

SKILL DEVELOPMENT

INFORMATION PACK



Gujarat CSR Authority

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1. Skills Development Scenario in India

1.1. Skill Development- Globalization, competitiveness and the knowledge economy

Skill Development is an important indicator of a country's economic productivity, as it is an enabler of productivity and employability. In comparison to developed countries, where the percentage of skilled workforce is between 60% - 90% of the total workforce, India records a low 5% of workforce (20-24 years) with formal vocational skills.¹ The Indian Government has accordingly identified and prioritized skill development as a critical contributing factor in its growth story with an identified goal to skill 500 million individuals by 2022.²

The Government of India acknowledges that a lot needs to be done to engender more employment opportunities for the majority of Indians, to enable them to participate in and contribute to India's growth. A knowledge economy requires India to develop workers –workers and knowledge technologists both - who are flexible, analytical and can be the driving force for innovation and growth.

Countries that have had the most rapid increases in educational attainment, as well as sustained economic growth, have upgraded education sequentially. In a globalized economy, a large pool of skilled workers is a pre-requisite for attracting foreign direct investment. Developing skilled workers enhances the efficiency and flexibility of the labour market; skills-related bottlenecks are reduced, and also improves their job mobility. It is crucial to invest in quality secondary and tertiary education and in vocational education and training (VET) if India's economy is to develop and remain competitive in world markets.³

Few facts and figures

- 54% of India's population is below 25 years of age and over 62% of the population is the working-age group. Yet, only 4.69% of the Indian population has undergone formal skills training.⁴
- 93% of India's workers work in the unorganized sector and acquire skills through informal channels and lack formal certification.⁵
- Recent skill gap reports suggest that over 109 million incremental human resources will be required in India alone, across 24 key sectors by the year 2022.⁶

There is a large population which is unskilled due to unavailability of sufficient infrastructure due to which they are unable to get decent employment. Moreover, there is a concern of low productivity due to inadequate skilling. This has resulted in a dismal inclusive growth in the country.⁷

¹ <http://www.skilldevelopment.gov.in/background.html>

² <http://economictimes.indiatimes.com/jobs/indias-young-demography-to-drive-growth-500-million-indians-need-to-be-skilled-and-made-employable/articleshow/msid-31911170,curpg-3.cms?from=mdr>

³ <http://web.worldbank.org/archive/website01291/WEB/IMAGES/INDIAVOC>.

⁴ <http://pib.nic.in/newsite/efeatures.aspx?relid=125040>

⁵ <http://pib.nic.in/newsite/PrintRelease.aspx?relid=133233>

⁶ Ibid page 3-4

⁷ http://planningcommission.gov.in/aboutus/committee/wrkgrp12/wg_skill_develop.pdf

Some key statistics pertaining to employment situations [2009-10] are:

Table 1: Key statistics pertaining to employment situations in India [2009-10]⁸

Total Labour Force	47.50 Crore
Total Employment	46.55 Crore
Total number of open employment	0.95 Crore
Employment in organized sector	2.81 Crore
Employment in unorganized sector	43.74 Crore
No. of job seekers in Employment	3.88 Crore as on 31/12/2010)
Skilling Bodies in India	NSDC,NSDA,DT, MoRD, NCVT, Ministry of skill development & Entrepreneurship

Source: Report of the working group on skill and training- Planning Commission (2012-17)

Table 2: Projected Employment 2011-17⁹

Year	GDP growth rate	Projected employment (in million)			
		Agriculture	Industry	Services	Total
2011-12	9%	229.2	105.0	153.5	487.7
	7%	225.4	102.0	149.0	476.4
	5%	221.5	99.1	144.6	465.2
2016-17	9%	240.2	126.2	189.5	555.9
	7%	232.0	116.8	174.8	523.5
	5%	224.0	108.1	161.2	493.3

Source: FICCI Knowledge Paper on Skill Development in India 2012

The National Skill Development Policy 2009 was a turning point in the skill journey as it marked the beginning of some fundamental changes in the way vocational education is approached. Many important steps such as setting up Sector Skill Councils and creation of National Occupation Standards, skill gap studies across sectors and across geographies to understand youth aspiration, National Skills Qualification Framework, etc. have been subsequently taken up. The National Skill Development Corporation – a PPP venture has also been successfully engaging private training providers in India's skilling agenda.¹⁰

The government has identified 20 high-growth sectors of industries and services that have the ability to provide expanded employment. It consists of 10 high-growth sectors on the manufacturing side and an equal number on the services front. It is necessary to develop proper skill training mechanisms as the skill sets that are required in the manufacturing and services sector are customized and different from that of agriculture.¹¹

Table 3: Growth in manpower requirement by 2022

Key Sectors	Growth in manpower requirement by CAGR 2008 -2022 ¹²	Human resource requirements across select sectors till 2022(in million) ¹³
Auto and Auto components	9.8%	35.0
Building and construction industry	6.2%	33.0
Textile and clothing	4.0%	26.2
Organised Retail	33.8%	17.3
Real Estate services	6.0%	14.0
IT and ITeS	9.2%	5.3
Gems and Jewellery	6.5%	4.7
Leather and Leather goods	7.6%	4.5
BFSI	5.0%	4.3

⁸ http://planningcommission.gov.in/aboutus/committee/wrkgrp12/wg_skill_develop

⁹ [http://www.ey.com/Publication/vwLUAssets/FICCI_skill_report_2012_finalversion/\\$FILE/FICCI_skill_report_2012_finalversion_low_resolution.pdf](http://www.ey.com/Publication/vwLUAssets/FICCI_skill_report_2012_finalversion/$FILE/FICCI_skill_report_2012_finalversion_low_resolution.pdf)

¹⁰ <http://fikki.in/spdocument/20405/FICCI-KPMG-Global-Skills-report.pdf>

¹¹ [http://www.ey.com/Publication/vwLUAssets/FICCI_skill_report_2012_finalversion/\\$FILE/FICCI_skill_report_2012_finalversion_low_resolution.pdf](http://www.ey.com/Publication/vwLUAssets/FICCI_skill_report_2012_finalversion/$FILE/FICCI_skill_report_2012_finalversion_low_resolution.pdf)

¹² Ibid pg 7-8

¹³ <http://fikki.in/spdocument/20073/imacs.pdf>

1.1.1. Key statistics-India & other countries-HDI

Table 4: Comparison of Work & Employment Human Development Index (HDI) among countries

Work and Employment-HDI ¹⁴														
Country	Employment									Unemployment			Labour productivity	
	Employment to population ratio	Labour force participation rate	Employment in agriculture	Employment in services			Labour force with tertiary education	Vulnerable employment	Total	Long term	Youth	Youth not in school or employment	Output per worker	Hours worked per week
	(% ages 15 and older)	(% ages 15 and older)	(% of total employment)	(%)	(%)	(%)	(%)	(% of total employment)	(% of labour force)	(% of youth labour force)	(% ages 15-24)	(2011 PPP \$)	(per employed person)	
2013 ^a	2013 ^a	1990 ^b	2012 ^e	1990 ^b	2012 ^e	2007-2012 ^d	2008-2013 ^d	2008-2013 ^d	2008-2013 ^d	2008-2013 ^d	2008-2014 ^d	2008-2013 ^d	2005-2012 ^d	2003-2012 ^d
India	52.2	54.2	..	47.2	..	28.1	..	80.8	3.6	1.4	10.7	..	8,821	..
Bangladesh	67.8	70.8	..	48.1	14.8	37.4	..	85.0 ^e	4.5	..	8.7	..	3,457	44.3
Bhutan	70.9	72.5	..	62.2	..	29.1	..	53.1	2.1	..	9.6	..	11,438	..
Cambodia	82.3	82.5	..	51.0	..	30.4	..	64.1	0.3	..	0.5	79.2	3,849	..
South Africa	39.2	52.1	..	4.6	..	62.7	6.6	10.0	24.7	15.5	51.4	31.4	35,206	..
Viet Nam	75.9	77.5	..	47.4	..	31.5	..	62.6	2.0	0.3	6.0	9.3	5,250	..

¹⁴ HDI Report UNDP 2015

1.2. Schemes and Programmes: National targets

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) with an outlay of Rs.12,000 crore to impart skilling to one crore people over the next four years (2016-2020).¹⁵ PMKVY will impart fresh training to 60 lakh youths and certify skills of 40 lakh persons acquired non-formally under the Recognition of Prior Learning (RPL). The government has set a target to provide skill training to about 40 crore people by 2022.¹⁶ Some of the flagship schemes of Government of India on skill development are highlighted in the table below:

Table 5: SD Schemes of the Government of India

Pradhan Mantri Kaushal Vikash Yojna	Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship outcome-based skill training scheme of the new Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this skill certification and reward scheme is to enable and mobilize a large number of Indian youth to take up outcome based skill training and become employable and earn their livelihood. Under the scheme, monetary reward would be provided to trainees who are successfully trained, assessed and certified in skill courses run by affiliated training providers
Vocationalisation of Secondary Education	The Centrally Sponsored Scheme of Vocationalisation of Secondary Education provides for diversification of educational opportunities so as to enhance individual employability, reduce the mismatch between demand and supply of skilled manpower and provides an alternative for those pursuing higher education
Star Scheme	The National Skill Certification and Monetary Reward Scheme, known as STAR (Standard Training Assessment and Reward), was operational between August 2013 and September 2014. NSDC is the designated implementing agency of the scheme and is working through various Sector Skill Councils (SSCs), Training Providers (TPs) and independent Assessment Agencies (AAs)
Craftsmen Training Scheme	The scheme aims to provide a supply of semi-skilled labour and reduce unemployment among the educated youth. The period of training for various trades varies from six months to two years and the entry qualification varies from 8th to 12th class pass, depending on the requirements of training in different trades. About 70% of the training period is allotted to practical training and the rest to theoretical training relating to Trade theory, Workshop Calculation & Science, Engineering Drawing, Social Studies including environmental science & family welfare.
Women Training	A network of institutes, both under Central & State Governments, has been setup to extend vocational training facilities solely to women which aim at stimulating employment opportunities among women of various socio-economic levels and different age groups. Vocational Training is presently being provided in diverse fields such as Electronics Mechanic, Secretarial Practice, Architectural Draughtsmanship, Hair & Skin Care, Computer Operator and Programming Assistant, Dress Making, Catering & Hospitality, Interior Decoration & Designing etc.
Apprenticeship scheme	Apprenticeship scheme aims to provide in-house training to employees working in the company. Training comprises Basic Training and Practical Training followed by Related Instructions as per prescribed syllabus for each trade.
Modular employable skills scheme	Modular employable skills scheme focuses on the delivery of short-term courses of the National Council for Vocational Training (NCVT) with the objective of providing employment.

¹⁵ <http://pib.nic.in/newsite/PrintRelease.aspx?relid=147025>

¹⁶ <http://pib.nic.in/newsite/PrintRelease.aspx?relid=123296>

2. Gujarat State: Employability scenario

2.1. Key Statistics – Gujarat

The demographic and social profile of Gujarat presents a unique human resource opportunity for economic growth through manpower skilling. Priority sectors from a manpower development perspective include Textiles and Apparel, Chemical and Chemical Products, Auto and Auto Components, Engineering Goods, Port based industries, Banking and Financial Services, Transportation and Logistics, Retail and IT/ITES. Priority districts from a manpower development perspective include the cities/towns of Ahmedabad, Vadodara, Surat, Kutch, Rajkot, Jamnagar, Gandhinagar and Bharuch.¹⁷

Keeping in view the current position of the state, along with possible economic growth that could be facilitated in various sectors through favourable policies, an estimate of the additional increase in incremental manpower requirement during XII plan (2012-17) and XIII plan (2017-22) periods, would be over 3 million and 2.63 million respectively. Demand Supply gap estimates indicate a need to improve participation rates in semi-skilled categories along with providing vocational skills to high skilled labour force as well, considering the high level of employment opportunities in semi-skilled category within the state.¹⁸ Gujarat has a significant demographic dividend in the near term, with a rising working age population.

- Between 2012 and 2017, an additional 60.51 lakh are expected to enter the working age group population followed by another 56.67 lakh during 2017-22 (these are Gross numbers, without netting off retirees).¹⁹
- Considering the historical trends in labour participation rates of Gujarat, the state would witness a gross addition of 35.15 lakh and 32.90 lakh people to its labour force (i.e. portion of the working age population willing to seek employment and work) during 2012-17 and 2017-22 respectively).²⁰ Further accommodating for retirement from the existing pool of labour force, Gujarat is expected to register a net addition of 20.41 lakh to the labour force during 2012-17, and another 15.83 lakhs during 2017-22.
- Labour force measured from number of people looking for employment in the working age group is expected to reach 259 million by 2022.²¹

Table 6: Key statistics Economic Performance –Gujarat & India

Indicator	Gujarat	India
GDP in INR Cr (At Current Prices-2012)	6,11,767	83,53,495
Net Domestic Product in INR Cr (At Current Prices-2012)	5,33,390	74,76,764
Per Capita Income in INR(At Current Prices- 2011)	89,668	61,564
Monthly Per Capita Consumer Expenditure in INR (NSS 66th Round)		
Rural	1,065	953
Urban	1,914	1,856
Population in BPL Category (NSS 61st Round)	16.80%	27.50%
Primary Sector		
Total Cropped Area(h.a)	4,238	63,196
Net Irrigated Area(h.a)	4,238	63,196
Area Under Horticultural Land(h.a)	1,054	20,875
Total Livestock in 000s	23,515	5,29,698
Fish Production in 000 tonnes(2009-10)	771	7853
Value of Mineral Production in INR Cr(2009-10)	13,701	1,87,717

¹⁷ <http://www.nsdindia.org/sites/default/files/files/gujarat-sg-report.pdf>

¹⁸ Ibid pg 8-10

¹⁹ Ibid pg 6-8

²⁰ Ibid pg 6-7

²¹ Ibid pg 59-60

Secondary and Manufacturing Sector		
Number of Factories(2010-11)	21,282	2,11,660
Output Value in INR Cr(2010-11)	8,06,783	46,85,213
Industrial Employment in Lakhs (2010-11)	19.12	287.10
Services and Tertiary Sector		
Number of Scheduled Banks(2012)	5,076	92,960
Total Road Length in km	1,46,630	30,47,783
Total Railway length(2008)	5,328	63,273
Ports	42	199

Source: NSDC Skill Gap report on Gujarat 2012-17, 2017-22

Gujarat has significant regional variations in manpower requirements with the districts of Ahmedabad, Surat, Vadodara, Rajkot, Kutch, Bhavnagar and Gandhinagar expected to drive the employment growth during 2012-22. On the other hand, the districts of Dangs, Narmada and Tapi would be expected to have low potential to absorb trained youth, indicating that these regions could become training ground for skilled manpower to be placed in industrial clusters of Ahmedabad, Surat and Vadodara.²² Details of district wise incremental manpower break up along with key sectors accounting for the major employment share are presented in the table.

Table 7: Incremental Human Resource requirement in Gujarat (2012-22)

District	Incremental Manpower Requirement 2012-17	Incremental manpower requirement 2017-22	Focus Sectors
Ahmedabad	4,03,268	3,44,929	Textile and apparel, chemicals & chemical products, drugs and pharmaceutical, agro and food processing, automobiles, engineering, electronics, IR-ITES, Hospitality, Banking & Financial services
Surat	3,79,442	3,28,062	Textiles and Apparel, Chemicals & chemical products, Gems & Jewellery, Drugs and Pharmaceutical, Ports and IT-ITES
Vadodara	2,62,543	2,23,794	Chemicals & Petrochemical, Pharmaceutical, Biotechnology
Rajkot	2,00,565	1,73,261	Engineering and electronics, Textile & apparel, Chemicals infrastructure
Kutch	1,54,526	1,31,970	Minerals, Port based industries, Marine Chemicals, Engineering, Infrastructure Projects, Chemicals, Ceramics and Textiles
Valsad	1,34,276	1,14,841	Chemicals, textiles, horticulture and paper industry
Bhavnagar	1,33,884	1,13,537	Diamond cutting & polishing, cement & gypsum, inorganic salt based and marine chemicals, shipbuilding, ship repair, oxygen, foundry, re rolling, ceramics, fabrication and food processing industries
Gandhinagar	1,25,415	1,04,313	Food processing, Electronics, Textiles IT-ITES
Bharuch	1,22,415	1,05,740	Chemicals, Petrochemicals & Pharmaceuticals, Engineering, Ports & Ship building, Textiles
Kheda	1,09,427	92,949	Agriculture, Mineral based industries, Plastics, Engineering, and IT-ITES
Mehsana	1,08,073	92,158	Cultivation, Engineering Industry and Food Processing
Banas Kantha	1,03,264	88,783	Food Processing, Tourism, Mineral Based Industries, Construction Material
Junagadh	1,02,474	89,401	Mineral based cement industry, Fish processing industry, Agriculture based industry, Power sector
Jamnagar	99,648	85,788	Brass Parts, Petroleum and Petrochemicals, Salt and Ports
Sabar Kantha	94,737	81,790	Agriculture, ceramics, chemicals and milk processing
Panchmahal	85,765	74,370	Tourism, minerals, engineering & automobiles, irrigation projects, dairy farming

²² <http://www.nsdcindia.org/sites/default/files/files/gujarat-sg-report.pdf>

District	Incremental Manpower Requirement 2012-17	Incremental manpower requirement 2017-22	Focus Sectors
Anand	76,021	64,703	Food & Agriculture, Engineering & Auto parts, Chemicals, Port & Ship, Building, Minerals and Cement
Surendranagar	71,283	60,950	Textiles, Chemicals and Ceramics
Dahod	64,919	56,323	Food products, rubber and plastic products and mineral based industries
Navsari	61,337	52,061	Food processing, textiles, drugs and pharmaceuticals
Amreli	56,666	48,645	Engineering Goods, Port and ship, building, Mineral processing and cement
Patan	46,027	39,067	Food processing, paper and pulp and cotton based industry
Porbandar	28,898	23,643	Port ship building, cement industry, mineral based industries
Tapi	28,162	24,077	Agro based industries, Textiles
Narmada	26,332	22,020	Textiles, food & agriculture and chemicals
The Dangs	17,610	15,218	Agri allied activities, wood and wooden products, food processing

Source: District wise skill gap study for the State of Gujarat-NSDC 2012-17, 2017-22)

Table 8: Overall Training Capacity of Gujarat (Targeting to reach 25 lakh per annum by 2017)

Department	HOD/Scheme	Training Capacity
Labour and Employment	Directorate of employment and training(DET)	8,30,841
Rural Development	Gujarat Livelihood Promotion Company Limited	55,000
Education	Society for creation of opportunity through proficiency in English(Scope)	1,00,000
	Gujarat Knowledge Society(GKS)	50,000
	Graduation & Post Graduation	1,67,161
Industries and Mines	Commissionerate of Industries,CED,Commisionerate of Cottage Industries(Industries responsive –Short Term & Long Term)	50,000
Urban Development	UMEED(Gujarat Municipal Finance Board)	1,10,000
Tribal Development	D-SAG	7,000
Other Department	Miscellaneous short term modular training	10000
	Total	13,80,002

Source: Report Gujarat Sector Profile-Vibrant Gujarat -2015

Vocational Education is another stream of higher education in Gujarat that caters to the ever increasing manpower needs of industrial growth in the state. Public and private polytechnics and vocational training institutions (ITI s/ ITCs / VTPs) exist in the state which are controlled and supervised by National Council for Vocational Training (NCVT) and Gujarat Council for Vocational Training (GCVT). The training capacities in Government institutions still forms major share (73.8 percent) of overall vocational training capacity.²³ Vocational training infrastructure in institutions offering accredited courses under NCVT/GCVT is presented in the table below:

Table 9: Vocational training institutions in Gujarat

Category of Institutions	Training Capacity
ITIs	1,01,973
ITCs	14,864
VTPs	21,269
All Vocational Training Institutions	1,38,106

Source: District wise skill gap study for the State of Gujarat-NSDC 2012-17, 2017-22)

²³ <http://www.nsdhindia.org/sites/default/files/files/gujarat-sg-report.pdf>

2.2. Schemes and Programmes in the State of Gujarat

Gujarat Skill Development Mission

The objective of the mission is to create an overarching integrated framework for action for skill development and to act as apex body for monitoring, coordination, convergence and providing overall policy direction for skill development activities in Gujarat.

Table 10: SD Programmes and schemes in Gujarat

Programmes/ Schemes under DGET	Present Scenario
Kaushlaya Vardhan Kendra(KVK)	With a goal of providing employment to the youth, Government of Gujarat started imparting skill development training to youth through village cluster training centre's in villages. 500 KVK has been established in four phases 11.71 lakh trainees have been trained.
eMPower scheme	Through this scheme government is providing training related to computer and information technology to youth. 7, 26, 724 have been registered till date. 6, 05, 249 have been trained under this scheme
Public Private Partnership	Under this scheme upgradation of Government ITIs is being undertaken through Public Private Partnership

Source: Vibrant Gujarat Skill Ecosystem 2015 (Gujarat Sector Profile)

The state has significant scheme training opportunities through its present set of Government schemes. During the five year period 2012-17, the major schemes have a potential to train nearly 19 lakh people with SJSRY, SDI-MES and Agricultural training program accounting for a major share of the same. Details of scheme/department wise training targets are presented in the table below:

Table 11: Key Schemes with Training mandate and capacity

Key Schemes with Training Mandate	Estimated Potential Training Capacity in Gujarat (2012-17)
SJSRY	3,75,000
SDI-MES	3,00,000
M/O Agriculture	2,50,000
SGSY	2,00,000
Using Construction Cess	1,90,000
ISDS – Textiles	1,15,000
Others	1,10,000
D/O IT	5,0,000
SCA under TSP - M/o Tribal Affairs	30,000
Hunar Se Rozgar	25,000
CSR Funds from Central PSUs	25,000
Credit Scheme	1,05,000

Source: District wise skill gap study for the State of Gujarat-NSDC 2012-17, 2017-22)

Table 12: Vocational training capacity of Directorate of Employment & Training

Type of Institute	Number of Institute		Training Capacity / No. of Trainees
	Scheme: Craftsmen Training (CTS)	No./Units	
Industrial Training Institute(ITI's)	Government	282	1,30,772
	Grant In Aid	113	13,844
	Self-Financed	384	26,715
Number of Establishments	Scheme: Apprentice Training Scheme(ATS)	8,547	52,510
Kaushlaya Vardhan Kendra(KVK)	Kaushlaya Vardhan Kendra(KVK)	500	33,00,00

Type of Institute	Number of Institute		Training Capacity / No. of Trainees
	Scheme: Craftsmen Training (CTS)	No./Units	
Govt. & Private Institutions- Vocational Training	Govt. & Private Institutions	625	77,000
eMPower	eMPower	716	2,00,000

Source: Vibrant Gujarat Skill Ecosystem 2015 (Gujarat Sector Profile)

2.3. Gaps in Skill Development

An assessment of the studies and gaps were conducted through a review of reports available in the public domain. The gaps existing in the skill development sector is highlighted in the table below:

Table 13: Existing Gaps in skill development

Gap Areas	Problem description
Mismatch in demand and supply	Supply Demand-Supply gap estimates indicates a need to improve participation rates in semi-skilled categories along with providing vocational skills to high skilled and minimally skilled labour force to ensure adequate considering the high level of employment opportunities in semi-skilled category within the state
Existing training infrastructure	Assessment of existing training infrastructure in comparison to human resource demand over XII Plan period, indicates significant capacity expansion requirement for semi-skilled category through vocational education.
Skilling considering local industrial requirements	Issue of low employability of graduates has to be addressed through suitable up skilling considering local industrial requirements in order to ensure availability of industry ready manpower.
Entrepreneurship	Undertaking suitable measures to promote entrepreneurship among skilled workers considering the surplus scenario in the segment.
Industry participation and Setting up of Sector Skills Council	In order to make the skill development system relevant and driven by labour market signals, it is necessary to increase participation of industries through Sector Skill Councils. Functions of SSCs include identification of skill gaps, preparation of Skill Development plans and establishment of well-structured sector specific Labour Market Information System to assist planning and delivery of training.
Shortage of quality trainers	There is an urgent need for improving the quality and size of trainer resource. Skill up-gradation of trainers, their quality assurance, and improvement of their status in society are important to improve quality of training.

Table 14: Gaps between demand and net supply

Period	Demand for Human Resource due to new jobs created (Lakhs)	Gross Addition to Working Age Population-Supply (Lakhs)	Gross Addition to Labour Force – Supply (Lakhs)	Net Addition to Labour Force Supply (Lakhs)	Gap between Demand & Net Supply (Lakhs)
2012-17	30.95	60.51	35.15	20.41	10.54
2017-22	26.34	56.67	32.90	15.83	10.51

Source: District wise skill gap study for the State of Gujarat-NSDC 2012-17, 2017-22)

The shortage of skilled labour across many industries is emerging as a significant and complex challenge to India's growth and future. It is widely acknowledged that knowledge and skill of people are critical to sustain development, economic and social activity for a developing society. Given the current high-paced growth and dynamic investment climate in India, the demand for knowledge workers with high levels of technical and soft skills would be on the rise.

3. CSR- Corporate initiative in Skill development

3.1. Programmes by Flagship companies in Gujarat

Table 15: Programmes by Flagship companies in Skill sector in the State of Gujarat

Companies	Programmes
Ambuja Cement Foundation	<u>ACF's Skills and Entrepreneurship Development Institute</u> is a unique intervention program providing demand based courses from location-specific industries and students. The initiative goes a long way in creating sustainable sources of income for locals. The centre runs courses in Fitter, Electrical & Welder Trades in ITI mode & Industrial Electrician, Turning, Fabrication, Mason and Bed Side Attendant Training. ²⁴
Deepak Foundation	<u>Public Health Training Institute (PHTI)</u> : Deepak Foundation has an MoU with the Department of Health and Family Welfare to impart skills training to grassroots health functionaries and build their capacities. With this goal in mind, a state-of-the-art Public Health Training Institute (PHTI) was established in 2011 that is being utilized for conducting trainings and capacity building sessions of functionaries in livelihood and healthcare sector. With an emphasis on practical and innovative training mechanism, the Foundation has become a well-known training institute imparting training in multiple sectors. ²⁵
Adani Foundation	<u>Adani Skill Development Centre</u> : Adani Foundation has set up the "Adani Skill Development Centre" (ASDC) and supports various Industrial Training Institutes (ITIs) in Gujarat to impart technical training to the youth of the region. In Mundra, considering the future manpower requirements at the Mundra port and other ancillary industries coming up in the Kutch region, the Foundation has conducted training courses for English speaking, Light Motor Vehicle (LMV), Heavy Motor Vehicle (HMV), Automobile repairing and so on. ²⁶
L&T	The vocational training institute of L&T (in Ahmedabad) provides skill based training in masonry, agro mechanics, electricals, fabrication, welding, and housekeeping. Various diploma courses are also conducted by L&T Institute of technology for the children of their employees. L&T has developed training modules in local language for imparting skill sets in construction. ²⁷
Essar Foundation	Essar Foundation helps young people achieve their aspirations by enabling them to acquire skills and encouraging them to start their own enterprises, become self-sufficient and sustainable by providing training in self-employment and supporting entrepreneurship. ²⁸
NIIT	<u>NIIT Yuva Jyoti Limited (NYJL)</u> – a joint venture of NIIT and NSDC, NYJL has trained aspiring students under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), across three sectors – Telecom, Retail & IT in Gujarat and other states. It is also participating in the country's flagship welfare schemes like Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) and National Urban Livelihoods Mission (NULM). The skill development initiatives of NIIT span across India, in states like Bihar, Gujarat, Kerala, Uttar Pradesh and Maharashtra. ²⁹

²⁴ http://www.ambujacementfoundation.org/focus_areas/sedi.html

²⁵ <http://www.deepakfoundation.org/>

²⁶ <http://www.adanifoundation.org/focus-area/initiatives?contentid=vocational>

²⁷ <http://www.lntecc.com/HOME/PAGE/CSTI/index.htm>

²⁸ http://www.essar.com/section.aspx?cont_id=dGEXBR//MHc=

²⁹ <http://businesswireindia.com/news/news-details/niit-congratulates-government-1st-anniversary-skill-india/49392>

3.2. Programmes by Flagship companies-Other states

Table 16: Programmes by Companies in Other states

Companies	Programmes
Dr Reddy's Foundation	LABS programme: Dr Reddy's Foundation pioneered the Livelihood Advancement Business School (LABS) program in this country to help young people, both in urban and rural settings, to learn skills that will help them to get gainful employment. This program targets youth – including disabled youngsters – between 18-30 years of age, who were forced to miss out on formal education. More than 290,000 young marginalized youth across the country graduated with specialized skills and are economically independent. ³⁰
HUL	Project Shakti: HUL provides training on basic accounting, selling skills, health & hygiene and relevant IT skills to Shakti entrepreneurs and equips them with smart phones which have been enabled with a mini Enterprise Resource Package (ERP) which helps them to run their business efficiently and further augment their income. Project Shakti provides livelihood-enhancing opportunities to nearly 70,000 Shakti Entrepreneurs who distribute our productions in more than 162,000 villages and reach over four million rural households. There are 48,000 Shaktimaans across India. ³¹
The Indian Hotels Company (IHCL)	Indian Hotels Company (IHCL) AND its subsidiaries collectively known as the 'Taj Group of Hotels' set up its first hospitality skills training centre in Khulthabad, Maharashtra, in association with the non-profit Pratham. The centre offers basic training in hotel industry processes, including food production, housekeeping, and food and beverage services. IHCL currently runs 36 such centres in less developed regions of India, such as Kalimpong in the northeast and Chhattisgarh in central India. About 9,000 youth have graduated through these programmes, and about 97 percent of them have found jobs in the hospitality industry. The company has also joined hands with Tata Steel to set up similar centres at Kolabera near Jamshedpur and at Berhampur, Odisha, and with Tata Chemicals for a centre at Mithapur in Gujarat. ³²
Tata Chemicals	The vocational training program of Tata chemicals is implemented by TCSR D at its three locations. Beauty parlour, computer skills, typing, mobile repairing, stitching and sewing, electrical, motor rewinding, carpentry, photography, desktop publishing are some of the courses which are being conducted by TCSR D. Additionally, farm-based training programmes such as pond management, agricultural development services, seed production, dairy farming, food processing, are also provided for the primary sector etc.
Lupin Foundation	Multi Skill training Center: The foundation is focusing on skill enhancement among rural youth and women to enable them find meaningful livelihood either through self-employment or wage employment. The objective of the project is to provide skill training to BPL youths and artisans of the six districts of Rajasthan i.e. Bharatpur, Dholpur, Karauli, Sawai Madhopur, Dausa & Alwar and to equip rural youths with marketable skill to enhance their capacity to secure employment in the organized sector or setup micro-enterprises for self-employment with adequate income generation. The Lupin Foundation has setup several Multi-Skill training Centre. The Foundation is helping potential entrepreneur in establishing units' right from identification of trade to formulation of project, submission of proposal to banks with soft skills like negotiation, communication and development of interpersonal skills. ³³

³⁰ <http://drreddysfoundation.org/youth/>

³¹ <https://www.hul.co.in/sustainable-living/case-studies/enhancing-livelihoods-through-project-shakti.html>

³² <http://www.tata.com/sustainability/articlesinside/Life-skills-for-India>

³³ <http://www.lupinfoundation.in/rural-industry>

Companies	Programmes
Maruti Suzuki	<u>Safe Driving & Road Safety</u> : As a part of its CSR initiatives, Maruti Suzuki has taken significant steps in the areas of road safety, skill development and community development. Inspired by the success of IDTR Loni, the company has established another one in South Delhi. It has trained over 700,000 people in safe driving through them, out of which 100,000 underprivileged people have been trained free of cost. Presently IDTR initiatives are operational at 6 locations in 4 states - Delhi (2 institutes), Haryana (2 Institutes), Gujarat and Uttarakhand. In partnership with its dealers, Maruti Suzuki has created Maruti Driving Schools in urban neighbourhoods to enable middle class families to learn car driving. To widen the impact of Maruti Driving School, MSIL also sponsors training of underprivileged youth who aspire to be drivers. ³⁴ Recently, MSIL has initiated a training programme targeted at tribal youth in the State (refer below for details).

3.3. Best practices

Table 17: Few noteworthy CSR practices in Gujarat in the Skill Development

Companies	Programmes
Deepak Foundation	<u>Public Health Training Institute (PHTI)</u> was established by Deepak Foundation in 2011-12 based on the emerging needs on completion of large scale intervention research project. PHTI is driven with an overall objective of building capacities of grassroots health functionaries and developing evidence based models of efficient human resource management. Deepak Foundation, in partnership with the Department of Health & Family Welfare, Gandhinagar plays crucial role in conducting trainings of ASHAs in the districts of Chhota Udaipur, Vadodara, Narmada and Sabarkantha .The Foundation utilizes interactive methods such as participatory discussions, role play, evaluation, demonstrations, case presentations and film shows to impart effective trainings. ³⁵
Maruti Suzuki	<u>Setting up GUJRATI</u> In a landmark move the company signed an MoU with the Government of Gujarat, to set up, manage and run The Gujarat Regional Automobile Training Institute (to be referred as GUJRATI) at Gajadara village of Waghodia taluka in Vadodara district. It is the first of its kind initiative in the country. The institute will not only provide driving training to tribal youth, it will also offer automobile technical training to them and help their employability. ³⁶

³⁴ <http://www.livemint.com/Companies/TaxKOLfGwdjWszMaOYvvSO/CSR-spending-Making-the-roads-safer.html>

³⁵ <http://www.deepakfoundation.org/>

³⁶ http://www.karmayog.org/csr501to1000/csr501to1000_20997.htm

4. Takeaways for Companies

- Companies can invest in different thematic areas to address the gaps within the skill sector for the most backward regions or in regions of Gujarat where communities require support. They are welcome to reach out to GCSRA for further support to engage in partnerships either in the form of direct CSR project implementation or as technical assistance provider to organisations who plan to work in the specific sector.
- Companies can take support from GCSRA in training, capacity building on the CSR policy, governance and the various CSR value chain activities
- If required and deemed impactful, companies can contribute in joint venture projects with other companies on state priorities based on HDI
- The GCSRA partnership enables companies to develop networks with Government, civil society / NGOs and other relevant stakeholders for knowledge sharing, advocacy, sharing of best practices and challenges to support future strategic directions for CSR activities
- Effective investment in CSR by Companies will help in taking credit for creation of social wealth in the local community through the following:
 - ✓ By bringing their project development, planning & execution skills
 - ✓ By bringing out-of-the box approaches to long standing social problems
 - ✓ By designing projects with focus on “value for money”
- CSR activities with high impact are best image building exercise for Companies. Effective CSR Planning will help:
 - ✓ Improve the visibility of the Company
 - ✓ Resolve conflict with local community
 - ✓ Improve branding of the Company
 - ✓ Bring better credibility with any new business partners

4.1. Support from GCSRA

Gujarat CSR Authority was established through Government of Gujarat, Industries & Mines Department Resolution dated 19-12-2014. The aim of setting up Gujarat CSR Authority was to -

- Develop a framework for CSR activities in the State
- Identify the best practices in on-going CSR activities
- Assist mid-sized and smaller Companies in effective implementation of their CSR strategy
- Develop into an active umbrella body for advocacy

GCSRA is a Society is headed by Hon. Chief Minister of Gujarat as the Chairperson of GCSRA and the Authority headed by a highly experienced, retired IAS officer; with a high-ranking serving administrative officer in an executive role.

Functions of GCSRA include - bringing in adequate clarity in new CSR regime, facilitating optimal utilisation of CSR funds, coordinating, monitoring & implementing various CSR activities in Gujarat, creating a web portal to highlight and facilitate CSR activities in the State, channelizing CSR funds as per HDI based sectoral priorities & also in 50 most backward talukas, creation of a CSR fund by receiving contribution from various companies and address policy and implementation issues. In line with the above, the following support is available from GCSRA for companies who are implementing or planning to implement CSR activities in the State.

Support available from GCSRA for companies:

1. Development of CSR Strategy & Annual Plan

- Consultations and specific support on CSR strategy and project planning to the companies, with similar sectoral status papers (on the priority sectors) to be uploaded on the GCSRA website

2. Development of CSR plan linked with EIA proposals

- Survey & needs assessment of area(s) for guiding the development of a need-based CSR plan
- Implementation of CSR plan in the area

3. Support for creating a dedicated CSR team

- Assistance and support in recruitment of quality personnel and their capacity building
- Developing systems for CSR project administration

4. Development of innovative project ideas for project investments as per States priority areas

5. Development of sector specific funds meant to-

- Provide an effective mechanism to the small & mid-size Companies to implement small but impactful CSR programmes either jointly or alone
- Under the same, Companies can either directly implement their programmes as part of the fund or contribute to the specific fund. Large Companies having year-end unspent CSR fund can also deposit the amount with any Fund with specific instruction

6. Other implementation related assistance

- Identification of credible implementers - implementing agencies getting scrutinized through a structured due diligence process, for facilitating their selection
- Assistance in developing Detailed Project Reports
- Registration of individual company's CSR plans on Authority's website and linking it with a query builder software for obtaining information of other companies involved in similar projects
- Organising regional consultations and seminars for better understanding and networking
- Developing App based monitoring and project management software
- Review, monitoring and evaluation of the projects, including documentation support

GCSRA will ensure provision of full credit, visibility and publicity for the interventions of the funding company.

5. E- Glossary

1. Comparison of Work & Employment Human Development Index (HDI) among countries : (UNDP HDI report 2015)

i. Notes to Table 4

- a. Modelled ILO estimates
- b. Data refer to 1990 or the most recent year available
- d. Data refer to the most recent year available
- e. Refers to a year between 2003 and the earliest year in the column heading.

ii. Definitions for Table 4

Employment to population ratio: Percentage of the population ages 15 and older that is employed.

Labour force participation rate: Percentage of a country's working-age population that engages actively in the labour market, either by working or looking for work. It provides an indication of the relative size of the supply of labour available to engage in the production of goods and services.

Employment in agriculture: Share of total employment that is employed in agriculture.

Employment in services: Share of total employment that is employed in services.

Labour force with tertiary education: Percentage of the labour force that has attained the tertiary level of education that is levels 5, 5A, 5B and 6 of the International Standard Classification of Education.

Vulnerable employment: Percentage of employed people engaged as unpaid family workers and own-account workers.

Unemployment rate: Percentage of the labour force population ages 15 and older that is not in paid employment or self-employed but is available for work and has taken steps to seek paid employment or self-employment.

Youth unemployment rate: Percentage of the labour force population ages 15–24 that is not in paid employment or self-employed but is available for work and has taken steps to seek paid employment or self-employment.

Youth not in school or employment: Percentage of young people ages 15–24 who are not in employment or in education or training.

Output per worker: Output per unit of labour input, expressed as GDP per person engaged, in 2005 international dollars using purchasing power parity rates.

Hours worked per week: The number of hours that employed people (wage and salaried workers as well as self-employed workers) work per week.