

1. Report On Apprenticeship in India- Governance

NITI Aayog launched a policy report titled “Revitalizing Apprenticeship Ecosystem – Insights, Challenges, Recommendations and Best Practices.

1. Context and Significance of the Report

The report provides a systematic evaluation of India’s apprenticeship ecosystem, covering participation trends, institutional performance, gender disparities, and regional imbalances. It positions apprenticeship as a strategic pillar within India’s skilling and employment architecture, particularly in the context of demographic transition and labour market transformation. It highlights the need for structural reforms, governance streamlining, and targeted interventions to unlock the potential of apprenticeships as a driver of employability and productivity.

2. Concept of Apprenticeship

Definition and Core Features

Apprenticeship is a structured, work-based learning system combining theoretical instruction with hands-on industry exposure. It serves as a bridge between formal education and employment, reducing the skills mismatch in the labour market. Governed primarily by the Apprentices Act, 1961 (as amended), it formalises employer–trainee engagement.

Economic and Labour Market Relevance

1. Enhances employability by equipping youth with industry-relevant competencies.
2. Reduces onboarding costs and training expenditure for firms.
3. Improves labour productivity, innovation capacity, and firm competitiveness.
4. Facilitates smoother school-to-work transition compared to classroom-only skilling models.

3. Need for Strengthening Apprenticeships in India

Demographic Imperative

1. Youth (15–29 years) constituted 27.2% of India’s population in 2021.
2. India will have approximately 345 million youth by 2036, the largest globally.
3. Without adequate skilling and employment absorption, the demographic dividend risks turning into a demographic burden.

Structural Labour Market Challenges

1. Persistent educated unemployment and underemployment.
2. Significant skill mismatch between academic training and industry demand.
3. Informal sector dominance limiting structured skill formation pathways.
4. Rapid technological changes (AI, automation, Industry 4.0) requiring continuous skill upgradation.

Strategic Importance

Apprenticeship can –

1. Align skills with real-time industry needs.
2. Reduce frictional unemployment.
3. Enhance formalisation of the workforce.
4. Support “Make in India” and manufacturing expansion goals.

4. Current Landscape of Apprenticeships in India

Participation Trends (2024–25)

1. 1.31 million registrations.

2. 985,000 engaged.
3. Only 251,000 completed training.

Key Concerns –

1. High attrition between registration, engagement, and completion.
2. Marginal drop in recent registrations.
3. Need for continuous tracking of dropout ratios.

Establishment Participation Pattern

1. Medium and large enterprises –
 1. Less than 30% of active establishments.
 2. Contribute over 70% of total engagement.
2. MSMEs, start-ups, and informal enterprises –
 3. Low participation despite being the backbone of employment generation.
 4. Constraints include compliance burden, lack of awareness, and financial limitations.

Implication – Skewed participation reduces inclusiveness and geographic spread.

Gender Gap–Male participation consistently exceeds female participation in both registrations and engagement.

Barriers for women –

1. Mobility constraints.
2. Safety concerns.
3. Lack of gender-sensitive workplace policies.
4. Occupational segregation.

Regional and Institutional Disparities

1. Top 10 states account for 79–84% of engagement.
2. North Eastern states and Union Territories show minimal contribution.
3. Intra-state variation across districts is substantial.

Implication – Apprenticeship growth is regionally concentrated, limiting equitable development.

5. Key Challenges Identified

1. Fragmented governance and multiple portals.
2. Low awareness among MSMEs.
3. Inadequate incentives for employers.
4. Weak monitoring and outcome measurement.
5. Limited inclusion of marginalised communities.
6. Inadequate integration with emerging sectors (gig economy, digital platforms).

6. NITI Aayog Recommendations – Detailed Analysis

A. Institutional and Policy Reforms

1. Establish a National Apprenticeship Mission for unified leadership.
2. Create a Unified National Apprenticeship Portal for –
 1. Simplified registration.
 2. Real-time tracking.
 3. Data integration.
3. Provide targeted incentives for –
 1. Aspirational districts.

2. North Eastern states.
3. Women apprentices.

B. Regulatory and Monitoring Reforms

1. Introduce an Apprenticeship Engagement Index –
 1. Benchmark performance of States and UTs.
 2. Promote competitive federalism.
2. Strengthen –
 1. Third-party evaluation.
 2. Assessment of apprentice competencies.
 3. Outcome-based monitoring (placement rates, wage outcomes).

C. State and District-Level Interventions

1. Identify “high-potential but low-performing districts.”
2. Provide customised policy support.
3. Recognise and reward top 25 districts based on growth metrics.
4. Encourage district-level convergence with skilling missions and industrial clusters.

D. Enhancing Establishment Participation

1. Cluster-based MSME integration model.
2. Link apprenticeship with –
 1. Start-up ecosystem.
 2. Production Linked Incentive (PLI) sectors.
 3. Gig and platform economy roles.
3. Reduce compliance complexity for small firms.

E. Inclusion and Social Equity Measures

1. Travel and accommodation support for marginalised apprentices.
2. Expanded insurance coverage.
3. Structured career counselling systems.
4. International mobility pathways.
5. Gender-specific measures –
 1. Safe hostels.
 2. Flexible hours.
 3. Childcare facilities.

7. Government Initiatives Supporting Apprenticeship

National Apprenticeship Promotion Scheme (NAPS), 2016

1. Implemented by Ministry of Skill Development and Entrepreneurship.
2. Target age group – 14–35 years.
3. Key features –
 1. Government shares 25% of stipend (up to ₹1,500 per month).
 2. Reimbursement of basic training costs for designated trades.
4. Objective –
 1. Increase employer participation.
 2. Expand apprenticeship coverage.

National Apprenticeship Training Scheme (NATS)

1. Administered by Ministry of Education.
2. Targets graduate and diploma holders.
3. Duration – 6 months to 1 year.
4. Focus –
 1. Structured industry training.
 2. Bridging technical education with employment.

8. Strategic Way Forward

1. Integrate apprenticeship with –
 1. National Education Policy (NEP) 2020 vocational integration goals.
 2. Industrial corridors and manufacturing expansion.
 3. Digital skilling initiatives.
2. Develop –
 1. Sector-specific apprenticeship models (AI, green jobs, semiconductor ecosystem).
 2. Public-private apprenticeship partnerships.
 3. Credit-linked apprenticeship certifications under National Skills Qualification Framework (NSQF).
3. Leverage digital technology –
 1. AI-driven matching systems.
 2. Blockchain-based certification.
 3. Data analytics for dropout prediction.

9. Conclusion

1. Apprenticeship represents a high-impact, cost-effective, employment-oriented skilling strategy.
2. India's demographic structure makes scaling apprenticeship not optional, but imperative.
3. With governance reforms, MSME inclusion, gender-sensitive policies, and performance benchmarking, apprenticeship can become the cornerstone of India's skilling revolution and a critical instrument in converting demographic potential into sustained economic growth.

Source – <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2230822®=3&lang=2>