

Sunrise sectors drive India's apprenticeship growth to record high: Report

Industries at the forefront of technological and economic transformation are increasingly turning to apprenticeships to build a skilled workforce, according to the latest Apprenticeship Outlook Report



Several Cities Are Establishing Themselves As Apprenticeship Hubs, Benefiting From Favourable Policies, Industry Diversification, And Infrastructure Growth | Representational Photo By Thirdman On Pexels

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India's apprenticeship ecosystem has reached an all-time high, driven by rapid expansion in sunrise sectors and emerging business hubs, according to the latest Apprenticeship Outlook Report (Q1 2024-25) by TeamLease Degree Apprenticeship. The report highlights a Net Apprenticeship Outlook (NAO) of 76 per cent, reflecting an 8 per cent rise from the previous quarter and showcasing a significant shift in employer sentiment towards apprenticeships as a strategic workforce solution.

Industries at the forefront of technological and economic transformation are increasingly turning to apprenticeships to build a skilled workforce. The report identifies:

- **Drone Industry:** Recording an 86 per cent NAO, this sector is aggressively investing in talent development.
- **EV & Mobility:** With a 75 per cent NAO, the industry is focused on skilling workers to support India's shift toward sustainable transportation.
- **Global Capability Centres (GCCs):** Reporting a 79 per cent NAO, GCCs are using apprenticeships to enhance their operational capabilities and global competitiveness.

These industries are redefining workforce strategies by integrating apprenticeships into their long-term talent development models.

Emerging cities driving apprenticeship growth

Several cities are establishing themselves as apprenticeship hubs, benefiting from favourable policies, industry diversification, and infrastructure growth. The report highlights:

- **Nagpur:** Surging from 76 per cent to 91 per cent NAO, boosted by green energy and mobility investments.
- **Indore:** Rising from 64 per cent to 81 per cent NAO, driven by infrastructure advancements and investor-friendly policies.
- **Hyderabad, Bengaluru, Chennai, and Pune:** These established IT and manufacturing hubs continue to see high apprenticeship engagement.

These cities are becoming crucial centres for skilled workforce development, catering to industry demands.

Third-party aggregators: The new growth catalyst

The report reveals a 9 per cent increase in Third-Party Aggregator (TPA) adoption, streamlining apprenticeship implementation for businesses. The percentage of employers not associated with TPAs has dropped from 70 per cent to 23 per cent, while 57 per cent of businesses are now actively seeking TPA partnerships.

This shift underscores the growing industry focus on structured apprenticeship models, ensuring regulatory compliance and efficient workforce management.

Apprenticeships: A pathway to permanent employment

A major trend emerging from the report is the increasing conversion of apprenticeships into full-time jobs. At least 75 per cent of companies now absorb apprentices into permanent roles, with employers prioritising:

- Learning agility (79%)
- On-the-job training (66%)
- Industry-academia collaboration (51%)
- Structured mentorship (49%)

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Similarly, Dhriti Prasanna Mahanta, Vice President & Business Head, highlights that apprenticeships are expanding into advanced technologies and gender-inclusive industries, with IT & BPM (88 per cent NAO) and Healthcare (86 per cent NAO) seeing the biggest growth.