MSDE(DGT)-19/12/2022-CD (E55177) Government of India Directorate General of Training (DGT) Ministry of Skill Development & Entrepreneurship (MSDE)

Shram Shakti Bhawan Rafi Marg, Sansad Marg Area, New Delhi, 110001 Date: 18th June, 2024

Τo,

Principal Secretaries / Secretaries/ Commissioners of all States / UTs dealing Skill Development Program The Directors of all States/ UTs dealing Skill Development Program The Secretary General / President of Industry Associations Vice Chancellors of Skill Universities Regional Directors, All RDSDE

Subject: Revision of Flexi-MoU Scheme Guidelines for Industry demand driven courses with high employment potential - regarding

This is regarding the Flexi-MoU Scheme guidelines, which has been revised and approved by the competent authority with immediate effect for implementation (Copy attached). This initiative is aimed at bridging the gap between industry requirements and workforce skills, fostering a more competent and industry-ready workforce.

The Flexi-MoU Scheme is designed to provide industries with the flexibility to create tailored skilling programs that meet specific market demands and technological advancements. This scheme will not only benefit industries by supplying a steady stream of skilled personnel but also offer trainees the opportunity to undergo training in an environment that mirrors current industry standards.

Key Aspects of the Flexi-MoU Scheme:

- 1. Customized Training Programs: Enterprises can design and implement training courses with content and curriculum tailored to their specific needs, ensuring trainees acquire relevant skills.
- 2. Eligibility: Enterprises with significant turnover and positive net worth, MSMEs, start-ups, reputed industries, and government undertakings are eligible to participate as Industrial Training Partners (ITPs). Approved Skill Universities can collaborate to send trainees for industrial training components to eligible enterprises as per detailed guidelines.
- 3. Application Process: Interested entities can apply to respective RDSDE / DGT, providing detailed proposals including course content, duration, batch size, and infrastructure availability.
- 4. Implementation through RDSDEs: RDSDEs will facilitate the implementation, including advocacy, application evaluation, and MoU signing.

We encourage all eligible entities to participate in this scheme and contribute to the development of a skilled workforce that is aligned with industry needs. For detailed guidelines and application procedures, please refer to the attached documentation or visit <u>https://dgt.gov.in/Flexi_MOU</u>

You are requested to kindly disseminate the guidelines among the Industries / Skill Universities to forge new relationship and implement the schemes in accordance with their requirements. Looking forward to your active participation in making the Flexi-MoU Scheme a success.

Thanking you

Yours Sincerely

(Sánjay Kumar) Director, CD Section DGT

Attachments:

1. Revised Guidelines for Flexi-MoU Scheme.

Copy To:

- 1. Sr. PPS to Secretary, MSDE
- 2. PPS to SEA, MSDE
- 3. PSO to DG /AS, DGT
- 4. All the Directors of DGT H.Q
- 5. Executive Director, NIMI Chennai.
- 6. Director, CSTARI, Kolkata







Guidelines

on Flexible Memorandum of Understanding (Flexi MoU) June 2024



Government of India Ministry of Skill Development & Entrepreneurship Directorate General of Training







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ACRONYMS

| СВТ | Computer Based Test |
|---------|---|
| CTS | Craftsmen Training Scheme |
| DGT | Directorate General of Training |
| ES | Employer Skills |
| ITI | Industrial Training Institute |
| ITP | Industrial Training Partner |
| LLP | Limited Liability Partnership |
| MoU | Memorandum of Understanding |
| MSDE | Ministry of Skill Development and Entrepreneurship |
| MSME | Micro, Small and Medium Enterprises |
| NCVT | National Council for Vocational Training |
| NCVET | National Council for Vocational Education & Training |
| NIESBUD | National Institute of Entrepreneurship and Small Business Development |
| NIMI | National Instructional Media Institute |
| NSQF | National Skills Qualifications Framework |
| NTC | National Trade Certificate |
| OJT | On-the-Job Training |
| TT Cell | Trade Testing Cell |







1. Background

Flexible Memorandum of Understanding or **Flexi-MoU scheme** is designed to cater to the needs of both industry as well as trainees, allowing enterprises to train candidates as per their skill set requirements and providing trainees with an industry environment aligned with the market demand and latest technology to undergo training.

The scheme gives the industry the flexibility to create tailored skilling programmes with customized courses, having content and curriculum that is market relevant and meets its requirements. The industry also gets the flexibility to select trainees, conduct practical assessments, and add industry ready trainees to its workforce.

The concept of Flexi-MoU was introduced in the year 2014 and policy guidelines for the same were implemented vide letter dated 31st July 2014, which were later revised on 3rd Oct. 2016 vide letter no. MSDE (DGT)-19/11/2016-CD. In the sub-committee meeting dated 28th August 2018 chaired by DG, DGT on Norms and Courses, several recommendations were made by the participating members for revising the Flexi MoU scheme.

Recently DGT through NIESBUD conducted a study on Flexi MoU scheme, to analyse the effectiveness of the scheme and its impact, recommendations for modification, revision of guidelines and enhancement for better implementation of the scheme. According to the recommendations of the study, the revision activity was undertaken to align the guidelines of Flexi-MoU with Craftsmen Training scheme (CTS) and for incorporating various reforms activities undertaken by DGT including examination reforms. During the study, inputs were taken from various stake holders including enterprises, Skill Universities, and trainees.

2. Scope of the Guidelines

The revised guidelines will be applicable in supersession to the existing guidelines with immediate effect. However, all the trainees enrolled in the earlier batches under flexi-MoU will continue to be governed by the previous guidelines. All MoUs/Agreements signed under the flexi-MoU scheme going forward, shall be in-line with revised guidelines.

3. Benefits of Flexi-MoU Scheme

The scheme envisages Employer Skills (ES) model where prospective employer (industry) already having a well-established infrastructure, robust training facilities, as well as trained faculty, conducts in-house skilling of prospective employees. This concept allows industries to offer training in courses similar to Craftsmen Training Scheme (CTS) courses, but customized and tailored to its own needs. Various expected benefits for participating industries and trainees are detailed below:

3.1. For Participating Enterprises

- i. Trained manpower as per customized content and curriculum tailored to their needs.
- ii. Flexibility of selecting candidates for the training







3.2. For Trainees

- i. Get trained in industry relevant courses with high employment potential.
- ii. Benefit from interactions with experienced industry experts/professionals
- iii. Exposure to industry shop floors and work environment with latest equipment
- iv. Potential job opportunity with the employer and increased employment avenues within the sector
- 4. Participating Entities and their Eligibility Criteria

All participating entities need to enter into agreement or MoU with DGT, as an *Industrial Training Partner (ITP)*. Entities eligible to become ITP and conduct trainings under Flexi-MoU scheme along with eligibility criteria are listed below:

- i. Enterprise/Organization: Enterprises meeting the following criteria shall be eligible:
 - a. Industries registered under Central/ State/UTs with more than Rs. 100 crore annual turnover and positive net worth during the last 3 fiscal years. Industry may be a Limited Company, Limited Liability Partnership (LLP), Private Limited Company.

or

b. Medium Enterprises registered under MSME (Investment in Plant and Machinery or Equipment not more than Rs.50 crore and Annual Turnover not more than Rs. 250 crore)

or

c. Start-up company registered under Central/ State/UTs with more than Rs. 50 crore annual turnover and positive net worth during the last 3 fiscal years

or

d. Reputed Industries recommended / nominated by District Skill Committee

or

- e. Central / State Govt. Undertakings, Public Sector Establishments, Central Sector Establishments and Central / State Govt./ undertaken training institutions.
- ii. Skill Universities–Skill University approved by University Grants Commission (UGC) or 'Skill University' established under the State Legislature Act.

The candidates undergoing training under this arrangement shall be sent to Enterprise / Organization by Skill University, within the state of jurisdiction of the university for industry training component. Enterprise/Organization where trainees to be send for the Industrial component, is same as per the eligibility criteria as written above in point no. 4(i).

- 5. Application Process for Industrial Training Partners
 - The interested ITP may apply (along with tentative course details, duration, batch size, proposed content/curriculum, availability of infrastructure, training centres with address etc.) to DGT expressing its willingness to train candidates under Flexi-MoU. Alternatively, they may apply online on the scheme website. Refer *Annexure 1* for a sample ITP Application format.







- ii. The ITP submitting proposal under flexi-MoU or signing flexi-MoU must train minimum of 100 trainees per annum.
- iii. Suitable flexibility to scale up the training numbers may be given to ITPs who are able to successfully complete the training with overall good feedback from stakeholders.
- iv. ITPs may request once in a year for approval of new trade/ deletion of existing Trade, increasing / decreasing number of batches or increase/ decrease in frequency of admission. This will be evaluated and approved by DGT after reviewing the previous year's successful training. Performance for a year will be calculated from the date of enrolment of first batch under flexi-MoU.

6. Evaluation of ITP proposal and Duration/Termination of MoU

- i. DGT will undertake the evaluation, recommendation, and approval of proposals under the Flexi-MoU scheme.
- ii. Evaluation of proposal received under this scheme will be finalized every three months i.e., at least once in every quarter, subject to timely response from ITP on clarifications sought by DGT, thereafter communicating the outcome of evaluation to the applicant.
- iii. DGT may carry out inspection at the proposed training site(s) before signing of Flexi-MoU and may seek clarification on the proposal.
- iv. ITP shall sign an agreement/MoU with DGT within 30 days of approval of the proposal.
- v. If the ITP remains dormant/does not commence training for six months or more after signing of the agreement/MoU, the agreement/MoU shall stand cancelled from DGT side after seeking proper justification for such delay from ITP.
- vi. MoU will be signed for a period of ten years and may be extended in slots of five years if expected outcome in terms of enrolments, learning outcome and placements are agreed by both parties. However, this shall not affect the candidates already enrolled.
- vii. DGT may revise flexi-MoU guidelines from time-to-time, the same shall be applicable to all new batches enrolled under MoU post such revisions.
- viii. Both parties can terminate the MoU at three months' notice to each other, which, however shall not affect the candidates already enrolled.

7. Implementation through RDSDEs to popularise this Scheme:

This scheme will be implemented/ monitored through RDSDEs for the purpose of catering to more Enterprise /Organization / Skill University -

- i. RDSDEs will advocate to popularise the Flexi MoU in their respective states.
- ii. RDSDEs will accept the applications, evaluate them and recommend them to DGT headquarter for approval.
- iii. DGT/ RDSDEs will sign MoU with the and Enterprise /Organization / Skill University and registered them in the portal.
- iv. Enterprise /Organization / Skill Universities, may also directly approach DGT headquarter for signing MOU.

8. Course, Content and Curriculum

ITP can develop course/s with customized content and curriculum to meet their requirements adhering to the overall broad framework of theory, practical and OJT components under the ITI







ecosystem:

- i. Courses developed by the enterprise, should be NSQF compliant with high employment potential having different from existing CTS courses and its nomenclature, so that there is no confusion with courses under CTS.
- ii. ITP can adopt the existing NSQF approved courses of another ITP, with the flexibility to modify 20% content as per its specified requirement.
- iii. Curriculum of courses developed should be designed with more weightage towards industrial training, to the extent feasible.
- iv. Blended learning may be applicable as per the NCVET/ DGT guidelines.
- v. Industries shall also be allowed to run industry relevant courses under Flexi MoU which may not be NSQF compliant.

9. Fee Structure

- i. ITP shall have the flexibility to set the fee structure of the course/s as per their internal processes and guidelines.
- i. Participating ITP may utilize CSR funds or funds allocated under employer-skills head for meeting the training cost.
- ii. ITP may pay stipend to the trainees during the training period.

10. Duration of Training

The duration of training shall be six months, One year and Two years including classroom training and industry training components.

11. Admission Process

- iii. The process of admission can be started only in duly approved courses.
- iv. Admission time and training cycle may be monthly/ quarterly or a pre-defined time. ITP must submit training calendar of each batch to DGT.
- v. Minimum qualification, age and other eligibility conditions for the Trainee shall be as per the course curriculum developed by ITP. However, the ITP must ensure that upon completion of training, the trainee meets the minimum age criteria for placement in industry as well as for being engaged as an Apprentice.
- vi. ITP may conduct selection process following their selection criteria over and above the prescribed criteria. However, no discrimination on any grounds, like religion, race, caste, gender, or place of birth shall be permitted.
- vii. Enrolment data of candidates selected by ITP must be uploaded by ITP on the scheme website within a fortnight of admissions. ITPs may use the attached sample 'Admission Form' format for recording candidate data at time of admission (refer *Annexure 2*).

12. Training, Assessment and Certification

- i. Conducting training of selected candidates is the sole responsibility of ITP.
- ii. Assessment will be jointly done by ITP and DGT. Practical and formative assessment shall be conducted by ITP, and Computer Based Theoretical (CBT) examinations shall be







conducted by DGT.

- iii. ITP must refer to the latest examination reform guidelines issued by DGT
- iv. Maximum attempts for clearing the examination and obtaining NTC shall be in line with examination.
- v. For practical examination and formative assessment, ITP has been given the flexibility to design the questions, assess the candidates and upload their marks on the scheme website.
- vi. ITP shall develop a comprehensive Question Bank (in English and Hindi) of minimum 1,000 questions, grouped by chapters and difficulty level. The same shall be vetted by DGT (through NIMI, Chennai) and suitably finalized.
- vii. Theoretical examinations shall be conducted by DGT in the CBT format. Upon completion of course and payment of requisite examination fee by ITP, admit cards shall be generated by the scheme website.
- viii. DGT shall arrange for conduct of CBT examination at designated examination centres and certify the successful trainees with e-NTC under flexi-MoU scheme with mention of ITP name in the Certificate.
- ix. Students who have successfully cleared the final examination, shall be eligible to register as Apprentices.

13. Placement

- i. ITP must ensure placement of at-least 50% of the total successful trainees trained under the flexi-MoU and submit the reports periodically to DGT and uploaded in the website. Placed candidates must be tracked by ITP for 1 year.
- ii. Successful trainees can be placed/employed as regular employees, contractual employees or as Apprentices.
- iii. Self-employment with proper documentation, may also be calculated towards placement.

14. Responsibilities of DGT

- i. Create awareness about Flexi-MoU among all the stakeholders within the skill ecosystem, and regularly publish list/details of new MoUs signed with ITPs on scheme website.
- ii. Call for applications from ITPs.
- iii. Examine applications received from ITPs for approval as per procedure laid down under the scheme guidelines.
- iv. Carry out inspection, at the actual site proposed for training, before signing of MoU.
- v. Sign MoUs with ITPs post approval of proposal.
- vi. Operation and management of the scheme website including activities like registration of ITPs, uploading MoU, trainee details, enrolment data, admit card, examination schedule, assessment marks, marksheet generation and issue of e-Certificate.
- vii. Continuous monitoring, including inspection during the entire training lifecycle.

15. Responsibilities of ITP

i. Develop tailored courses based on industrial needs having high employment potential and get the same approved by DGT.







- ii. Fulfil infrastructure requirements of the course, including class room, workshop, IT lab, and other basic amenities.
- iii. Provide qualified Trainers, Supervisors, and Support Staff for classroom training, and industry training as per approved syllabus.
- iv. Conduct the trainee selection process as per selection criteria laid down by the ITP itself. Upload details of trainees selected on the scheme website.
- v. Conduct in-house assessment and award marks for practical and formative assessment and upload these marks on scheme website.
- vi. Facilitate conduct of theory examination by DGT for ITP trainees, including payment of examination fee as decided by DGT.
- vii. Orient the trainee at the time of admission regarding discipline, attendance, leave and other rules and regulations as applicable to industry.
- viii. It is advisable that candidates are informed in writing about the terms and conditions of the industry where they are to undergo training.
- ix. Adhere to health and occupational safety norms for the course and industrial segment. In case of hazardous industries, before signing the MoU, enterprise shall disclose the conditions (in consultation with DGT & State Directorate) like minimum age and level of medical fitness (e.g., colour blindness), etc. as per the industrial safety norms applicable in the industry. ITP should ensure that the trainees are provided all necessary safety equipment and instructions before commencement of the training.
- x. The ITP shall follow any other guidelines / instructions issued by DGT from time- to-time in the scheme.
- xi. Provide the details of ongoing and pass out trainees, training infrastructure, placement and other training related details to DGT/ respective RDSDEs on demand. (Annexure 3)

16. Grievance Redressal

- i. ITP should create an internal committee for managing trainees' grievances, similar to the provisions made for regular employees of ITP.
- ii. Any grievances of ITP or enrolled candidates that are not solved at the level of the ITP, may be brought to the notice of DGT for necessary review and intervention.



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Government of India Ministry of Skill Development and Entrepreneurship Annexure 1: ITP application format

APPLICATION FORM FOR INDUSTRIAL TRAINING PARTNER (ITP)

| 1. INDUSTRIAL TRAINING PARTNER (ITP) DETAILS | | | | | | | | |
|---|--|--|--|--|--|--|--|--|
| Organization | | | | | | | | |
| Main Promoter | | | | | | | | |
| ІТР Туре | <i>i.e. Limited Company, LLP, Private Limited Company, State Undertaking, Public Sector Establishments, or Central Sector Establishments/ Skill University</i> | | | | | | | |
| Enterprise Sector(s) | (ITPs may provide list of sectors for providing training) | | | | | | | |
| Date of Establishment | | | | | | | | |
| Date of Applications | | | | | | | | |
| Proposed number of Trainees to be trained under MoU annually/ total | Trade wise with number of batches | | | | | | | |
| Proposed Sectors and Trades (separate by comma) | | | | | | | | |
| 2. Contact Details | | | | | | | | |
| | Address: | | | | | | | |
| | District: | | | | | | | |
| Contact | City: | | | | | | | |
| Details* (Head | State/UT : | | | | | | | |
| Office) | Pin Code: | | | | | | | |
| | Telephone: | | | | | | | |







| | Telephone / Mobile: | | | | | | | | |
|---|--|-----------------|------|--|--|--|--|--|--|
| Single Point of Contact (SPoC) | E-Mail: | | | | | | | | |
| 3. Details of Training Facility (Proposed Industry/campus for training) | | | | | | | | | |
| | Address: | | | | | | | | |
| | District: | | | | | | | | |
| Contact Details* | City: | | | | | | | | |
| | State/UT: | | | | | | | | |
| | Pin Code: | | | | | | | | |
| | Contact Numb | ber: | | | | | | | |
| Training Center Infrastructure | (Available/Pro | posed) | | | | | | | |
| No. of Class room with seatin | g capacity: | | | | | | | | |
| No of Labs for practical other | than assembly | line/shop floor | etc: | | | | | | |
| | | | | | | | | | |
| No. of Employee- Regular | No. of Employee- Regular Contractual Total No. | | | | | | | | |
| 4. Financial Information of Enterprise/ organisation: | | | | | | | | | |
| Annual Turn Over (Attach last 3 years Balance Sheet) | | | | | | | | | |
| Year 1 | | | | | | | | | |
| Year 2 | | | | | | | | | |







Year 3

(Signature with Name and Designation of the ITP)







Checklist for ITPs during Submission of the Flexi MoU Proposal

| 1. | Registration Certificate of Enterprise / Skill University | Yes/No |
|----|---|--------|
| 2. | Profile of main Chairman/President/Promoter/Director/ VC | Yes/No |
| 3. | Last three years audited balance sheet | Yes/No |
| 4. | Last three years annual turnover certificate (Not applicable for Skill University) | Yes/No |
| 5. | Document for number of employees | Yes/No |
| 6. | Documentary proof of industry tie ups (for Skill University) | Yes/No |
| 7. | Photographs / Layout of the current/proposed training center (Layout, Class rooms, workshops, & other facilities) | Yes/No |
| 8. | Proposed Curriculum | Yes/No |



I.





Annexure 2: Trainee Admission Form format

GOVERNMENT OF INDIA MINISTRY OF SKILL DEVELOPMENT & ENTREPRENEURSHIP FLEXI-MOU DIRECTORATE GENERAL OF TRAINING

TRAINEE ADMISSION FORM

For office use (To be filled by Industrial Training Partner)

| Trainee ID: | Batch ID: | |
|---|---------------------------------|----------|
| | | |
| ITP Code: | Location: | |
| ITP Name: | | |
| | · · · · · · · | |
| Date of Admission:(If applicat | . , | |
| Category accepted under (SC/ST/OBC/C | General/PwD etc.) (If applicabl | e) |
| (Application Form to be filled by the appli | cant in capital letters) | |
| *Application Date: | | Photo |
| PERSONAL DETAILS: | | Attested |
| A. *Candidate's Name | | by ITP |
| B. UID/Aadhaar Number | | |
| C. *Father's Name | | |
| D. *Mother's Name | | |
| E. *Date of Birth | | |
| F. *Sex (Male/Female/Other) | | |
| G. *Nationality | | |
| H. *Physical disability (Yes/No) | | |
| I. *Category (SC/ST/OBC/General) | | |
| J. *Mother tongue | | |
| K. Place of Birth | | |
| L. *Language Known | | |
| M. Marital Status (Married/Unmarried). | | |







CONTACT DETAILS (of applicant): *E-Mail.....

*Mobile.....

* Marked fields are Mandatory

II. PROGRAM IN WHICH ADMISSION IS SOUGHT

| SI. No. | Program | Qualification | NSQF Level | Duration |
|------------|---------|---------------|------------|----------|
| 1. | | | | |
| 2. | | | | |

III. *EDUCATIONAL QUALIFICATIONS:

- B. Area of specialization (*if applicable*):

| Examination Passed | Board/ University | Institution | Place | Year | Percentage |
|-----------------------|----------------------|-------------|-------|------|------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

DECLARATION

I,.....S/o.....

I have been informed about the terms and condition of flexi-MoU scheme and

my role/responsibilities as a trainee under the scheme guidelines.

Date:

Signature of the Candidate

Place:







Annexure 3 : Quarterly Report Format:

| | Flexi MoU Status for the Quarter of | | | | | | | | | | | |
|-----------|-------------------------------------|------------|----------|---------------------------------------|---|--------------------------------------|------------------------------|--|---|---|---|--|
| | Flexi MoU Partner Name | | | | | | | | | | | |
| Sr. No | Trade | NSQF Level | Duration | No. of Trainees Already Passed out | Number of Trainees undergoing Training | Total Trainees Cumulative Trained | Stipend given on Training | No. of trainees placed in past 3 years | Availability of course material/ study material | No. of Questions available in Question Bank | List of Industries attached with address for Training | List of Training centre/s with address |
| 1 | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | |