National Employability Through Apprenticeship Program

India's fastest growing apprenticeship program





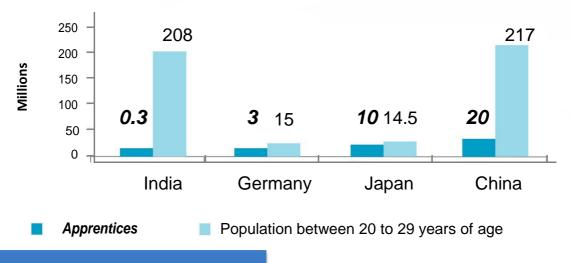


AICTE



INDIA

- Youth unemployability is a growing challenge because 10 lac youth will enter the labour force every month for the next 20 years
- Apprentices are a powerful vehicle for improving employability because of learning-by-doing and learning-while-earning
- India has only 30,000 employers appointing apprentices. UK has 2 lac and one state of Australia (Queensland) has 26,000
- The Apprentice Act of 1961 mandates that every employer appoint apprentices but it is rigid, unevenly implemented, and ineffective



GLOBAL EXPERIENCE

Germany

- 1969, a law (the Berufsbildungsgesetz) was passed
- Regulated and unified the vocational training system
- 75% of youth have attended dual system
- 342 recognised trades, 24-36 month period
- No employment guarantee

United Kingdom

- 1964, revamp from 1990, 1994 led to the Modern Apprenticeship
- 180 Frameworks by the Sector Skills Councils
- Employment contract, but off-the-job training and assessment is wholly funded by the state for apprentices aged between 16 and
- 18 Government contributes 50% of training cost for apprentices
 > 19 years



- Hired somebody every 5 minutes for 5 years that's only 5% of the kids who came to us
- India's largest HR service firm; hiring, hygiene, productivity
- 2500 customers, 150,000 employees in 6000+ locations
- One of the largest payers of PF & ESI in the country



TeamLease Skills University

- India's first vocational University; Associate Degree
- Setting up 22 community colleges in Gujarat
- Two research centres; Labour markets, Technology in Education
- Trained over 60000 apprentices under NETAP program



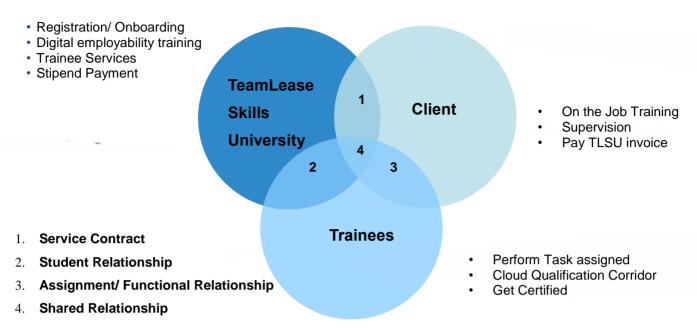
WHAT IS NETAP?

India's Largest Employability Scheme is a Public Private Partnership of TeamLease Skills University, Ministry of Skills, under the National Employability Enhancement Mission of the Ministry of HRD (AICTE), CII, and NSDC. It is aimed at enhancing employability and provide a large scale platform for :

- Overcoming the current challenges of the Apprenticeship Act
- Unemployed youth to build skills through Learning by doing and Learning while earning
- Provide them with access to practical skills
- Build a matching infrastructure which connects the youth with corporate skill requirements
- 2 lac apprentices every year for the next 10 years. At peak capacity, it aims to be the world's largest apprenticeship program

NETAP is registered under NEEM Notification (F. No 37-3/Legal/AICTE/2013) which is the only governing law for this scheme

Tri-Partite Relationship

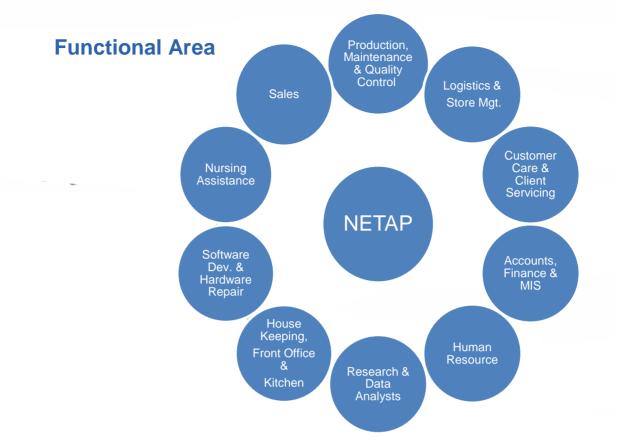


NETAP & CORPORATES

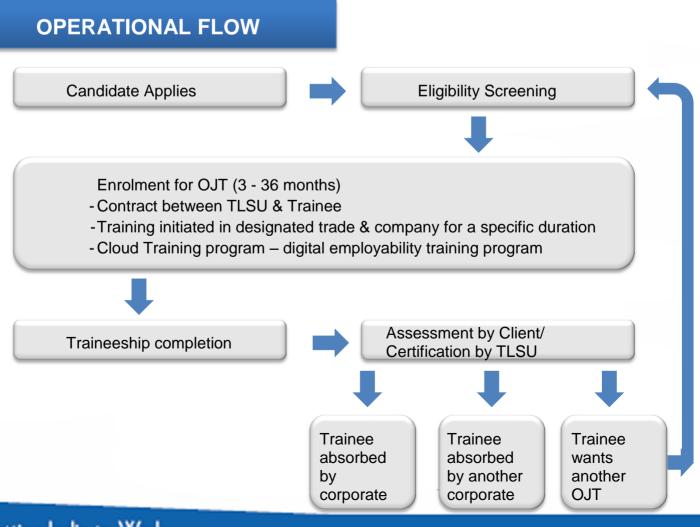
- Trainees can be appointed in any trade or function at any location in India
- Consolidated stipend equivalent to the applicable unskilled minimum wage (it can be higher)
- Training tenure Between 3 36 months
- Maximum number of trainees that can be deputed for On-the-job training (OJT) shall not exceed 30% of the total workforce at any given point in time under NETAP
- Trainee shall be engaged during regular working hours and they would be eligible for leave entitlement as per company's own policy
- Each Trainee shall be covered under the Employee Compensation Act
- All trainees will be enrolled in a free digital employability training course for soft skills, English and Computer application. They can further enroll voluntarily or via the client for other TeamLease Skills University(TLSU) certificate/diploma/associate degree courses delivered online

NETAP & TRAINEE

- A person from 16 to 40 years of age who has completed minimum 10th standard pass and registered under NETAP is called a trainee
- A NETAP apprenticeship qualifies for credit towards certificates/diplomas/degrees offered online by TLSU
- All trainees shall be given an apprenticeship-cum-employability training proficiency certificate or Apprenticeship training completion certificate based on the successful completion of training



Help build the world's largest Apprenticeship Program



OPERATING STRUCTURE

- All trainees will be enrolled as students of TLSU
- TLSU will sign an agreement with the Client for the payment of stipends (pass
 through to candidate), an administrative fee (to meet costs for the non-profit operation that will decline with scale) and providing training slots
- The Client will receive a single invoice for stipend amounts and administration charges every month
- TLSU will provide trainees with a unique id number, a call centre in 13 languages, a web portal, and handle all regulatory & compliance requirements
- At the end of the training period, the Client will have the first right to hire the candidate or else he or she will return to TLSU

5 REASONS TO ENGAGE WITH NETAP

- Building a pipeline for bottom of pyramid hiring
- Clear legal structure to take candidates for a test drive with no obligation to hire
- Possible lower attrition given apprenticeship credit and degree connectivity
- Single window for national compliance
- Stipends paid qualify as CSR spend; do well and do good

Table Contrasting the Apprentices Act, 1961 and NETAP

| Specifics | The Apprentices Rules, 2015 | NETAP |
|--------------------------------------|---|---|
| Trades | Optional Trades & Designated trades across all skill sets | Across all industries Across all skill sets. |
| Geographic Coverage | No boundaries and separate approvals. Can be deployed anywhere in India | No boundaries and separate approvals. Can be deployed anywhere in India |
| Compliance | Registrations on portal | All filings with AICTE by NETAP |
| Stipend | Indexed to minimum wage for semi- skilled (70% the 1st year & 80% in the 2 nd year) | Benchmarked to State's Minimum Wage for unskilled |
| Age | 14 years and above | 16 to 40 years only |
| Applicable Legislation | MOU signed with Ministry of Skill Development & Entrepreneurship | NEEM Notification (attached) |
| Eligibility of Trainee | Min. 8 th standard pass out and 14 years and above | Min. 10 th standard pass out |
| Training period | Any duration between 6 months to 24 months | Any duration between 3 months to at most 36 months |
| Terms of Termination | Either party can terminate by duly compensating each other as specified under the ACT | Either party can terminate by giving 30 days prior notice |
| Designated Authority | Ministry of Skill Development & Entrepreneurship | AICTE |
| Compensation for Injury | As per Workman Compensation Act 1923 | As per Workman Compensation Act 1923 |
| Hours of work, OT, Leave, Holiday | Hours of work – as per company policy OT – Not applicable Leave & Holiday – as per company policy | Hours of work – as per company policy OT – Not applicable Leave & Holiday – as per company policy |

WHAT EMPLOYERS SPEAK?

"NETAP/ NEEM program of TeamLease has been useful to Mahindra Finance since we are able to get apprentices working for us who become the base for future selection of employees on the role of company. Support and services by TeamLease in this program is well appreciated."

Vinod Nair, SGM & Head HR, Mahindra Finance

"We have been deploying trainees from NETAP under NEEM for close to a year and the experience have been satisfactory so far. The candidates engaged through NETAP under NEEM have been found to be serious about their training. The statutory requirements are adhered to without any let-up. The administrative back-up services are remotely run through a centralized office, but are by and large prompt".

Nirmal Choudhury, DGM-HR, Hero Motor Corporation

"Under NETAP the Apprentices are given full opportunity to learn on Retail Sales in my organization. This is a very effective programme for the Apprentices"! Asutosh Ghosh, AVP-HR (Retail), BATA India Limited

BUILD INDIA'S EMPLOYABILITY PIPELINE

NETAP

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Age-wise population data source: Source - http://www.nationmaster.com

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