



NATIONAL APPRENTICESHIP PROMOTION SCHEME



**Ministry of Skill Development & Entrepreneurship
Government of India**

BACKGROUND

❑ Importance

Apprenticeship training is one of the most efficient way to develop skilled manpower for industry by using training facilities available in the establishments without putting any extra burden on exchequer to set up training infrastructure.

❑ Apprentice

An apprentice is a person who has entered into a contract of apprenticeship with the employer for apprenticeship training under the Apprentices Act.

❑ Apprentices Act, 1961

Well developed apprenticeship system supported by legislative & administrative arrangements.

Categories of Apprentices

There are four categories:

- Trade Apprentices (8th, 10th, 12th & ITI pass outs)
- Graduate Apprentices (Graduate Engineers)
- Technician Apprentices (Diploma from Polytechnic)
- Technician (Vocational) Apprentices (10+2 Voc.)

BENEFITS OF APPRENTICESHIP TO EMPLOYERS

- ❑ Initial investment is recovered many times over
- ❑ Fills the skills gap that exist within their current workforce as apprentices begin to learn sector specific skills from day one.
- ❑ Employers can have a training program relevant to their requirements
- ❑ No contribution for EPF, ESI etc. for apprentices under Apprentices (Amendment) Act as they are not worker under Section 2 (r).
- ❑ Reduction in recruitment cost due to availability of vast pool of trained apprentices.

APPRENTICES ENGAGED

Trade apprentices

❑ CPSUs & Central Govt. Deptts. : 0.36 lakh

❑ SPSUs & Private sector : 1.94 lakh

**Graduate, Technician
Technician(Voc.) : 0.83 lakh**

Total : 3.13 lakh

POTENTIAL AVAILABLE

- ❑ CPSUs, Central Government Depts. : 50 lakh & Banking sector
- ❑ MSMEs with 6 or more workers: 20,62,124
- ❑ **Minimum apprentices : 20 lakh**

INSTITUTIONAL ARRANGEMENTS

- ❑ CPSUs & Establishments - RDATs
in 4 or more States (PAN India)
- ❑ SPSUs & Private Establishments
 - Respective State Governments

FIRST GENERATION REFORMS

The Apprentices Act has been amended from 22.12.2014.

Main changes are:

- ❑ Engagement of apprentices in a band of 2.5% to 10% of total strength of establishment including contractual workers. The total strength is taken as on closing of previous financial year.
- ❑ Introduction of optional trades
- ❑ Scope has been extended to non-engineering pass outs also.
- ❑ Establishments have been permitted to outsource basic training in an institute of their choice.
- ❑ Aggregation of apprentices through Third Party Agency
- ❑ Submission of returns, other information and contract of apprenticeship through a portal and its time bound

MAJOR ISSUES

- ❑ Entire responsibility rests with employers
- ❑ Lack of basic training facilities
- ❑ Lack of Participation of State Governments
- ❑ Ease of administering ?

REGULATION OF OPTIONAL TRADES

- “Optional trade apprentice” means an apprentice who is not undergoing apprenticeship training in designated trade

Conditions for Optional Trades

- (a) Is not less than 14 years of age, and for optional trades related to hazardous industries, not less than 18 years of age, and
- (b) Satisfies such physical fitness as determined by the employer.



- (2) The minimum educational qualification shall be 8th class pass from a recognised school.
- (3) The period of apprenticeship training between 6 months to two years. But for covering under NAPS practical training period should not be less than 01 year.



- (4) Reservation for OBC, SC and the ST in every optional trade.
- (5) Disclosure of duration and syllabi on the apprenticeship portal.
- (6) If apprentice is minor, his guardian has to enter into contract of apprenticeship with the employer.



- (7) The minimum rates of stipend prescribed for trade apprentices shall be paid by the employer.
- (8) The employer shall not run a trade as optional which is a designated trade under the Act.
- (9) The progress in apprenticeship training of every apprentice in optional trade shall be assessed by the employer from time to time and every apprentice who completes his apprenticeship training to the satisfaction of the employer shall be awarded a certificate of proficiency by the employer.



CHANGE OF TRAINING PERIOD

- Max. duration of Apprenticeship Training period for most of the designated trades are reduced to 2 Years vide Gazette notification issued on 2nd March, 2017 and 19th July, 2017.
- The change of training period is applicable only for apprentices those are engaged from the date of issue of notification.



MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

NOTIFICATION

New Delhi, the 19th July, 2017

G.S.R. 936(E).—In exercise of the powers conferred by sub-section (1) of section 37 of the Apprentices Act, 1961 (52 of 1961), the Central Government, after consulting the Central Apprenticeship Council, hereby makes the following rules further to amend the Apprenticeship Rules, 1992, namely: -

1. (1) These rules may be called the Apprenticeship (Fourth Amendment) Rules, 2017.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Apprenticeship Rules, 1992, in Schedule I, –
 - (a) for the column headings and column numbers, the following column headings and column numbers shall be substituted, namely: –



“Sl. No.	Designated trades.	N.C.O. Code No.	Period of apprenticeship training.	National Council for Vocational Training approved trades or State Council for Vocational Training approved trades or apprenticeship trades.	Rebate allowed in apprenticeship training.	Essential/ desirable educational qualifications.
(1)	(2)	(3)	(4)	(5)	(6)	(7)

6.	Mechanic (Lift and Escalator)	8333.70	Two years	1. Mechanic (Lift and Escalator)	One year	Passed 10 th class examination under 10+2 system of education or its equivalent.
				2. Lift Mechanic	One year	
7.	Building Maintenance Technician	3112.90	One year and three months	1. Mason (Building Constructor)	Three months	Passed 10 th class examination under 10+2 system of education with Science and Mathematics or its equivalent
				2. Building maintenance	Three months	



NATIONAL APPRENTICESHIP PROMOTION SCHEME

- ❑ Cabinet in its meeting held on 5th July, 2016 approved 'NATIONAL APPRENTICESHIP PROMOTION SCHEME' to incentivize the employers
- ❑ Notified on 19th August 2016
- ❑ Modified Guidelines issued on 11th Sept 2017

MODIFICATION IN NAPS GUIDELINES

- This will be effective from 11th Sept, 2017.
- The condition of maximum age limit under NAPS is removed.
- Last Qtr claim of establishments will not be withheld.

MAJOR THRUST

- ❑ Incentivizing Employers
- ❑ Supporting Basic Training
- ❑ Integration with other Skill Development Programs- Creating Pathways

COMPONENTS OF THE NATIONAL APPRENTICESHIP PROMOTION SCHEME

- ❑ Reimbursement of 25% of prescribed stipend subject to a maximum of Rs. 1500/- per month per apprentice to all employers.
- ❑ Reimbursement of basic training cost in respect of apprentices who come directly from school without any formal training.
- ❑ Basic Training supports up to Rs. 7500 for a maximum of 500 hours/3 months).
- ❑ Outlay - 10,000 crore (till 2019 -20)

TARGET UNDER NAPS

Financial Year	No. of apprentices to be trained
2016-17	5 lakh
2017-18	10 lakh
2018-19	15 lakh
2019-20	20 lakh

Out of yearly target, 20% will be fresher apprentices



KEY FEATURES

- ❑ Online web based platform (www.apprenticeship.gov.in)
- ❑ Active involvements of States/UTs
- ❑ Wider choices of apprentices-PMKVY/MES-SDI
- ❑ Introducing agents of change-Brand ambassadors
- ❑ Outreach strategy
- ❑ Online examination

WHO CAN BE ENGAGED AS APPRENTICES

1. Candidates with NCVT / SCVT Certificate as EX ITI
2. Candidates as Fresher, those who do not possess NCVT / SCVT Certificate

Fresher apprentices should not be more than 20% of the seats .

RATE OF STIPEND TO BE PAID

Fresher- 1st year 70 % of minimum wages paid to semi-skilled worker in the respective State.

2nd Year 80 % of minimum wages paid to semi-skilled worker in the respective State.

ITI for 1 year apprentice-

80 % of minimum wages paid to semi-skilled worker in the respective State.

ITI for 2 year apprentice-

1st year 80 % of minimum wages paid to semi-skilled worker in the respective State.

2nd year 90 % of minimum wages paid to semi-skilled worker in the respective State.

Entitlement of Leave & Holidays

Under Section 15 (3), An apprentice shall be entitled to such leave and holidays as are observed in the establishment in which he is undergoing training.”



The papers of AITT which a candidate has to appear

- (a) ITI with NCVT - Trade Theory & Trade Practical
- (b) ITI with SCVT - Trade Theory , Workshop Science & Calculation, Drawing & Trade Practical
- (c) Fresher - Trade Theory , Workshop Science & Calculation, Drawing & Employability Skills & Trade Practical

ON LINE ALL INDIA TRADE TEST FOR APPRENTICESHIP

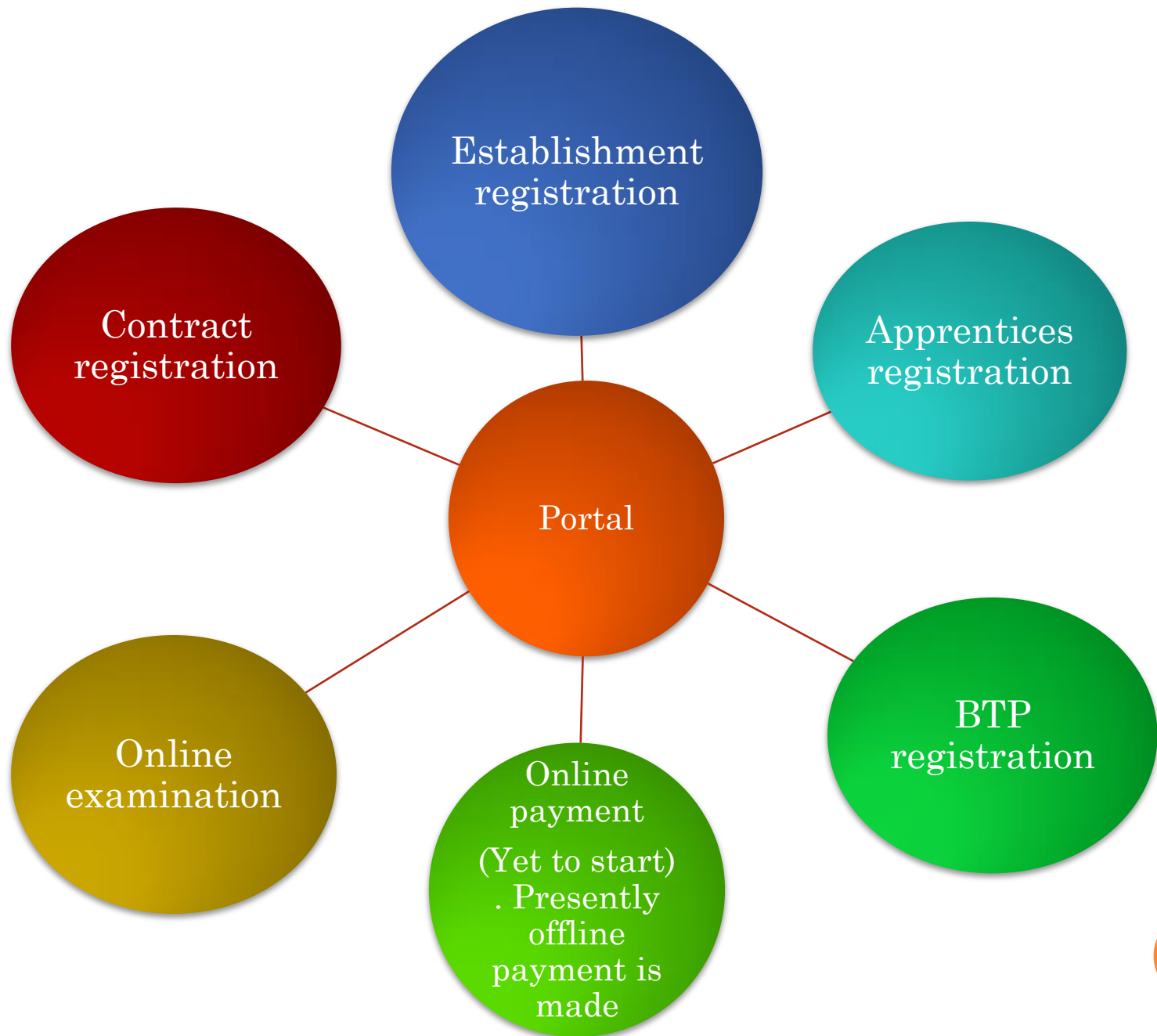
1.THEORY PAPERS

2. EMPLOYBILITY SKILLS

3. WORKSHOP SCIENCE & CALCULATION

Requirement of Basic Training Centre to Engage fresher (Non ITI)

- **Basic Training is a part of Apprenticeship Training**
- **Every fresher has to under go Basic Training of 3 months in a year.**
- **The Basic Training Centre has to be registered as Basic Training Provider.**
- **It must have all the infrastructure and instructional staff as per norms.**
- **The establishment having in house Basic Training Centre has to apply on apprentice portal and before approval it has to inspected by the Apprenticeship Advisor.**



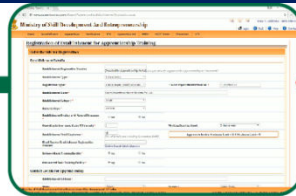
EMPLOYER REGISTRATION

- ❑ Online process
- ❑ Use of existing databases like EPFO, LIN, ESIC, TIN & TAN
- ❑ Indicate sectors of their choice
- ❑ Online selection of apprentices
- ❑ Online submission of contract

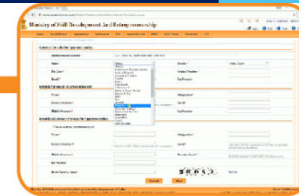
Registration of Establishment



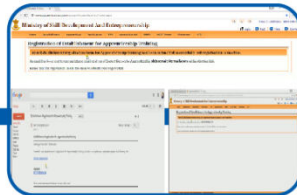
Go to: <http://www.apprenticeship.gov.in/pages/apprenticeship/home.aspx>



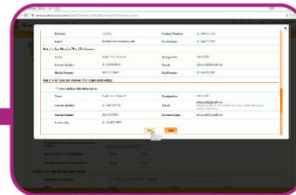
Click on ⇒ Establishment Tab
⇒ Establishment Registration



Fill all/mandatory "Details for Registration"



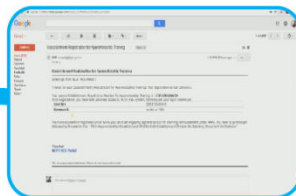
Activation link for registration and login credentials will be sent on this email



Check all filled details in preview before final submitting the form



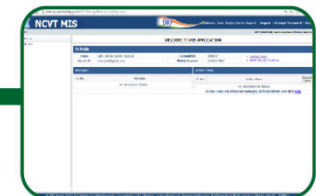
After filling the Details Enter Captcha Image and click on Submit button



Check your registered e-mail for log-in credentials



Go to: <http://www.apprenticeship.gov.in/MIS/PreLog/UserLogin.aspx> and log-in with credentials



Finally Update/Edit your profile and start engaging the Apprentice

APPRENTICE REGISTRATION

- ❑ Online registration with UID (Aadhar No.)
- ❑ Four routes of apprentices:
 1. ITI pass-outs
 2. Dual-learning mode from ITIs
 3. Trainees from PMKVY/MES
 4. Fresher apprentices without formal technical training
- ❑ Can indicate sector, trade & region of their choice
- ❑ Can approach a potential employer directly

BTP REGISTRATION

- ❑ Online registration
- ❑ Types of BTPs
 1. In-house BT of industry
 2. Govt. & Private ITIs
 3. Industry clusters - particularly for MSMEs
- ❑ Approval by RDAT post inspection of basic training facilities



PAYMENTS: ESTABLISHMENTS TO APPRENTICES

- ❑ Establishment makes payment to the apprentices in their bank account on monthly basis. No cash payment is to be made.
- ❑ A certificate as Payment proof to be submitted by the establishment.
- ❑ Quarterly claim submission by establishment to the Government (RDAT/SAA). Qtrs are Apr-Jun, Jul-Sep, Oct-Dec and Jan to Mar.
- ❑ Absentees if any to be recorded on the bill.
- ❑ Bill claim format should be clearly filled and each pages are to be signed in ink with seal. Any cutting should be signed.
- ❑ If No aadhar number is given in bill, it will not be re-imbursed.

PAYMENTS: GOVERNMENT TO ESTABLISHMENTS

- ❑ Verification of the claims submitted
- ❑ Payment to the same bank account which has been registered on portal dash board.
- ❑ Payment to the bank account of the BTP through PFMS/NPCI
- ❑ Payment will be directly made in the account. Any excess amount paid will be recovered or adjusted further.

PAYMENTS: GOVERNMENT TO BTP

- ❑ Submission of claim by BTP through portal when it is started.
- ❑ Payment to the bank account of the BTP through PFMS.
- ❑ Payment approval
 - By SAA – For SPSUs & Pvt.
 - By RDs – For CPSUs

OUTREACH STRATEGY

- ❑ Organizing Workshops & meetings.
- ❑ Brand ambassadors
- ❑ Communication plan to reach out to industries/employers – TOR's under finalization
 - CII, FICCI, ASSOCHAM etc.
 - Sectoral associations
 - Local industry chambers/clusters

EXPECTATIONS FROM STATES

- ❑ Take ownership for Apprenticeship
- ❑ Encourage engagement of apprentices to the maximum of 10% of total strength of establishments
- ❑ Avail the benefits of NAPS
- ❑ Creation of dedicated Apprenticeship Cell.

COMPARISION OF SALARY WITH STIPEND

Min wage of Semi skilled worker	90% of Min. wage	80% of Min. wage	70 % of Min. wage	Contribution of employer
7892	7184	6386	5587	
379				ESIC@ 4.75%
958				EPF @ 12 %
9319	7184	6386	5587	Total to be paid by employer
	2135	2933	3732	Extra what employer has to pay w.r.t. stipend

Some Myths and Facts

MYTHS

- ✗ Registering with NAPS and apprentice engagement is a long, hectic process involving physical visits, F2F interviews, etc.
- ✗ Only ITI pass-outs can be engaged as apprentices.
- ✗ Establishments cannot choose their apprentices.
- ✗ There is no limitation to the number of apprentices that an establishment can engage.
- ✗ Apprentices can only be taken for manufacturing jobs.
- ✗ Establishments are bound to offer permanent jobs to apprentices.
- ✗ Apprentices will be an added cost for an establishment.
- ✗ It is mandatory to pay ESIC and EPF to the apprentices.
- ✗ A government officer would visit and indicate how many apprentices to be engaged and in how many trades within the establishment.

FACTS

- ✓ No physical screening is required!! Dedicated online portal automates and eases the complete registration and apprentice engagement process.
- ✓ Any candidate with minimum Class 5th pass can be engaged as an apprentice.
- ✓ Establishments use their discretion to select their desired apprentices.
- ✓ An establishment needs to engage only 2.5% to 10% of their total workforce as apprentices.
- ✓ Apprentices can be taken for all functions within the manufacturing sector and across sectors such as trade, services, and others.
- ✓ It is not obligatory to induct apprentices after their training.
- ✓ Apprentices generate revenue and productivity after acquiring sufficient training. In the long run they save cost to company.
- ✓ It is not mandatory and up to the establishment's discretion.
- ✓ An establishment needs to register on the online portal only, and it will showcase the minimum/maximum number of apprentices that can be engaged by the organisation.



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Thanks



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