



# Apprenticeship Innovations in India

A presentation for SSTC Virtual Skills Fair

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### Apprenticeship in India







#### **Apprenticeship is Law**

Apprenticeship in India is governed under Apprentices Act, 1961

#### **Establishments Eligibility criteria**

Establishments with employee strength >30 mandated to engage apprentices

#### **Components of apprenticeship**

Apprenticeship consists of basic training & on the job training

#### **Stipend during training**

Mandatory to pay stipend as per educational qualification in curriculum

#### **Types of Trades**

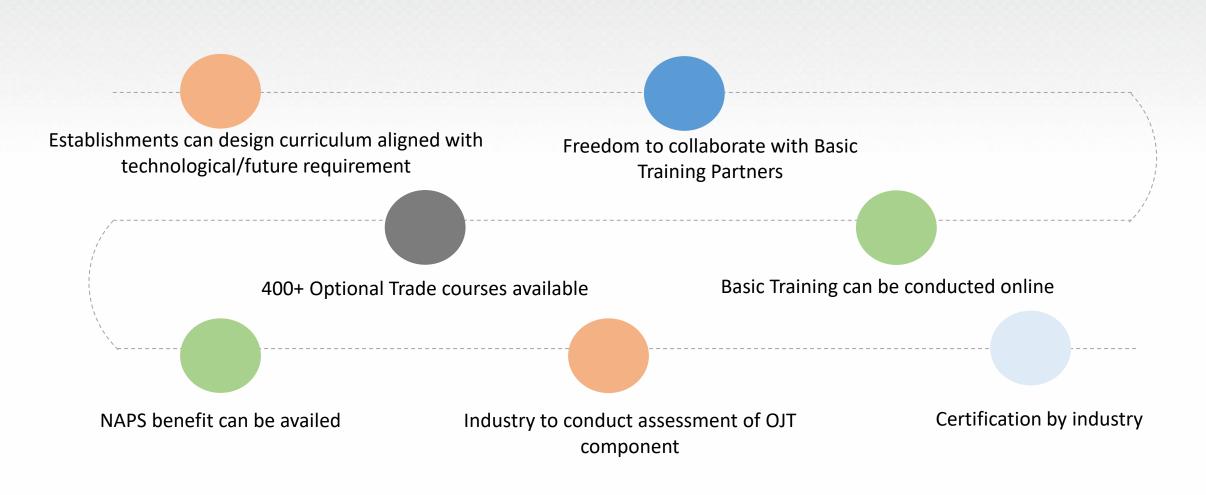
- -Designated Trades: Notified by Govt.
- -Optional Trades: Industry demand driven

## Why Optional Trades?





#### Under Optional Trades, industry can run both NAPS and Non-NAPS trainings



## Apprentices Act: Flexible discretion to companies





#### Band

Can engage apprentices within a band of **2.5% to 15%** of workforce.





#### **Flexibility**

Apprenticeship duration between **6-36 months**. Can outsource/conduct basic training in-house

#### Design

Industry has flexibility to design own courses in line with technologies / future requirements





#### **Inclusive**

Degree/Diploma/ITI Certificate Holder, apprenticeship open for all including STT trained candidates.

#### **Convenient**

Apprenticeship life-cycle process now fully automated on the apprenticeship portal.





#### **Self-regulation**

Move from Regulation to Self-Regulation. SSC CEO's appointed as JAA.

### **NAPS: Extends Financial Support to Organizations**







Sharing of cost of basic training with Basic Training Providers (BTP); up to INR 7,500 for 3 months



Sharing of 25% of the prescribed stipend, subject to a maximum of INR 1,500 per month per apprentice

National Apprenticeship Promotion Scheme (NAPS) was launched in August 2016; financial benefits extended by the Govt. of India

### Degree & School Apprenticeship







School Apprenticeship

- For students of standard 9<sup>th</sup>-12<sup>th</sup>
- 11K+ Schools; 13 Lakh+ students
- 21 SSCs; 125 QPs
- Multiple Entry/Exit
- Pilot: 8 Aspirational dist. (6 States)
- Apprenticeship Curriculum for 36 QPs
   BT-Exemption | Stakeholderorientation (all States) on NAPS



Degree Apprenticeship

- Formally accepted by UGC Guidelines.
- A formal contract and stipend to students
- Tri-partite MoU: College + SSC+ industry partners
- Financial benefit to industry under NAPS
- Apprenticeship portal: Students can find apprenticeship opportunities in job roles and locations

## Life cycle of a contract on the apprenticeship portal





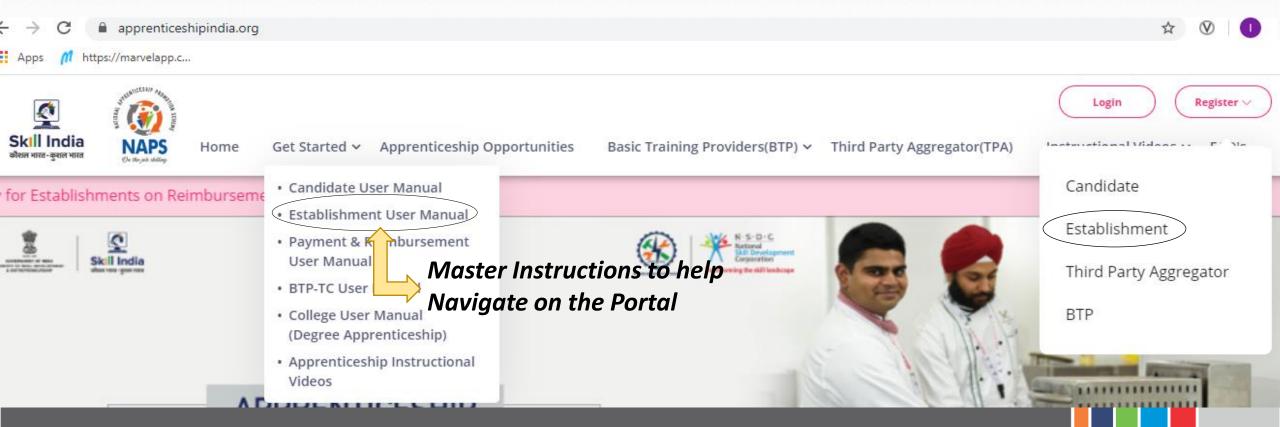
Establishment Registration

Course adoption/creation

Search candidates & make offer

Sign contract & start training

Assessment & Certification



### Key Features of the Apprenticeship Portal





Unified Portal for OT and DT

Requirements of Apprentices Act, Rules and NAPS Guidelines

Common User Interface

Apprenticeship Advisor mapping Paperless lifecycle of apprenticeship

Registration

Course creation

Stipend Payment

Reimbursement

Assessment

User Manuals and Instructional Videos

**TPAs** 

**Candidates** 

**BTPs** 

Degree Apprenticeship

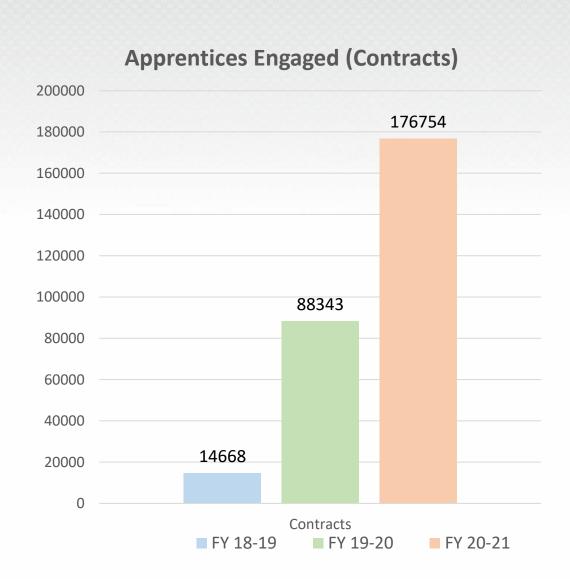
**Establishments** 

## Optional Trades as per 31st March 2021





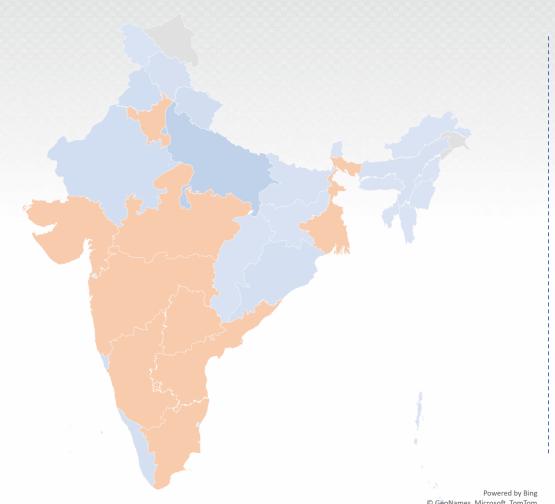
ltem	Data		
Total Apprentices Engaged (Cumulative) (since inception till date)	2,79,765		
<b>Total Active Establishments</b> (Active: at least 1 contract generated)	6,499		
Apprentices Engaged (FY 2020-21)	1,76,754		
Top Sectors CFY 20-21	<ul><li>Automotive</li><li>Electronics</li><li>Retail</li><li>BFSI</li><li>IT-ITeS</li></ul>		
Top States CFY 20-21	<ul><li>Maharashtra</li><li>Gujarat</li><li>Tamil Nadu</li><li>Haryana</li><li>Karnataka</li></ul>		

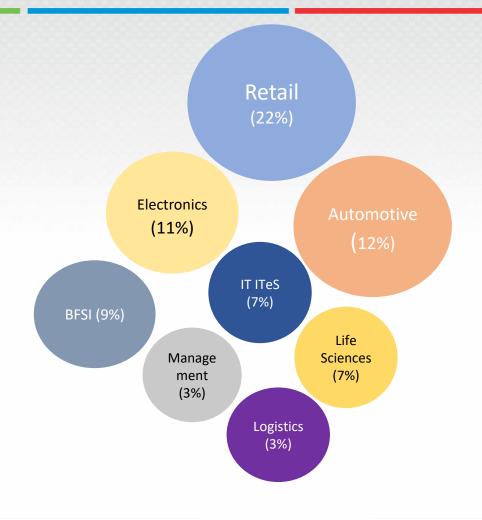


### **Top States & Sectors under Optional Trades**









Maharashtra, Gujarat, Tamil Nadu, Karnataka, Haryana, Telangana, West Bengal, Uttar Pradesh, Delhi, Madhya Pradesh; these states account for **87%** of total OT contracts

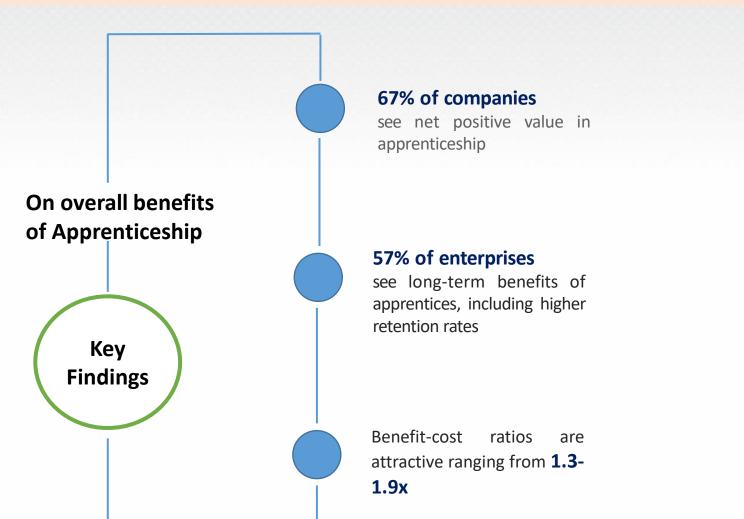
These sectors accounts for **85**% of total optional trade contracts till date

## Apprenticeship in India: Findings of Survey (NAPS)





Joint survey conducted by NSDC and Dalberg with over 100 companies engaging apprentices. Following are the findings:-



**20-50%** absorption rates of apprentices resulted in saving cost of hiring full-time equivalent (FTEs)

60-80% of apprentices reach desired productivity levels halfway through their apprenticeship training

## Apprenticeship in India: Findings of Survey (NAPS)





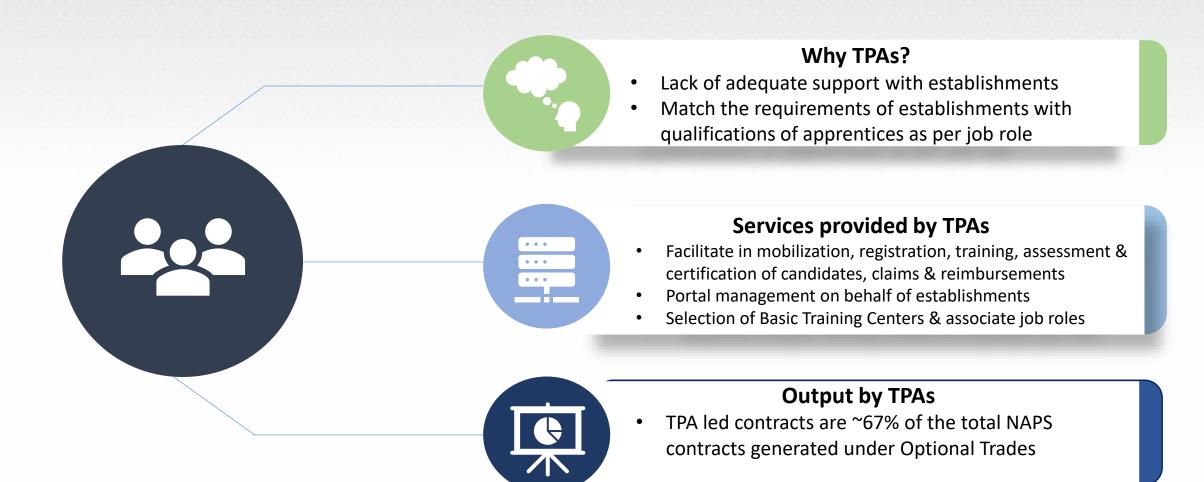
### Some sector-wise findings are as below:-

	BFSI	Life Science & Healthcare	Automotive	Retail	Tourism & Hospitality
See positive net value in apprenticeship	67%	61%	60%	38%	53%
Benefit to Cost ratio across sectors	1.7-1.9x	1.7-1.9x	1.5-1.7x	1.3-1.5x	1.6-1.8x
Apprentices reached full productivity	3 months	3 months	3 months	Halfway	Halfway
Saved recruitment cost while converting apprentices into FTEs	50%	26%	22%	49%	38%

### Third Party Aggregators











"Coming together is a beginning; keeping together is progress; working together is success."

Henry Ford, founder of Ford Motor

Thank You

