

Annexure 7: Prescribed Format for MoU

Memorandum of Understanding

Between

Name of Industrial Training Institute

And

Name of Industry Partner (s)

Under "Dual System of Training" in _____ trade (s) & _____ Unit(s)

A. Objective

This MOU dated _____ is for collaboration between parties to support implementation of "**Dual System of Training**"

B. Description of Parties

<<Name of the ITI>>Industrial Training Institute, located at <<full address of the institute with affiliation no. and MIS code>> (Hereinafter referred to as ITI) acting through its authorized representative (which expression shall mean and include successors in office).

And

<<Name of the industry partner(s) >> (Hereinafter referred to as industry partner(s)) located at <<full address of industry with brief about its field of operation and organizational setup>>acting through its authorized representative. (which expression shall mean and include successors in office).Registration No(s).of Industry partner(s) _____

C. Background and Purpose

Directorate General of Training (DGT), Ministry of Skill Development & Entrepreneurship (MSDE) is responsible for co-ordination of all Skill Development efforts across the country, removal of disconnect between demand and supply of skilled manpower, building the vocational and technical training framework, skill up gradation, building of new skills, and innovative thinking not only for existing jobs but also jobs that are to be created.

Industrial Training Institutes (ITI) are training institutes which offer range of vocational /skill training courses covering a large number of economic sectors with an objective to provide skilled work force to the industry as well as self-employment of youth. The training courses have been designed to impart basic skills and knowledge in the trades so as to prepare trainee for employment as a semi-skilled worker or for self-employment.

To bridge this disconnect between ITI trainees' learning outcomes and the industry requirements, the Ministry of Skill Development & Entrepreneurship (MSDE) introduced the scheme "Dual System of Training" (DST) wef. August 2016 session. Objective of DST scheme is to enable industries and establishments to partner with Government and Private ITIs for conducting training programmes under high employability courses so as to fulfil their skilled manpower requirements. The DST is an amalgamation of theoretical training imparted through ITIs and practical training imparted through the Industry. DST helps enable Industry linkages and provide hands on experience to students on industries latest/ updated technologies.

Under the DST scheme, the courses are conducted to meet the skilled workforce requirements of Industry so that after completion of training, the trainee who are awarded National Trade Certificate (NTC) under the

scheme have an edge over regular ITI pass outs in terms of employability and employment opportunities in Industry. ITIs may conduct courses under DST scheme in:

- i. Vacant units i.e. vacant batches against which no enrollments have been done.
- ii. Convert existing unit(s) of regular CTS trade with DST based on availability of candidates willing to enroll under DST and Industry Partner.
- iii. Third shift, if permissible in the State. However, it has to be uploaded on the portal with concurrence by DGT. If a third shift unit has been started under DST without undergoing full affiliation process, then in future such units would be used for DST only.

D. Admission details:

The admission of the trainees for the scheme shall be common i.e. with Craftsmen Training Scheme (CTS) into regular ITIs. Upon selection of trainees/ batches by the Industry Partner, DST flag would be enabled in DGT MIS portal for those trainees. For each student, the name of Industry Partner(s) along with planned duration of training in Industry(s) should also be uploaded on the portal.

The ITI must ensure at the time of admission that trainees opting for DST are aware of the Industry expectations in terms of eligibility, minimum age, physical fitness, discipline, timings, punctuality and necessity to fulfil such criteria as per industry requirements.

E. Duration of Training

Overall duration of training shall be as per the course curriculum. The duration of Industry Training and ITI Training shall be as per DST guideline as below:

S. No	Duration of course / trade	Duration of industrial exposure/ training (as per previous guidelines)	Duration of industrial exposure/ training (as per revised guidelines)
1.	6 months	Not defined	1-3 months
2.	1 year	5 months	3-6 months
3.	2 years	9 months	6-12 months

<<To be provided by parties>>

S. No	Course/ Trade Name	Overall Duration (Months)	Duration of ITI Training (Months)	Duration of Industrial Training (Months)
1.				
2.				
3.				

F. Details of all Trades and Units

<<Below data to be provided by ITI signing MoU>>

Summary of all trades & Units (DST and Non-DST) being offered at ITI including trades and units exclusively for DST under this MoU, to be affiliated					
S. No	Trade Name	Total Existing Affiliated Units (A+B)	Total Existing affiliated Non-DST Batches/ Units Upon Signing MoU (A)	Total affiliated & Converted DST Batches/ Units Upon Signing MoU (B)	Any New Unit to be exclusively affiliated for DST Batches/ Units, Upon signing MoU(C)
1.	Trade 1				
2.	Trade 2				
3.				

* ITI needs to mention if the proposed new DST batches/Units under the MoU are against existing sanctioned/ affiliated units or new units that need to be added and approved by DGT exclusively for DST.

G. Curriculum, Assessment & Certification:

- i. All these courses will be NSQF aligned
- ii. Examination pattern for DST shall be same as that for regular CTS trade and in accordance with the notification dated 4th Oct. 2018 vide implementation order no. MSDE (-18011/DGT/2017-TTC (Pt. III)).
- iii. In case of DST, Trade Practical Examination shall be done by ITI only.
- iv. Formative assessment shall be done by both ITI and the Industry Partner with equal weightage in each year regardless of duration of Industry training.
- v. ITI shall be responsible for uploading of overall formative assessment marks including that awarded by the Industry.
- vi. In case 'Industry Training' is done in more than one Industry, only the Industry where trainee spends maximum time may award part formative assessment marks.
- vii. After successful completion of training in respective trade and passing the AITT, the National Trade Certificate (NTC) under DST shall be awarded to the trainee.
- viii. All other guidelines applicable for CTS trades/units affiliated to DGT shall also apply to the trades/units being run under Dual System of Training (DST).

H. Responsibilities of ITI:

Roles and responsibilities of ITIs and Industry are as detailed below:

Before Industry Training

- ix. Sign MoU with trade relevant Industry to conduct the training under Dual System of Training.
- x. Ensure that trainees opting for DST are aware of the Industry expectations in terms of eligibility, minimum age, physical fitness, discipline, timings, punctuality and necessity to fulfil such criteria as per industry requirements.
- xi. Ensure acknowledgement in writing from all trainees to be enrolled under DST that they have understood the requirements of DST/ Industry Partner as stated above.
- xii. Teach trade theory and impart trade relevant foundation practical knowledge.
- xiii. Conduct part formative assessment, and provide instructions to Industry Partner(s) for conducting the remaining portion of formative assessment
- xiv. Prepare weekly/block/mixed mode training schedule for industrial training in line with the trade curricula in consultation with all Industry Partner(s) involved.
- xv. Monitor the student's progress at the Industry by making visits in regular intervals and ensure that the students are undergoing practical training in relevant areas as per trade syllabus.

Post Industry Training

- i. Complete remaining portion of Trade theory and practical training before the end of six month /one year/ two-year course duration.
- ii. Ensure trainees' final attendance record, exam fees deposit, release of admit card, intimation of online exam centre for examination, any other dues and award of final Certification (NTC under DST).
- iii. Ensure that part formative assessment by Industry has been conducted and shared with ITI, and upload total formative assessment marks on portal.

I. Responsibilities of Industry / Organization:

- i. Assign trainer(s) responsible for the Industrial training.
- ii. Follow DST scheme trade curriculum and the schedule for industrial training prepared by ITI.
- iii. Ensure that 'Training Progress Diary' is maintained as per the schedule requirements.
- iv. Provide on-job training in trade relevant domain skills.
- v. Allocate and supervise the trainee on trade relevant project, tasks or job.
- vi. Assess part formative assessment and share corresponding marks with the ITI for uploading on portal.
- vii. Provide health and safety facilities to the trainees as available for the workers of the Industry. In case of hazardous industries, before signing the MoU for DST, Industry is required to disclose the conditions such as minimum age and level of medical fitness (e.g. colour blindness) etc. as per the industrial safety norms applicable in the Industry. Also, ensure that trainee is informed about the health and safety facilities available to them.
- viii. Record and submit attendance of trainee to the ITI for the period of training at the Industry.

J. Use of Logo

Both the parties agree that either party may use the logo of the other party for promotional documents and related to training only subject to the prior approval of the owner, but not for any commercial purposes.

K. Tenure & Termination

- i. MoU has to be signed between the industry and the ITI on the prescribed format mentioning the batch wise trades/units/shifts/numbers of the trainees to be trained in the particular industry. In case of more than one Industry and more than one location, the same should also be mentioned in the MoU. The validity of MoU may be fixed for a period of 3 to 4 years which could be extended as per the mutual understanding of the parties i.e. ITI and the industry partner(s).
- ii. The signing of MoU between the ITI and the industry partner(s) may be carried out upon satisfactorily fulfillment of eligibility criteria. The intervention of State Director/DGT may be sought only in case of
 - a. Any deviation or disagreement from the prescribed guidelines
 - b. ITI with grading below 2

L. Modification in MoU

This Memorandum of Understanding may be modified, through a written document signed by duly authorized representatives of both all Parties after due approval by competent authority on either side under intimation to the respective State Director/DGT.

M. Miscellaneous/Provision

- i. The courses to be conducted to meet the skill workforce requirement of industry so that after completion of training in dual system, the trainee having NTC with dual mode will get better employability opportunities in industry.
- ii. All courses should be NSQF aligned.
- iii. ITI may sign MoUs with more than one Industry partner for training under DST to fulfil the overall industry training requirements as per guidelines.
- iv. ITI are encouraged to leverage their Institute Management Committees (IMCs) to have tie -ups with multiple industry partners/associations/chambers/MSMEs so that the trainees are able to benefit from industry connect.
- v. ITIs may also partner with industries/branches of industries outside their state. DGT to facilitate necessary approvals if required for such cases.

N. Eligibility of Industry

To ensure quality training under Dual System of Training, industry partner signing the MoU should be:

- i. MSME registered at least for 2 years, OR

- ii. Industry/ establishment having valid registration with the State/ Central authority registered at least for 2 years. Establishments include entities registered with any government/local authorities/ shops covered under Factories Act 1948 and Shops and Establishments Act applicable for the concerned State, OR
- iii. Industry Association, Industry cluster, Central & State Sector Industries/Establishments.

Revised criteria of eligibility of the industry is as follows:

S. No.	Parameter	Eligibility criteria (Earlier)		Eligibility criteria (Now)	
		Engineering Trades	Non-Engineering Trades	Engineering Trades	Non-Engineering Trades
1.	Minimum no. of Employees in the Industry	200	200	40	6
2.	Minimum Turnover of the Industry (in INR)	10 crore/ year (For last 3 years)	10 crore/ year (For last 3 years)	1 crore/ year (For last 3 years)	10 lakhs / year (For last 2 years)

O. Rights of competent authorities

- i. State and DGT officials have the rights to verify the infrastructure at the ITI/Industry and to monitor the progress of the training, as per guidelines issued by DGT from time-to-time.
- ii. DGT, MSDE reserves the right to modify the terms and conditions for ITI/Industry from time to time and such modified terms shall be binding on the ITI/Industry.

P. Dispute Redressal

Any difference or dispute between the Parties concerning the interpretation and/or implementation and/or application of any of the provisions of this MoU shall be settled amicably through mutual consultation or negotiations between the Parties, without reference to any third Party. In the event of such issues/differences were to persist, the Director General / Additional Secretary, Ministry of Skill Development & Entrepreneurship will decide the matter which will be final and accepted to by the parties.

All disputes, differences &/or claims arising out of these presents or as to the construction, meaning or effect here of or as to the rights & liabilities of the parties here under shall be settled by Arbitration to be held in New Delhi, in accordance with the provision of Arbitration and conciliation Act, 1996 or any Statutory amendments thereof and shall be referred to the role arbitrator of a person to be nominated by DG/AS, MSDE. In the event of death, refusal, neglect, inability or incapacity of the person so appointed to act as an Arbitrator....., may

appoint a new arbitrator the arbitrator shall be summary powers and his decision shall be final. The proceeding of arbitration shall be held in New Delhi.

Q. Notice

All notices required or permitted by, or made pursuant to, this Memorandum of Understanding shall be in writing and shall be sent by facsimile, official email of signatories or by registered, first class airmail, return receipt requested and postage prepaid, within the stipulated time of 15 days to the following address:

For ITI:

Name:

Address:

Phone:

Email:

For Industry/Industries

Name:

Address:

Phone:

Email:

Signed on _____, at _____

For ITI,

For Industry

(Signature and Stamp)

(Signature and Stamp)