer and backup.
- Configure HRIS/payroll/portal controls.
- Complete statutory communication and retain proof.

Employee/worker

- Retain contract, identity, attendance, payment and correspondence.
- Use the prescribed complaint/claim route within limitation.

Professional

- Confirm current text, Rules, notification and State variation.
- Reconcile calculation, form, authority, remedy and evidence.

Penalties, remedies, appeals and limitation

Create a remedy matrix rather than one combined conclusion: entitlement or arrears; interest/damages; administrative order; civil penalty; prosecution; compounding; company/officer liability; claim forum; appeal; writ/judicial review; and event-date limitation.

Case-law principles

Decision	Current-use principle
U.P. State Electricity Board v. Shiv Mohan Singh	An apprentice under the statute is primarily a trainee; employment claims depend on the Act, contract and actual facts.
Employees' State Insurance Corporation v. Tata Engineering	Statutory apprenticeship status and coverage questions must be resolved from the specific enactments and current definitions.

State variation alert

Verify the appropriate Government and final State instrument. State forms, authorities, fees, rates and portal routes must be maintained in the location compliance register.

Finin2min Q&A

Which law and version should be applied?

Use the current text of Apprentices Act and Rules, the commencement notification, the applicable Central or State Rules and any later instrument effective on the event date.

How is the appropriate Government identified?

Classify ownership/control, sector, establishment and contractor relationship before selecting the Central or State authority.

Can a company policy override the statutory protection?

No. A policy may improve a benefit or control, but it cannot contract out of a mandatory statutory floor.

What evidence should be retained?

Retain the classification memo, source instrument, form/portal record, calculation, approval, employee communication, acknowledgement and payment or authority proof.

Do the Central Rules apply to every establishment?

No. They govern the Central sphere. State Rules and State notifications must be checked where the State is the appropriate Government.

How should a historical event be tested?

Apply the law and subordinate instrument effective on the event date, then use the repeal-and-savings provision for pending rights and proceedings.

What happens when portal practice conflicts with the statute?

Record the conflict, follow the higher legal instrument, seek authority clarification where necessary and preserve screenshots and correspondence.

Can criminal and monetary consequences arise together?

They may. Separate wages/benefits, interest, damages, civil penalty, prosecution, compounding and director/officer liability.

Is a contractor arrangement enough to shift liability?

No. Principal-employer and contractor liabilities depend on the specific provision and facts; the contract should allocate evidence and recovery without diluting worker rights.

What is the first professional review step?

Freeze the event date and facts, identify the applicable provision, then map Rules, forms, notification status, authority, limitation and evidence.

What is the operational focus of section 1 - section-11?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 2 - section-12?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 3 - section-13?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 4 - section-14?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 5 - section-15?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 6 - section-16?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 7 - section-17?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 8 - section-18?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

Practical transaction application

Use the chapter for apprentice intake planning, designated/optional trade selection, contract execution, portal registration, training calendar, stipend budgeting, assessment, certification, NAPS/NATS reimbursement and exit controls.

Authority, consent and execution controls

The establishment and apprentice (and guardian where legally required) must execute the apprenticeship contract through authorised persons. Confirm portal registration, training provider roles and Basic Training Provider/authority approvals; an employment offer does not substitute for the apprenticeship contract.

Stamp duty and registration alerts

Check the applicable State stamp treatment of the apprenticeship contract and related indemnities. Portal registration is a statutory/administrative step and is not automatically equivalent to registration under the Registration Act.

Evidence and document-retention checklist

Retain the operative law/rule version, classification note, approvals, signed instruments, statutory forms, portal acknowledgements, registers, calculations, bank proof, correspondence, inspection records, service proof, decision and appeal file. Apply the longer of the statutory retention rule, litigation hold, tax/audit need and contractual requirement; restrict access to personal and sensitive data.

Performance, delivery and payment controls

Maintain apprentice-wise evidence of contract, attendance, basic and on-the-job training, stipend bank payment, assessment, certification and reimbursement claim. Reconcile the statutory minimum stipend and any scheme cap separately.

Breach, loss, mitigation and remedy framework

On detecting a breach, stop continuing exposure, preserve evidence, quantify employee and government dues, identify affected persons, make lawful corrective payment/filing, notify the authorised decision-maker, assess self-disclosure or compounding where available, and reserve contractual recovery against responsible vendors without delaying statutory remediation.

Limitation and forum controls

Use the Apprenticeship Adviser and prescribed statutory route for disputes and compliance. Track contract registration, termination and appeal dates; ordinary employment forums may not apply in the same way to a valid apprentice relationship.

Arbitration and mediation interface

Commercial disputes with training providers may be arbitrated or mediated if the contract permits, but apprentice rights, statutory registration, stipend and authority decisions remain governed by the Act, Rules and scheme.

Company, partnership, GST and tax overlays

For a company, align board/delegation and officer-in-default controls; for an LLP or partnership, identify the designated partner/partner and authorised employer representative. Labour dues can affect transaction price, indemnities, director/partner exposure and insolvency claims. Salary/TDS, perquisite, contractor TDS, GST on outsourced services and accounting provisions must be reconciled without treating tax treatment as proof of labour-law classification.