

NATIONAL APPRENTICESHIP PROMOTION SCHEME (NAPS)

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1.) APPRENTICESHIP AND ITS SIGNIFICANCE

Apprenticeship Significance

Apprenticeship training has been adopted as a major skill development intervention to provide larger employment opportunities to the youth across India. **This has been a successful model, which has improved the employability of the apprentices and is widely practiced across the world.** In **Brazil, 80%** apprentices find a formal contract within two years of completing their apprenticeship; in **France, 61%, United State 88%** and in **Japan, 97%** find work upon finishing the program. Currently **less than 5% of the workforces in India receive any formal training.**

In addition, India adds close to 10 million people to the workforce every year. By 2020, India is likely to have nearly 70% of its population in the working age category.

Hence it is imperative to scale-up various skill development initiatives, including apprenticeship training, across the country to reap the benefits of demographic dividend.

Inception of National Apprenticeship Promotion Scheme (NAPS)

Identifying the challenge, Prime Minister of India Shri Narendra Modi launched a National Mission on Skill Development and Entrepreneurship (MSDE) on 15th July 2015. Branded as Skill India mission, the program focuses on apprenticeship training as one of the key programs towards creating a large pool of skilled manpower.

Recognizing the value of on-the-job training, efforts are underway to make apprenticeship an integral part of all skill development efforts.

Government Mission through NAPS

Since the launch of Skill India mission, MSDE made significant reforms to the Apprentices Act 1961, making it easier for the industry to hire apprentices. To further catalyze apprenticeship training across the country, **Ministry of Skill Development & Entrepreneurship (MSDE), Government of India, launched National Apprenticeship Promotions Scheme (NAPS).** The scheme not only incentivize corporate to train and hire apprentices but has help them meet their long-term workforce requirement by creating a pool of skilled manpower across different sectors. The scheme aims to **facilitate apprenticeship training for 50 lakh candidates by 2020.**

The key highlights of the scheme are as follows*:

- **Easier to hire apprentices** across different job roles in both manufacturing and services sector
- **Incentivize corporate** to engage apprentices through reimbursement of 25% stipend per month per apprentice (up to Rs. 1500/-).

- **Sharing the cost of basis training** for fresh apprentices up to Rs. 7500/- per apprentices for a maximum duration of 500 hours or 3 months
- Provide industry relevant vocational training to the youth and create a **pool of skilled manpower**
- **Create academic pathways** towards higher levels of skill acquisition and corresponding certificates (Diploma, Graduation, Post-Graduation, etc.) in their chosen skills/vocational area through apprenticeship training, thereby making it easier to train and hire apprentices in large volume across the country

*Further details are enclosed in the subsequent topics

2.) CURRENT ITI APPRENTICESHIP SCHEME AND NAPS

Earlier, apprenticeship training was mainly associated with students from ITIs, who are in turn associated primarily with the **manufacturing industry**.

India is one of the fastest growing economies in the world and the growth in recent years has been primarily driven by the **services sector**, which now contributes over 50% to the GDP. Apprenticeship training were earlier not utilized in these sectors. With a view to foster apprenticeship training in the country, there is also a need to **expand the scope in services sector and to integrate short term training courses** with apprenticeship training.

To achieve the above objectives, MSDE has made the following reforms in formulating NAPS:

Sr. No.	Challenges in Current ITI Apprenticeship Scheme	Reforms under NAPS
1	Limited to ITI trade in manufacturing sector	Additional focus on service sector and candidate from short term training
2	Stringent guidelines - large number of establishments, who have in-house training facilities, expressed their inability to utilize the same for apprentice training under the Act, citing lack of support from Government .	Industry can now opt for in-house Basic Training or can also outsource the same
3	Rigid governance structure , excessive control	Involvement of NSDC along with SSCs (ASDC) will also remove the perception of heavy government regulation
4	In Short Term Training, classroom instructional training does not fully simulate the reality of work place .	Apprenticeship training not only provides an optimum balance between theory and hands-on experience but also updates the

		apprentices' skills and knowledge of various codes, safety rules and regulations, procedures, proper use of tools and equipment, reading and interpreting documentation, troubleshooting, and teamwork and communication skills. Integrating short-term courses such as PMKVY, DDU-GKY etc. with apprenticeship training will fulfil this gap further.
5	Outdated system of trade wise and unit wise regulation of apprentices	Hire apprentices within a band of 2.5% to 10% of manpower
6	Cumbersome procedures and process; tedious returns to be filed	Automated processes and ease in hiring and reporting requirements through a dedicated apprenticeship portal
7	Curriculum not in synch with new technologies and business requirements	Introduction of 'optional trades' with curriculum designed by the industry
8	Imprisonment for default	Limited financial penalties

3.) NAPS VALUE ADDITION/BENEFITS TO INDUSTRY/EMPLOYERS

Benefits for the Industry/Employer

- Employers can engage apprentices' up-to **2.5% to 10% of the total manpower strength**
- Industry can opt for **in-house Basic Training** or can **outsource**
- Automated processes and ease in hiring and reporting requirements with a dedicated apprenticeship portal
- Financial benefits to employer for hiring apprentices
 - a) **Reimbursement of 25% of prescribed stipend** to employers with respect to all apprentices, subject to a maximum of **Rs. 1500/- per month per apprentice.**
 - b) Sharing the cost of basic training with respect to fresher limited to **Rs. 7500/- per apprentice for a maximum duration of 500 hours/3 months.**

- Introduction of Short Term Training Candidates create a fresh talent pool trained on industry requirement
- Proactively address hiring requirement by training the apprentices as per industry
- Recognize talent based on performance delivered
- Candidates start contributing productively after a couple of months of training
- Apprentices are not employees, no obligation to hire them
- Direct contribution to nation building through partnership with Skill India mission
- Submission of returns, other information and contract of apprenticeship through apprenticeship portal, which has further provisions for time bound approval
- Employers who are engaging apprentices under the Apprentices Act, 1961 are exempted towards contribution of EPF and ESI for apprentices engaged by them.
- Earn social goodwill and improve brand image as a responsible company

Eligibility for employer

- Employer is any person/entity who has business in any trade or occupation.
- Registered with constitution document (Business registration document/Udyog AADHAAR)
- Valid GST and PAN No.
- Employers must be registered with EPFO/ESIC/ LIN etc.
- Register on the apprenticeship portal www.apprenticeshipindia.org
- Aadhar linked bank account

Step-by-step process for an employer to hire an apprentice under NAPS:

- Employer may access <http://apprenticeshipindia.org> for on-line registration
- Employer to declare apprenticeship seats/vacancies
- Search & shortlist candidates specific to sector, trades, region etc.
- Issue offer letters to candidates for engaging as apprentices
- Sign contract of apprenticeship with apprentice
- Submit contract of apprenticeship on-line for approval by respective Joint Apprenticeship Adviser/State Apprenticeship Adviser.

3.1 Case Study- Estimated Benefits of Apprenticeship in the Automotive sector

Description	Normal Contractual Worker under Current ITI Apprenticeship Scheme		Apprenticeship Engagement under NAPS	
Designation difference	These are Contractual Workers		These are Trainees under Govt. Scheme NAPS	
Qualification	10 th pass & ITI		Minimum 10 th + ITI, School Dropout	
Registration	Anybody can join		Only those who are registered as Trainee under Govt. Apprenticeship Scheme NAPS	
Cost of 1 Person	Salary	7977	Salary	7,500 (As per Govt. 70% to 90% of Semi-Skilled Salary)
	Att. Aw	00	Att. Aw	0
	PF	1066	PF	N.A.
	ESIC	427	ESIC	N.A.
	LWF	20	LWF	N.A.
	Cont Sv. Charge	800	Cont Sv. Charge	0
	Bonus	664	Bonus	N.A.
	Total Cost	10,954.00	Total Cost	7,500.00
Total Cost Saving			Rs. 3,500/- Per Month / Employee	
Salary Procedure	Getting Salary		Will get Stipend	
Can Involve in Union	Yes		No (As they are trainee not an employee & can't be a part of union)	
Stability of employee	High attrition (18-25 % at the Plant)		Low attrition as they will have to stay up to the apprenticeship period to obtain certificate	

4.) Engagement with and implications for other Stakeholders

4.1 Training Provider/Basic Training Provider (BTP)

Benefits for Training Partners

- **Apprenticeship training would be considered as placement under Pradhan Mantri Kaushal Vikas Yojna (PMKVY).** Hence Training partners can avail placement linked incentives under PMKVY by engaging candidates as apprentices with the industry.
- Training partners can avail the benefit of Basic Training under NAPS for fresh candidates enrolled for apprenticeship training.

Eligibility for Basic Training Provider

- Approval from concerned entity
- BTP must be registered on the apprenticeship portal

Responsibilities

- Registration on the apprenticeship portal.
- Development of curricula based on their establishments' requirements, in close coordination with ASDC (SSC)
- Regularly sharing the skill requirements with ASDC (SSC)
- Employers will have a say in the assessment of the candidates according to the guidelines issued.
- Certification can either be issued by ASDC (SSC) or respective ICCIs with whom the employer has relevant tie-ups.

4.2 Automotive Skills Development Council (SSC)

Roles and Responsibility

- The Chief Executive Officer (CEO) of SSCs and Secretariat head of ICCIs will be assigned the role of 'Joint Apprenticeship Advisor' (JAA) under the Apprentices Act, 1961 (Guidelines will be released soon)
- Develop curriculum for embedded and paired apprenticeship training program;
- Advocacy of apprenticeship training to the industry
- Empanelment of training providers on the NAPS portal
- Identifying the employers and facilitate registrations on NAPS portal
- Registration of contracts between employer and candidates with mapping of preferred trades/subjects with basic education and experience background of candidate;
- Undertake capacity building exercises with HR personnel of the employers, who will drive apprenticeship training in their respective organizations;
- Undertake assessment and certifications in collaboration with the employers. Guidelines shall be issued for the same.

4.3 Candidates

Benefits for enrolling under NAPS

- Candidates get an opportunity to learn while they earn from the age of 14 years
- They get exposure to **real work environment** through hands-on training
- Acquire skills and knowledge from industry experts
- **Better employment opportunity** after completion of apprenticeship

Eligibility

- Any individual, who has completed 14 years of age, is physically fit and having the minimum educational qualification prescribed for a trade can undergo apprenticeship training. However, for trades related to hazardous industries, the individual should have completed 18 years of age
- Valid Aadhaar card
- Aadhaar linked Bank account in own name

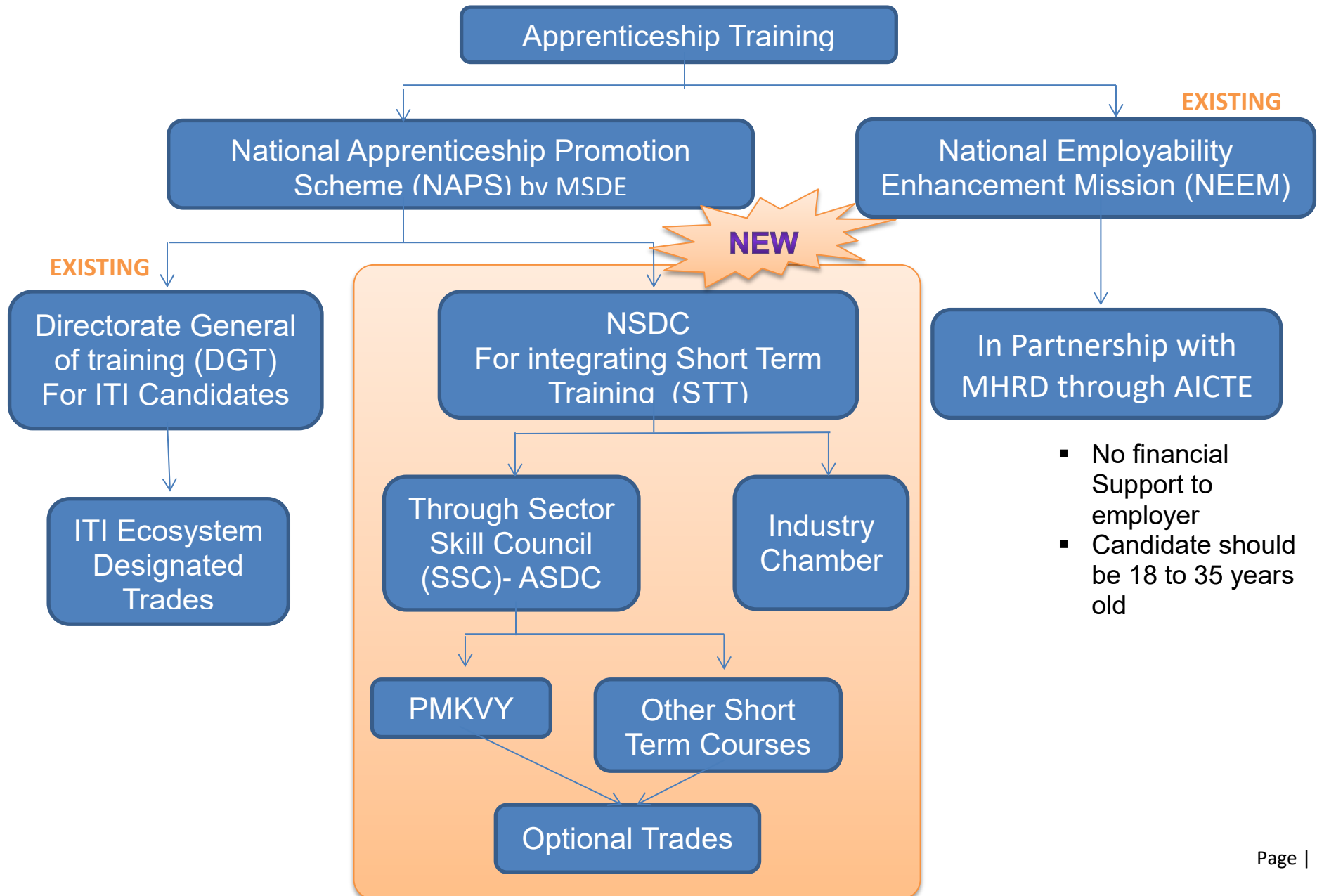
- Apprentices can be engaged from the following four categories:
 - Trainees passed out from ITI courses
 - Trainees under dual-learning mode from ITIs
 - Trainees who have completed PMKVY/MES courses
 - Candidates who possess minimum educational qualification required for a trade and have not undergone any formal trade training (fresher apprentices)

Responsibilities

- On-line registration on NAPS portal indicating their qualification and preferred sector/trade
- Sending application to potential employers for apprenticeship training via NAPS portal
- Online receipt and acceptance of offer letters from establishments
- Process all necessary contractual obligations online.
- Search and select Basic Training Provider (BTP) specific to sector, trades and region

5.) NAPS TRAINING DELIVERY

5.1 Process



5.2 Basic Training Concept

Basic training consists of theoretical and practical instructions relating to the trade in which on-the-job-training is to be imparted. It is mandatory for those who have not done any formal training under PMKVY (Short Term Training) or ITI/MES which have been granted equivalence with the basic training component.

Basic Training Provider (BTP)

- An entity that has the facilities for imparting basic training to apprentices.
- BTP could be set up by the industry/employer where on-the-job-training is to be given, provided the industry/employer has the required facilities/infrastructure for providing basic training. All such BTPs will have to go through a verification process before being designated as a BTP.
- By all government and private ITIs which have spare seats; and PMKVY approved training partners
- Training center designated by Industry clusters to carry out basic training

Example: All PMKKs and PMKVY centres; NSDC funded training provider; Industries/establishments with in-house basic training facilities; BTP set up/supported by Industry clusters

5.3 Different methods of training delivery

- 1.) **Paired Method-** Apprenticeship (on-the-job training) shall be offered in sequential mode. Candidates can opt for the apprenticeship training after completion of the short term training course. **Example:**

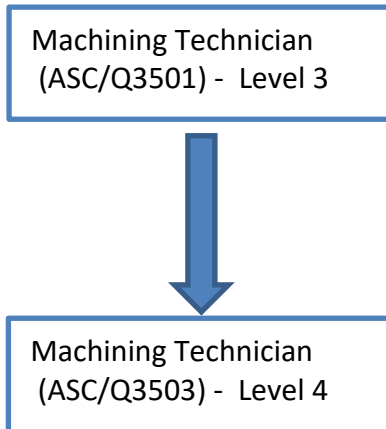
Block 1 A candidate opts for short-term-training (STT) at registered basic training partner (BTP). After successful completion of STT, candidate is assessed and receives a Government recognized ASDC certificate of a certain level (say level 3), upon successfully clearing the assessment.

Block 2 ASDC certified candidate gets On-the-Job-Training at the Industry/Supplier/Dealership for next level of training (say level 4). After completion of OJT, he will be assessed again and on successful completion he will get Government recognized ASDC certificate for level 4.

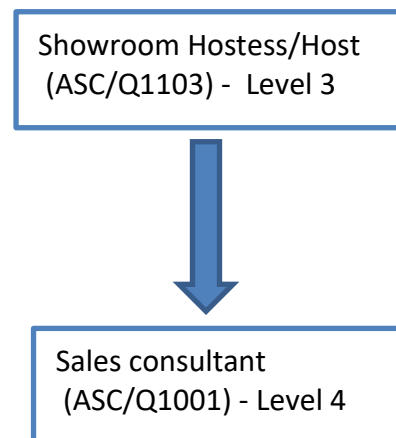
Short Term Training (STT) at
Basic Training Partner (BTP)
(Could be Outsourced/ in-house at premise of
Industry/supplier/dealership)
Assessment after block 1 for Level 3

OJT at Industry/Supplier/Dealership
Assessment after block 2 for Level 4

Example 1



Example 2

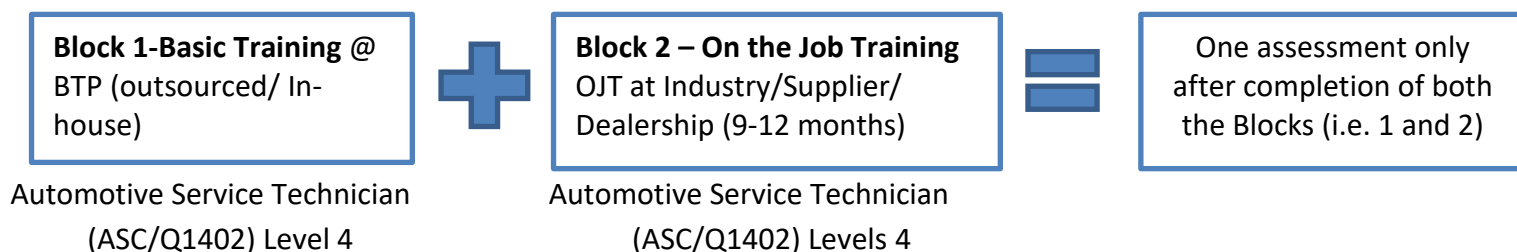


List of Proposed Job Role under Paired Method submitted to MSDE/NSDC

<u>S. No.</u>	<u>Job Role in Block-1</u>	<u>NSQF Level</u>	<u>Job Role code in Block- 1</u>	<u>Job Role in Block- 2</u>	<u>NSQF Level</u>	<u>Job Role code in Block- 2</u>
1	CNC Operator / Machining Technician	3	ASC/Q 3501	CNC Operator / Machining Technician L4	4	ASC/Q 3503
2	Welding Technician	3	ASC/Q 3102	Welding Technician Level 4	4	ASC/Q 3103
3	Showroom Host/Hostess	3	ASC/Q 1103	Tele Caller	4	ASC/Q 1105
4	Showroom Host/Hostess	3	ASC/Q 1103	Customer Relationship Executive	4	ASC/Q 1106
5	Showroom Host/Hostess	3	ASC/Q 1103	Sales Consultant Level 4	4	ASC/Q 1001
6	Casting Technician	3	ASC/Q 3202	Pressure die casting Operator	4	ASC/Q 3204

Note-Currently ASDC has proposed 6 Pairing possibilities, which are specified in the rows above. Cross pairing across different job role is not possible.

2.) **Embedded Method-** Apprenticeship (on-the-job training with the employer) shall be made compulsory as part of the short-term course curriculum. In this case, the candidates can undertake basic training and on-the-job training either simultaneously or one after the other, in accordance with the arrangement between employer and SSC/ training partner. However the **assessment is conducted only once after the completion of both block 1 and block 2 training.**



List of Proposed Job Role under Embedded Method submitted to MSDE/NSDC

<u>Sr. No.</u>	<u>QP Name</u>	<u>NSQF Level</u>	<u>QP Code</u>
1	QA Standards In-charge	5	ASC/Q 6305
2	Assembly Line Supervisor	5	ASC/Q 3602
3	Forging Line Supervisor	5	ASC/Q 4502
4	Machine shop supervisor	5	ASC/Q 3505
5	Casting Supervisor	5	ASC/Q 3206
6	Auto Component Assembly Fitter	4	ASC/Q 3701
7	Vehicle Assembly Fitter/ Technician	4	ASC/Q 3601
8	Forging Operator	4	ASC/Q 4501
9	Maintenance Technician Mechanical L4	4	ASC/Q 6802
10	Press Shop Operator L4	4	ASC/Q 3402
11	QC Inspector Level 4	4	ASC/Q 6303
12	Maintenance Technician Electrical L4	4	ASC/Q 6803
13	Executive, Proto Manufacturing	4	ASC/Q 6501
14	Vehicle Test Technician	4	ASC/Q 8401
15	Automotive Electrician Level 4	4	ASC/Q 1408
16	Automotive Service Technician Level 4	4	ASC/Q 1402
17	Plastic Molding Operator/ Technician	4	ASC/Q 4401
18	Auto Body Technician Level 4	4	ASC/Q 1405
19	Maintenance Technician- Service Workshop	4	ASC/Q 1601
20	Warranty Processor Level 4	4	ASC/Q 1603
21	Repair – Welder	4	ASC/Q 1902
22	Automotive Painting Technician Level 4	4	ASC/Q 3304
23	Tool Room operator/ Technician	4	ASC/Q 4101
24	Automotive Engine Repair Technician Level 4	4	ASC/Q 1409

For any further query related to NAPS, kindly email Ms. Richie Gupta at richie.asdc@gmail.com / richie@asdc.org.in