Finin2min
Labour Publication Series
Labour & Manpower Law Publication Series

Part 7 - NAPS/NATS and current scheme overlay

Apprentices Act and Rules | Statutory text/source record, practical procedure, controls, remedies and Q&A.

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> Apprentices Act and Rules NAPS/NATS and current scheme overlay four-step compliance flowchart
> Finin2min decision flow — identify the law, complete the statutory process and preserve evidence.

Source protocol. Retained provision/rule pages and official documents are consolidated below. The signed Gazette and current authority portal prevail over normalised formatting.

Decision flow

Coverage→Statutory trigger→Procedure/form→Evidence→Remedy/appeal

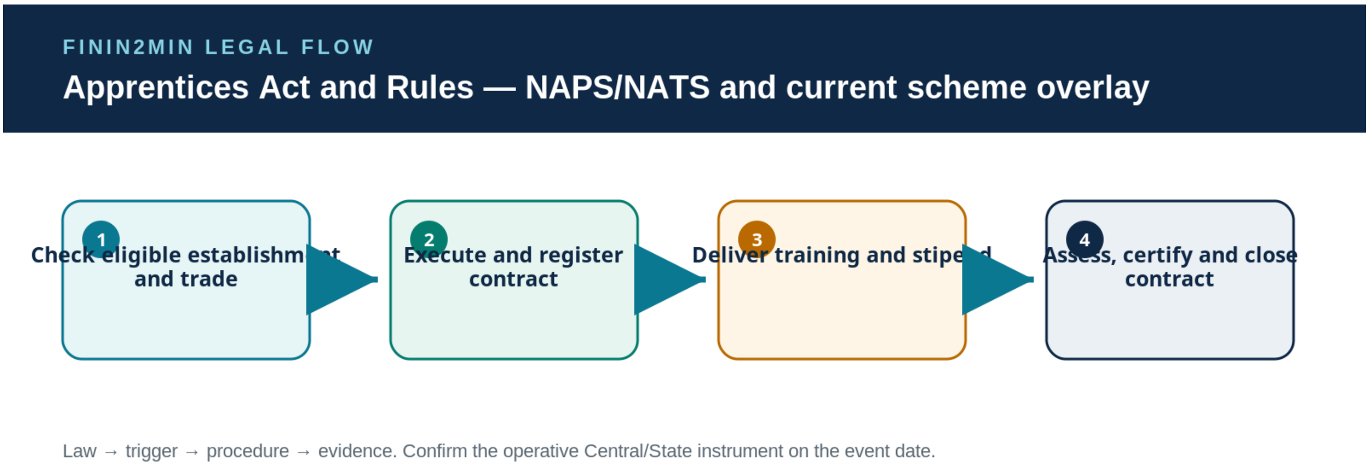
Official source

Open current official source

Finin2min Summary - Chapter in 2 Minutes

This chapter turns naps/nats and current scheme overlay into an operational control file. It covers Naps 2, Nats 2; the practical sequence is to classify coverage and event date, apply the provision and mapped Rule, complete the form/register, calculate the entitlement or exposure, and retain evidence for inspection, claim or appeal.

Part 7 - NAPS/NATS and current scheme overlay



Use this flow with the chapter provision map, implementation controls, evidence checklist, limitation/forum review and remedy framework. Confirm the operative Central and State instruments on the event date.

Part 7 - NAPS/NATS and current scheme overlay

Finin2min implementation explanation

Maintain a controlled implementation file for Part 7 - NAPS/NATS and current scheme overlay: coverage and event date, operative Central/State instrument, responsible owner, approval and authority, form/portal step, due date, calculation basis, supporting evidence, exception, escalation and closure proof. Reconcile payroll, HR, finance, contractor and legal records before sign-off.

Practical example

Before claiming NAPS/NATS support, match establishment eligibility, apprentice category, contract registration, training period, bank payment and scheme claim fields. A valid apprenticeship contract does not by itself establish scheme reimbursement eligibility.

Calculation / control template

Control calculation: verified population or transaction base × applicable notified rate/amount × eligible period, adjusted for statutory inclusions, exclusions, ceilings, interest, compensation and prior payments. Reperform the calculation from retained source data.

Current-law control: verify the operative Central/State instrument, notification, form, portal and binding judgment on the event date. Numerical amounts in examples are illustrative unless expressly sourced.

Who is covered

Employers, establishments, apprentices, basic-training providers and apprenticeship authorities must identify the apprentice category, trade, contract and portal route.

Main obligations and rights

- Naps 2
- Nats 2

Key thresholds and timelines

- Optional-trade durations ordinarily 6, 9 or 12 months;

Forms, registers and evidence

- Register
- Return
- Nomination
- Retain classification, calculation, approval, communication, acknowledgement and payment/filing proof.

Employer risk snapshot

Highest practical risks: treating apprentices as ordinary employees without testing the statutory contract and training framework.

Employee/worker remedy snapshot

Core protection: a registered training contract, prescribed stipend/training conditions and access to the apprenticeship authority for disputes. Confirm the authority, limitation and appeal route stated in this chapter.

Old law / transition

Apply the instrument effective on the event date and preserve any accrued right, saved notification, pending proceeding or scheme-specific transition.

Five-point professional checklist

1. Freeze the event date, establishment, location and person/worker classification.
2. Identify the controlling section/paragraph, mapped Rule, notification and appropriate Government.

3. Reperform the calculation or decision test and document every exception or approval.
4. Complete the prescribed form/register/portal step and retain acknowledgement, payment and communication evidence.
5. Record the remedy, forum, limitation, appeal path and State variation before sign-off.

Finin2min takeaway: for naps/nats and current scheme overlay, the defensible answer is not a policy label - it is the event-date law, the mapped procedure, the calculation and a complete evidence trail.

Download one-page Finin2min cheat sheet

Naps 2

NAPS-2 practical guide | Apprenticeship Hub | Finin2min Skip to content finin min Home Employment law Apprenticeship Apprenticeship implementation guide NAPS-2 practical guide Partial stipend-support scheme for eligible apprentices and establishments. Law Hub L8 Data reviewed on 17 July 2026 India-first compliance 25% Government support is limited to 25% of stipend paid. ₹1,500 Maximum monthly support per eligible apprentice. Minimum age 14; 18 for hazardous designated trades. The NAPS-2 support upper-age gate is 35 at registration. Optional-trade durations ordinarily 6, 9 or 12 months; longer duration needs approval. No basic-training cost reimbursement under NAPS-2. Government departments and public-sector entities specified in the scheme do not receive NAPS-2 stipend support. DBT goes to the apprentice's bank account; employer remains responsible for full legal compliance. Evidence to retain Keep source calculations, approvals, portal acknowledgements, contracts, bank/DBT proof, training records and adviser correspondence for the full retention period applicable to your establishment and scheme. Guide navigation Master hub Act sections Rules Checklist

Finin2min implementation decode

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

- Identify actor, trigger, threshold and territorial authority.
- Map form, record, portal, fee and due date.
- Separate substantive entitlement from procedure, remedy and penal consequence.
- Retain the official instrument and event-date evidence.

Nats 2

NATS 2.0 practical guide | Apprenticeship Hub | Finin2min Skip to content finin min Home Employment law Apprenticeship Apprenticeship implementation guide NATS 2.0 practical guide Portal and operating journey for graduate, diploma, vocational, sandwich and degree apprenticeship categories. Law Hub L8 Data reviewed on 17 July 2026 India-first compliance Use the NATS portal for the categories and institutions assigned to the Ministry of Education/Boards of Apprenticeship Training architecture. Ensure Aadhaar, bank, qualification, institution and course data are consistent before contract creation. Degree and sandwich arrangements may require tripartite employer-apprentice-institution participation under the 2025 Format-1. Maintain quarterly training records and reports for specified categories. Do not pay any intermediary for official NATS services; the official portal states the scheme is free. Evidence to retain Keep source calculations, approvals, portal acknowledgements, contracts, bank/DBT proof, training records and adviser correspondence for the full retention period applicable to your establishment and scheme. Guide navigation Master hub Act sections Rules Checklist

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Forms, records, portal and due-date control

Control	Evidence
Coverage and registration	Entity, location, headcount/category, registration number and portal acknowledgement.
Recurring compliance	Attendance/service, wage/benefit calculation, return/register, payment and employee communication.
Event compliance	Complaint, injury, termination, nomination, claim, inspection or dispute file with limitation diary.

Employer, employee and professional checklists

Employer

- Assign responsible officer and backup.
- Configure HRIS/payroll/portal controls.
- Complete statutory communication and retain proof.

Employee/worker

- Retain contract, identity, attendance, payment and correspondence.
- Use the prescribed complaint/claim route within limitation.

Professional

- Confirm current text, Rules, notification and State variation.
- Reconcile calculation, form, authority, remedy and evidence.

Penalties, remedies, appeals and limitation

Create a remedy matrix rather than one combined conclusion: entitlement or arrears; interest/damages; administrative order; civil penalty; prosecution; compounding; company/officer liability; claim forum; appeal; writ/judicial review; and event-date limitation.

Case-law principles

Decision	Current-use principle
U.P. State Electricity Board v. Shiv Mohan Singh	An apprentice under the statute is primarily a trainee; employment claims depend on the Act, contract and actual facts.
Employees' State Insurance Corporation v. Tata Engineering	Statutory apprenticeship status and coverage questions must be resolved from the specific enactments and current definitions.

State variation alert

Verify the appropriate Government and final State instrument. State forms, authorities, fees, rates and portal routes must be maintained in the location compliance register.

Finin2min Q&A

Which law and version should be applied?

Use the current text of Apprentices Act and Rules, the commencement notification, the applicable Central or State Rules and any later instrument effective on the event date.

How is the appropriate Government identified?

Classify ownership/control, sector, establishment and contractor relationship before selecting the Central or State authority.

Can a company policy override the statutory protection?

No. A policy may improve a benefit or control, but it cannot contract out of a mandatory statutory floor.

What evidence should be retained?

Retain the classification memo, source instrument, form/portal record, calculation, approval, employee communication, acknowledgement and payment or authority proof.

Do the Central Rules apply to every establishment?

No. They govern the Central sphere. State Rules and State notifications must be checked where the State is the appropriate Government.

How should a historical event be tested?

Apply the law and subordinate instrument effective on the event date, then use the repeal-and-savings provision for pending rights and proceedings.

What happens when portal practice conflicts with the statute?

Record the conflict, follow the higher legal instrument, seek authority clarification where necessary and preserve screenshots and correspondence.

Can criminal and monetary consequences arise together?

They may. Separate wages/benefits, interest, damages, civil penalty, prosecution, compounding and director/officer liability.

Is a contractor arrangement enough to shift liability?

No. Principal-employer and contractor liabilities depend on the specific provision and facts; the contract should allocate evidence and recovery without diluting worker rights.

What is the first professional review step?

Freeze the event date and facts, identify the applicable provision, then map Rules, forms, notification status, authority, limitation and evidence.

What is the operational focus of section 1 - naps-2?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 2 - nats-2?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is review control 13 for this chapter?

Confirm source currency, State variation, internal ownership, documentary proof and the next statutory deadline before closing the compliance ticket.

What is review control 14 for this chapter?

Confirm source currency, State variation, internal ownership, documentary proof and the next statutory deadline before closing the compliance ticket.

What is review control 15 for this chapter?

Confirm source currency, State variation, internal ownership, documentary proof and the next statutory deadline before closing the compliance ticket.

What is review control 16 for this chapter?

Confirm source currency, State variation, internal ownership, documentary proof and the next statutory deadline before closing the compliance ticket.

What is review control 17 for this chapter?

Confirm source currency, State variation, internal ownership, documentary proof and the next statutory deadline before closing the compliance ticket.

What is review control 18 for this chapter?

Confirm source currency, State variation, internal ownership, documentary proof and the next statutory deadline before closing the compliance ticket.

← Previous: Authorities, disputes and penaltiesNext: EPF membership and contributions →

Practical transaction application

Use the chapter for apprentice intake planning, designated/optional trade selection, contract execution, portal registration, training calendar, stipend budgeting, assessment, certification, NAPS/NATS reimbursement and exit controls.

Authority, consent and execution controls

The establishment and apprentice (and guardian where legally required) must execute the apprenticeship contract through authorised persons. Confirm portal registration, training provider roles and Basic Training Provider/authority approvals; an employment offer does not substitute for the apprenticeship contract.

Stamp duty and registration alerts

Check the applicable State stamp treatment of the apprenticeship contract and related indemnities. Portal registration is a statutory/administrative step and is not automatically equivalent to registration under the Registration Act.

Evidence and document-retention checklist

Retain the operative law/rule version, classification note, approvals, signed instruments, statutory forms, portal acknowledgements, registers, calculations, bank proof, correspondence, inspection records, service proof, decision and appeal file. Apply the longer of the statutory retention rule, litigation hold, tax/audit need and contractual requirement; restrict access to personal and sensitive data.

Performance, delivery and payment controls

Maintain apprentice-wise evidence of contract, attendance, basic and on-the-job training, stipend bank payment, assessment, certification and reimbursement claim. Reconcile the statutory minimum stipend and any scheme cap separately.

Breach, loss, mitigation and remedy framework

On detecting a breach, stop continuing exposure, preserve evidence, quantify employee and government dues, identify affected persons, make lawful corrective payment/filing, notify the authorised decision-maker, assess self-disclosure or compounding where available, and reserve contractual recovery against responsible vendors without delaying statutory remediation.

Limitation and forum controls

Use the Apprenticeship Adviser and prescribed statutory route for disputes and compliance. Track contract registration, termination and appeal dates; ordinary employment forums may not apply in the same way to a valid apprentice relationship.

Arbitration and mediation interface

Commercial disputes with training providers may be arbitrated or mediated if the contract permits, but apprentice rights, statutory registration, stipend and authority decisions remain governed by the Act, Rules and scheme.

Company, partnership, GST and tax overlays

For a company, align board/delegation and officer-in-default controls; for an LLP or partnership, identify the designated partner/partner and authorised employer representative. Labour dues can affect transaction price, indemnities, director/partner exposure and insolvency claims. Salary/TDS, perquisite, contractor TDS, GST on outsourced services and accounting provisions must be reconciled without treating tax treatment as proof of labour-law classification.