

OVERVIEW OF INDIA'S EVOLVING SKILL DEVELOPMENT LANDSCAPE

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FOREWORD



The British Council is committed to improving employability in India, and we aim to support this through education, skills and English language partnerships, digital collaborations and expert networks to help employable skills development.

The governments of India and the UK have made skill development a priority in their respective countries and it is a key part of our bi-lateral relationship. Significant changes to the governance of skills in India have been made in what is already a complex landscape. So this report should prove to be a useful introduction for UK skills providers to help navigate the India market.

This report is part of a series of market insight and research reports on skills that can be found on the British Council's website [www.britishcouncil.in/research]. Working with Indian and UK based research organisations and the British High Commission in India, we have published reports on Skill Assessments in India, English Skills for Employability and soon a report on Opportunities for Collaborations using Blended Learning.

The UK India Education and Research Initiative (UKIERI) has also recently published a report on Best Practices for International Partnerships in India. Also in the pipeline is new insights on Skill Requirements among Young Professionals in India - to understand the demand and drivers of professional qualifications in India.

The British Council supports UK skills training and vocational education practices, and promotes engagement with their Indian counterparts for the benefit of both the countries. This includes raising the profile of skills and making it aspirational for young learners through our partnership with World Skills UK and World Skills India to celebrate the excellence of young people.

I hope you find the report both useful and informative.

Alan Gemmell OBE
Director
British Council India

EXECUTIVE SUMMARY

The strong push for skill development in India has resulted in a fast evolving landscape propelled by game-changing reforms and policy measures under the banner of *Skill India*.

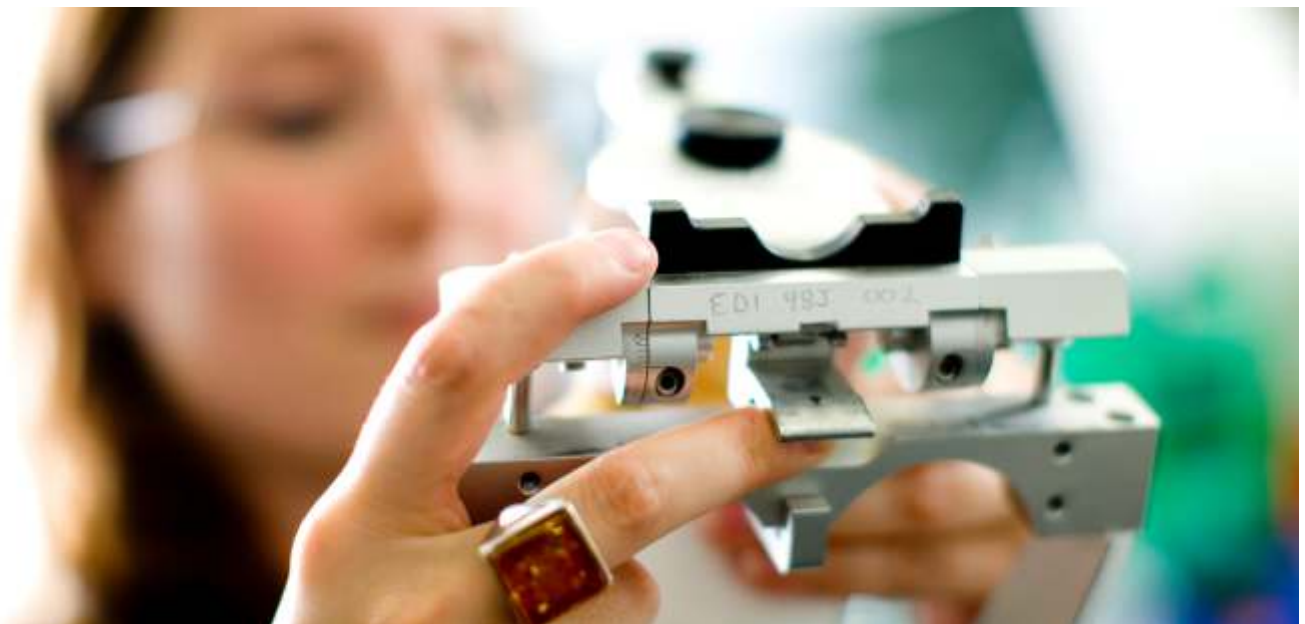
The report gives a brief outline of the history of skill development in India from the setting up of the first Industrial Training Institute in 1969 to the latest Union Budget 2016-17, and highlights the main drivers for the big push towards skills development, which are: India's demographic dividend and the rapidly growing economy.

India adds 12 million people to its workforce every year. By 2030, a third of world's working age population is going to be from India. There are as many as 711 million people in India in the working age group of 15-59 years, with the majority requiring additional or new skills. India is a young and ambitious country with Skills at the top of its agenda. This provides a fertile landscape for new partnerships between India and the UK.

The report highlights the key policies and programmes that the Government

of India has brought about to skill the youth population. Global partnerships are cited in the National Policy on Skill Development and Entrepreneurship 2015 as an important component to enrich the skills ecosystem. The skill development policy also gives importance to promoting mobility of labour and encourages certifications and assessments that can ensure national and international recognition of acquired skills.

Finally, the report lists out some of the key organisations playing a pivotal role in the skills system and lists some UK organisations currently engaged in India.



CHAPTER 1

INTRODUCTION

This chapter will focus on the context of the Skills sector in India. India's population is one of the youngest in the world, but it is not homogenous in its demand for skills. The chapter illustrates important ways in which the target audience for skills is wider than the traditional audience for the TVET sector and explores why English language and employability skills are seen to be just as important as high quality industry skills. It also gives a brief history of the skills policy landscape in India.

DEFINITION

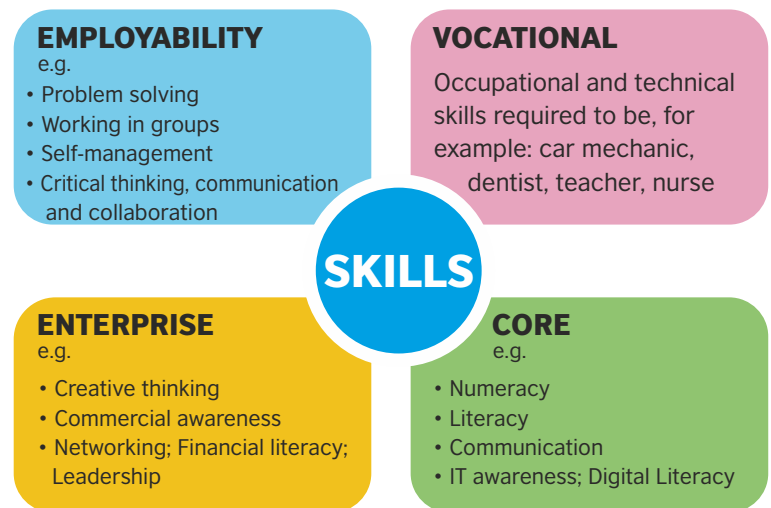
'Skills' has a wide range of definitions.

The International Labour Organisation defines **Vocational Skills** as the ability to carry out the tasks and duties of a given job.

The British Council has recently adopted the concept of **Core Skills** to underpin our work in Schools and English Language Training. Based on international research, we focus on six core skills: Digital literacy; Critical thinking and problem solving; Creativity and imagination; Student leadership; Collaboration and communication; and Citizenship.

There are various definitions of skills and they link to each other to form an overall skill set as can be seen from Figure 1 (adapted from *The UK Skills System: An Introduction*, British Council Report, 2015)

Figure 1



A look at the figure above explains not just the importance of skill development to UK and India, but also the complexity of the challenge. Skill development applies to a wide audience and it would be a mistake to focus only on the traditional group of learners that constitutes the formal TVET sector. The traditional TVET sector in India is relatively small at around 2 per cent

(see Table 1). However, the need for additional skills training is felt across the board. This is highlighted by recent reports on the employability skills gap of both engineering and management graduates¹, as well as recent initiatives to introduce vocational options in higher secondary schools.

More People Speak English in India than in the UK

The need for English Language skills, which are seen as an important skill for business, is common to many skilling initiatives in both the public and private sectors in India. According to the Census of India 2011, there are more

1. Report available at <http://www.aspiringminds.com/sites/default/files/National%20Employability%20Report%20-%20%20Engineers%20Annual%20Report%202016.pdf>

Table 1
LEARNER ENROLMENTS AND PERCENTAGE BY TYPE OF EDUCATIONAL INSTITUTIONS²

	ALL	%	MALE	FEMALE
School	272,193,771	87%	145,414,857	126,778,914
College	32,836,448	10%	19,416,839	13,419,609
Vocational institution	6,449,486	2%	4,197,092	2,252,394
Other institution	3,077,221	1%	1,508,643	1,568,578

English language speakers in India than in the UK (approximately 100m); however, interestingly enough, this represents less than 10 per cent of the population. This fact alone highlights two important opportunities:

- first, there is likely to be a significant market in absolute terms for additional skills training among English language speakers (and many of these speakers may wish to improve their English skills)
- second, there is an even larger market for additional skills training for non-English language speakers.

This poses both a challenge and an opportunity for international partnerships and emphasises the need to ensure that UK training providers consider English Language Training (ELT) as part of their offer.

HISTORY

Post-independence, the initial focus was on establishing a formal TVET sector, with dedicated technical and vocational institutions generally catering to the manufacturing and engineering trades. The beginning of the current era of vocational education and skill training in India was marked by the setting up of the first Industrial Training Institute (ITI) in 1969 by the Ministry of Labour and Employment, Government of India. This was preceded the year before by the establishment of the Central Staff Training & Research Institute (CSTARI) in Kolkata.

Similar moves to formalise and regulate TVET institutions for higher level skills continued in the 1980s and 1990s. In 1987, the All India Council of Technical Education (AICTE) Act 1987, a body which previously operated as an advisory board, became the official

regulator and funder for polytechnics and technical colleges. In 1993, National Council of Educational Research and Training (NCERT) established the Pandit Sunderlal Sharma Central Institute of Vocational Education (PSSCIVE), a similar nodal body to CSTRAI for vocational education in the schools sector.

With the opening up of the economy in the 1990s, new sectors grew rapidly in India, including the IT industry and a growing service sector. The IT industry was well served by the higher level technical institutions. However, the relative slowdown in the manufacturing and engineering sectors (with the exception of construction) and the rapid growth of the service sector meant that a significant amount of employment for skilled and semi-skilled workers was no longer in the traditional trades.

This led to a paradigm shift in 2009. The need to rapidly expand the capacity of skills training sector was recognised and a significant effort was made to bring more private sector organisations into the system. The National Skills Development Corporation (NSDC) was established and the first National Skill Development Policy set out the vision for a National Qualification Framework (NQF) and the creation of a unified competence-based training system. Employers were proposed to be formally engaged

2. Source: Census of India, 2011



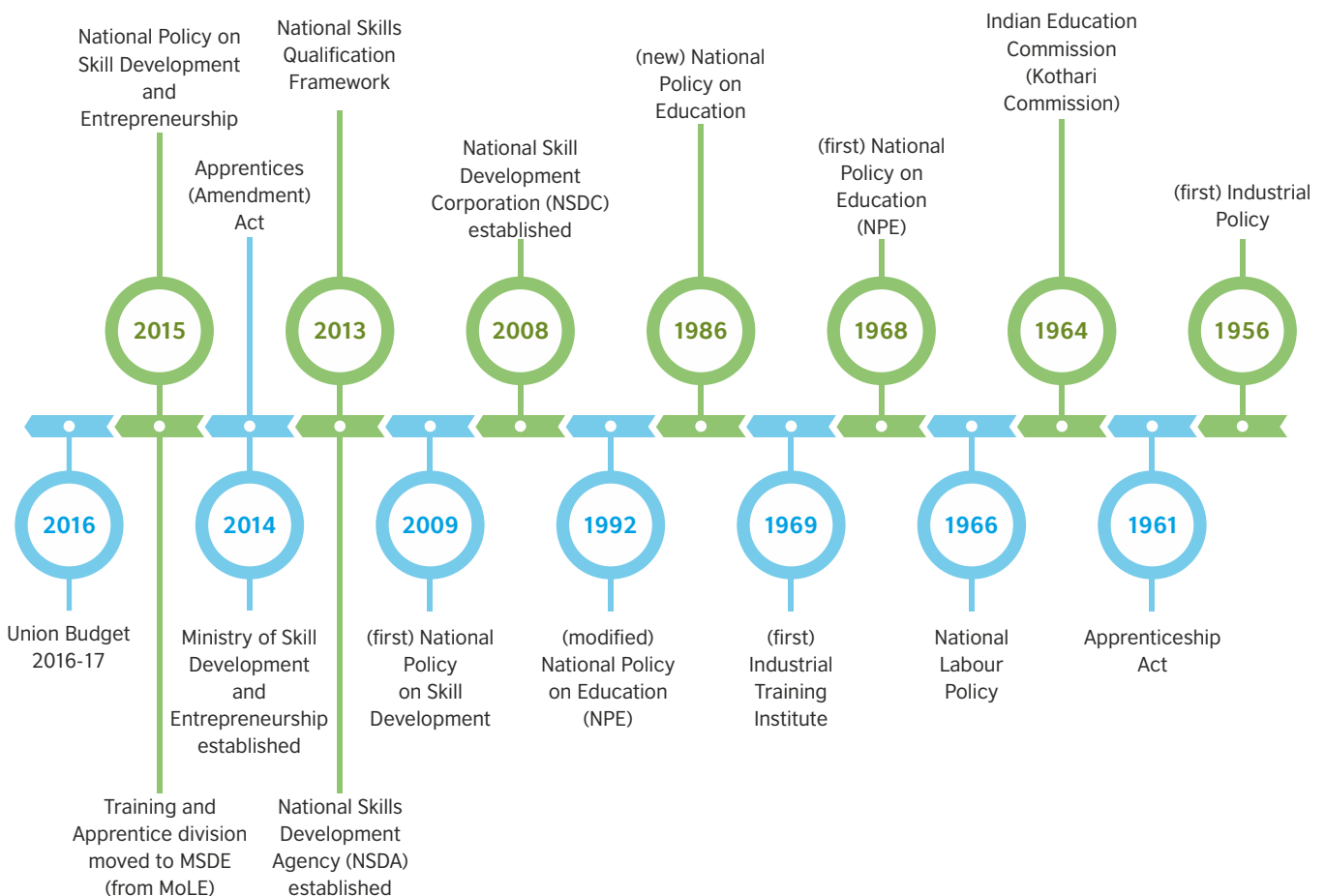
through Sector Skills Councils (SSCs) and a significant effort was made to represent all sectors of the economy in the skills system, including the service and agricultural sectors. A number of different initiatives under different Ministries that started around this time focussed on short course training and placement schemes. These included the introduction of State Skill Development Missions (SSDM), the Skill Development Initiative Modular Employability Scheme (SDI MES), the Aajeevika programme and a number of programmes supported by the NSDC. The creation of the new Ministry for Skill Development and Entrepreneurship (MSDE) in 2014 has provided an

important unifying force in the sector. This is represented by the implementation of the National Skills Qualification Framework (NSQF) across skill programmes that deliver in all sectors (schools, TVET, higher education and short course skill programmes), spearheaded by the National Skill Development Agency (NSDA). In 2015 the **Skill India** initiative was launched with an aim to train over 400 million people in different skills by 2022. Initiatives under *Skill India* include the National Skill Development Mission, National Policy for Skill Development and Entrepreneurship 2015 and the Skill Loan scheme. New certification and assessment systems

are currently being put in place, alongside efforts to improve the quality and standardisation of training, while continuing to increase capacity. More recently, the Union government announced that students graduating from Industrial Training Institutes (ITI) in India will be considered to be on par with students graduating Class XII, bringing a long-pending equivalence in the formal and vocational streams of education in the country³.

Figure 2

HISTORY OF SKILL DEVELOPMENT: A SNAPSHOT



3. Source: <http://www.livemint.com/Industry/CGheDkjvzKOU2Ka4yayMcO/For-ITI-graduates-govt-opens-a-new-window-of-opportunity.html>

CHAPTER 2

TRAINING A GLOBAL WORKFORCE

By 2030, it is expected that a third of the world's working age population (between 15-59 years) will be from India. This makes for a very large target population for Skills training. This chapter will provide an initial analysis of that target population. The first section will review the educational background of India's young population and the employment challenges facing different learner groups. The second section will review the employment scenario in India and the key growth sectors that will provide employment within India and internationally.

A 'YOUNG' NATION

62 per cent of India's population is in the working age group (15-59 years), and more than 54 per cent of the total population is below 25 years of age. It is estimated that the average age of the population in India by 2020 will be 29 years, as against 40 years in USA, 46 years in Europe and 47 years in Japan⁴. A recent article in The Guardian led with the headline 'Every month for the next several years, 1 million Indians will turn 18'⁵.

Due to recent initiatives, this young population is increasingly well educated. Increasing enrollments in schools and higher education institutions mean that a significant proportion of the young population is educated, or has benefited from some level of education. For the purpose of this report, the target population for skills training is roughly between the ages of 15-35 and can be classified into three broad sections identified below.

- 15–19 years (school segment),
- 20–24 years (college segment) and
- 25–34 years (young working population)

This does not imply that skills are irrelevant for other age groups, but priorities would be substantially different. For example, prior to the age of 15, general focus on core skills

would be of significant benefit to learners and a sector-based approach would be less appropriate.

Segmenting such a large audience to target groups for specific programmes is a huge task and we will not attempt it in this report. Given below is a broad overview of young people in India according to their educational background and general participation levels in formal institutions. We hope that by doing this, initial ideas about how best to engage young learners and the level at which training is required can be estimated.

SCHOOL SEGMENT

The Net Enrolment Ratio (NER) for Primary and Secondary school education in India has improved significantly in the last 20 years and this has meant a significant increase in the number of students who reach higher secondary education. Approximately 60 per cent of 15-19 year olds have received formal education or training (62 per cent of boys and 57 per cent of girls⁶). The remaining 30 per cent have received some level of education and approximately 10 per cent have never attended school in this age group.

The route to skills vary significantly, depending on the socio-economic content and personal choice of the students. Out of the 70,770 higher

secondary schools, 34 per cent were government schools, 28 per cent private aided and 38 per cent private unaided schools. The degree of autonomy of schools to make decisions will depend on the management of the school and there are benefits with each type. While government schools will have the least autonomy, the support and coordination they receive from the government allows for large scale interventions at a state level. This has been evidenced through a number of successful partnerships the British Council has had through its English for Education Systems programmes in India and the NSQF trial led by the Wadhvani Foundation in Haryana with government schools⁷. This has led to a sector-wide initiative to introduce NSQF compliant courses across schools being led by the NSQF Cell, based in the PSS CIVE⁸. Private schools, on the other hand, have greater autonomy and can be harder to reach as a group. However, in many cases they reach a population that can access international provision and have greater discretion in decision making. This can be seen by the increasing success of the International Baccalaureate and iGCSE / iGCES qualifications. There are around 109 IB World Schools and 310 Cambridge schools in India, making over 44,000 examination entries for Cambridge

4. Source: National Higher Education Mission, Ministry of Human Resource Development, 2013

5. Source: <https://www.theguardian.com/books/2016/apr/24/somini-sengupta-the-end-of-karma-interview>

6. Source: Census of India 2011

7. Source: www.wadhvani-foundation.org/news/nsqf-haryana-project-records-a-134-strong-student-placement/

8. More information is available at www.psscive.nic.in/pdf/About%20NSQF%20Cell.pdf

IGCSE and Cambridge International AS and A Level, a rise of 15 per cent since 2012⁹. The greatest challenge in engaging international provision is faced by private aided schools, but even in this segment, there is a growing number of institutions engaging in international programmes, such as International School Awards and Connecting Classrooms¹⁰.

Majority of the 40 per cent of the population, between the age of 15-19 years, who have not received formal education will already be in some form of employment. Unemployment rates are very low for individuals who are illiterate or educated till the primary school level (see Table 2). While it is likely that because of economic necessity, they have found some form of employment, the quality of the pay is likely to be low. One of the reasons for this could also be that though they are highly skilled, there is no formal recognition or certification of their prior skills. Hence, there is still a significant need for skilling among this population.

Mobilising students in this segment can be a challenge and this is where State Skill Development Missions (SSDM) will play a significant role. As many of these individuals are likely to be economically active, the focus will necessarily be on short course skill

Table 2
UNEMPLOYMENT AND EDUCATIONAL LEVELS

Level of Education/Year	Incidence of Unemployment for 15 years and above age group	
	2004-05	2009-10
Not Literate	0.3	0.3
Literate without Formal Schooling	1.2	0.3
Below Primary	1.2	0.7
Primary	1.4	1.2
Middle	2.7	2.1
Secondary	4.8	2.7
Higher Secondary	6.4	5.2
Diploma / Certificate	10.4	9.6
Graduate	8.8	6.9
Post Graduate & above	8.1	6.7
All Level of Education	2.3	2.0

92.38% of workers in India are informal workers (NSSO, 2004-05)

12.8 million people join the workforce every year. (National Skill Development Policy 2009)

90% graduates and **75%** of Engineering graduated unemployable upon graduation (NASSCOM 2011)

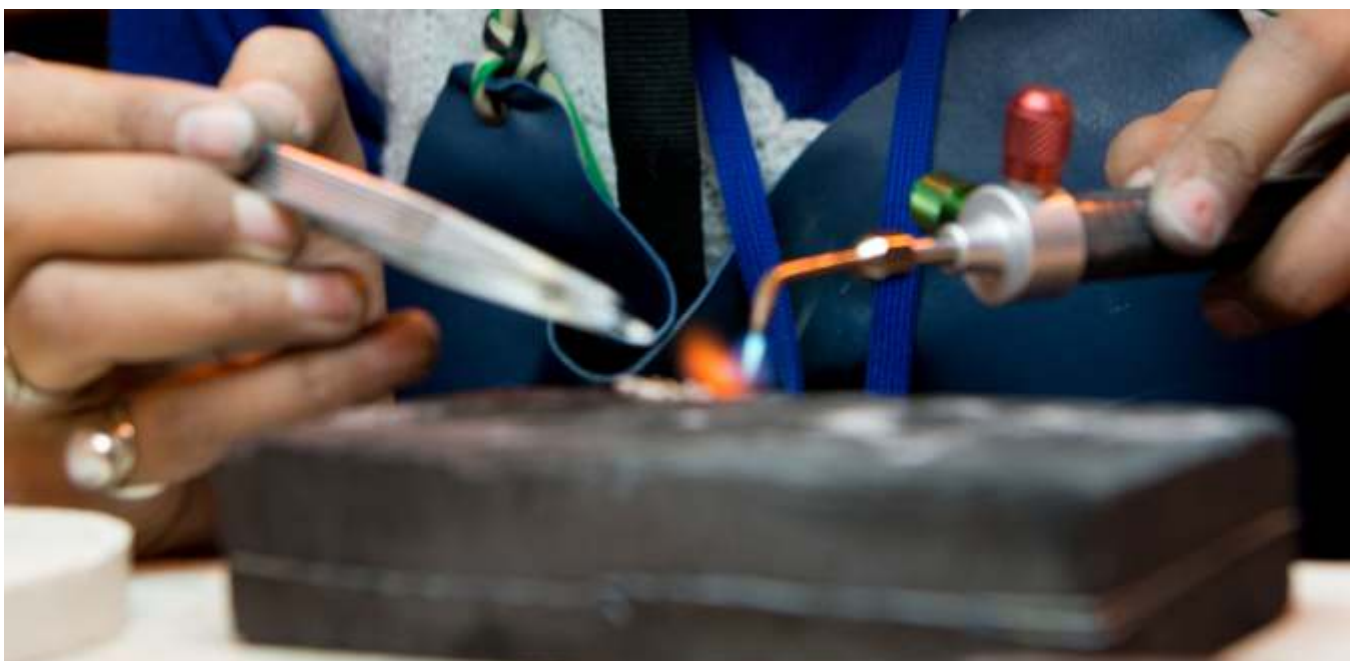
Optimism rating: 4/10

training programmes with emphasis on employment in high growth sectors. By 2017, all skilling programmes in this sector will need to be within the NSQF, and where applicable, to an international standard. Sector specific skills are clearly important in this sector as they assist with placement and help individuals change or target new sectors of employment. However, it is important to highlight that English

language and soft skills are as important in this segment of training to help learners gain employment as in any other segment explored in this report. This is highlighted through a recent report, English Skills for Employability: Setting Common Standards¹¹, funded by the British Council, Trinity College, London and Manipal City and Guilds.¹¹

Engagement with nodal bodies such as Sector Skills Councils, private

9. Source: Data retrieved from report on Indian Schools Education System: An Overview available at www.britishcouncil.in/sites/default/files/indian_school_education_system_-_an_overview_1.pdf
 10. More details available at www.britishcouncil.in/programmes/schools/connecting-classrooms; and www.britishcouncil.in/programmes/schools/connecting-classrooms/about-international-school-award
 11. Report available at www.britishcouncil.in/sites/default/files/esfe_report_low_res.pdf



training providers with a national reach or direct engagement with State Skill Development Missions, provide the best platform of engagement for international providers.

HIGHER EDUCATION AND GRADUATES

The trend of rising unemployment rates among higher education students and graduates, as seen in Table 2, is a significant challenge. Unemployment is highest among graduates and those who have achieved higher level skills. Although we can say that this is roughly 8 per cent, and therefore, a relatively small percentage of the population, there are estimated to be 68 million graduates in India¹². Among these, over 60 per cent are those who

have a non-technical graduate degrees¹³. This implies that most graduates need additional skills that can make them more employable as per the industry requirements.

A prominent report by *Aspiring Minds* (National Employability Report, 2013) highlighted¹⁴

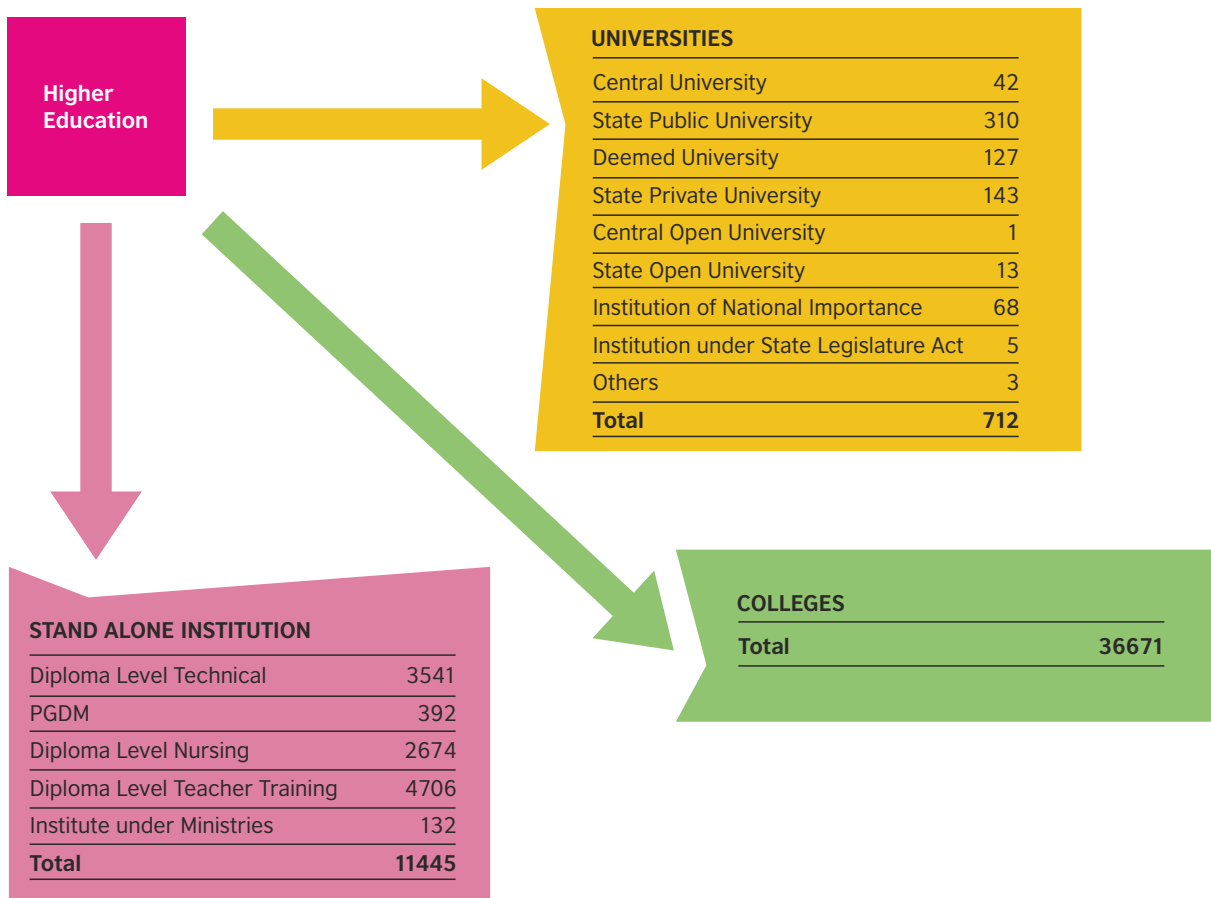
- as many as 47 per cent graduates in India are not employable for any industry role
- lack of English language knowledge and cognitive skills were identified as the major obstacles to their suitability in the job market, with 90 per cent graduates not having the required proficiency in English communication.

Thus, not only do students need soft skills, they also need to get a

certification that is recognised by majority of the employers.

Engaging with Higher Education students while at the university presents a significant opportunity for international partnerships. The Higher Education is an extremely diverse sector with a range of institutions (see Figure 3). However, a significant number of institutions have already established international partnerships or are in the process of establishing new partnerships. A review of the status of Higher in key states can be found on the British Council website¹⁶.

Figure 3
NUMBER OF HIGHER EDUCATION INSTITUTIONS BY TYPE¹⁵



12. Source: Census of India 2011

13. Source: *The Hindu*, Aug 4, 2015, www.thehindu.com/news/national/only-815-of-indians-are-graduates-census-data-show/article7496655.ece

14. Report available at www.aspiringminds.in/docs/national_employability_report_graduates_2013.pdf

15. Source: Educational Statistics at a glance, MHRD 2014

16. Information available at www.britishcouncil.in/sites/default/files/understanding_india.pdf

YOUNG WORKING POPULATION

The workforce in India between the ages of 20-35 is roughly 150m (excluding those in formal education or otherwise not economically active). This is a large number spread across the whole economy, which includes agriculture through to advanced manufacturing. The educational background of this group is varied, as can be seen Table 3.

The aspiration of the workers varies significantly as also financial ability to self-fund training. There are a significant number of large employers who invest in training of their workforce and a reasonable percentage willing and able to fund their own training. Professional qualifications play an increasingly significant role in this sector, for both corporates and individuals. This includes cross sector skills like leadership and management and industry-specific qualifications like accountancy. English language is still an important skill for promotion and client-facing roles across many industries¹⁷. More information about the key industries and growth sectors in India is included in the next section.

CHANGING PATTERNS OF EMPLOYMENT IN INDIA

Economic Growth Projections

- India is among the fastest growing economies of the world
- India is projected to achieve its highest annual GDP growth rate of 7.9 percent over the next 8 years, overtaking China.¹⁸

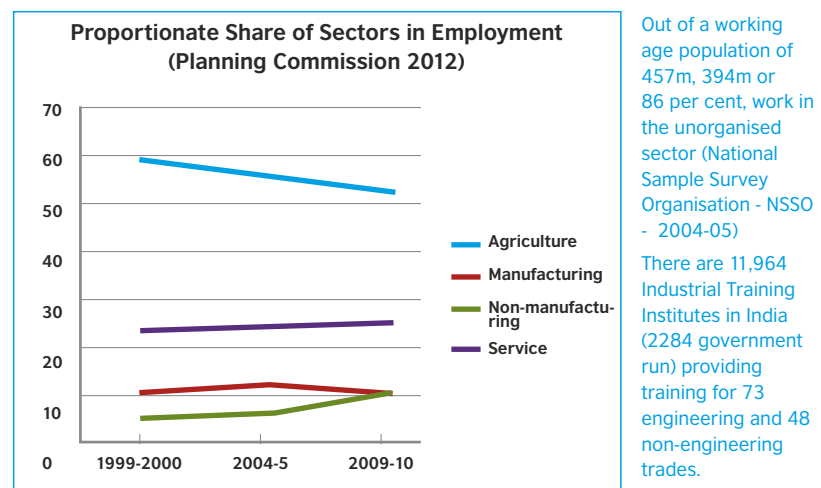
This growth rate will be sustained by several 'high-growth' sectors identified by the NSDC.

India's economy has changed significantly in the last 20 years as can be seen in Figure 4. The general trend is towards the Service sector, which includes the IT sector, while the biggest rise has actually been in the construction sector (identified by the Planning Commission as non-manufacturing). In an effort to sustain

Table 3
PERCENTAGE OF WORKFORCE BY EDUCATIONAL LEVEL

Highest level of educational attainment	% of workforce
Illiterate	21%
Literate but below matric/secondary	42%
Matric/secondary but below graduate	25%
Technical diploma or certificate not equal to degree	1%
Graduate and above other than technical degree	9%
Technical degree or diploma equal to degree or post-graduate degree	2%

Figure 4
CHANGING PATTERNS OF EMPLOYMENT IN INDIA



and increase current growth rates, the current government has started initiatives to boost high value sectors, like *Make In India* for manufacturing and high employment through Startup India, in recognition of the vital role of India's unorganised sector, which makes up 69 per cent of the economy.

HIGH-GROWTH SECTORS AND MANPOWER REQUIREMENTS

It is estimated that 109.73 million additional skilled individuals will be required across 22 key sectors by 2022. Manufacturing would roughly contribute towards half of these additional jobs.

1. Auto and Auto Components;
2. Building and Construction;
3. Real Estate Services;
4. Electronics and IT Hardware;
5. Media and Entertainment;
6. Food Processing;
7. Gems and Jewellery;
8. Healthcare;
9. Textiles;
10. Agriculture;
11. Apparel;
12. Beauty and Wellness;
13. Capital Goods;
14. IT and ITeS;
15. Leather;
16. Mining;
17. Plumbing;
18. Rubber;
19. Tourism and Hospitality;

17. More information can be found in the ELT Market Report at the following link: www.gov.uk/government/uploads/system/uploads/attachment_data/file/211231/2013_01_FINAL_ELT_Report.pdf
 18. Source: Outcomes of a Harvard study done by the Centre for International Development in 2015; articles.economicstimes.indiatimes.com/2015-12-22/news/69237644_1_fastest-growing-economy-global-economic-growth-growth-rat

Figure 5
ILLUSTRATIVE HUMAN RESOURCE REQUIREMENTS ACROSS SELECT SECTORS TILL 2022 (IN MILLION)¹⁹

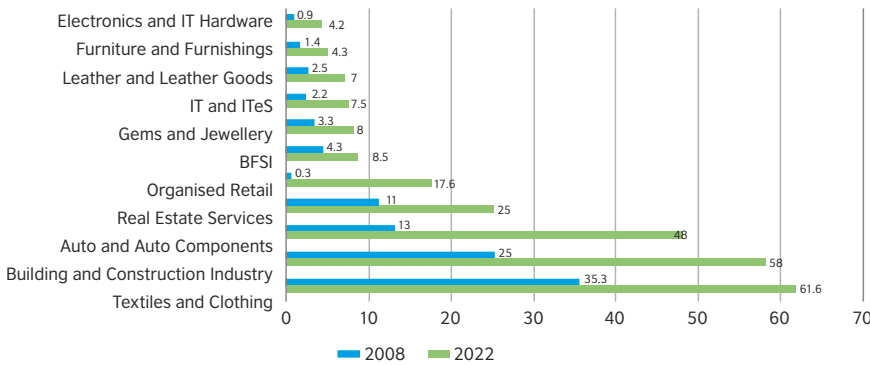


Figure 5 illustrates that, for example, in the Building and Construction sector, the requirement of skilled manpower was 25 million in 2008. However, by 2022, this requirement will shoot up to 58 million. Similar is the estimated manpower requirements in various other sectors.

- 20. Telecom;
- 21. Security;
- 22. Mining.

Figure 5 shows the stunning growth rate that some sectors are expected to achieve.

The building and construction sector, where the demand for workforce is expected to be 58 million by 2022, largely consists of the unorganised workforce relying mostly on migrant population of daily wage earning labourers. Formalising the sector and improving the skills of the workforce is a high priority, but it will take time to establish the change and can pose a challenge for international collaborations²⁰.

Other high growth sectors, where employment is more organised, may also provide a good platform for engagement. The incredible growth of organised retail from 0.3 million to 17.6 million is very evident in India's rapidly changing cities. The growth of shopping malls is a familiar phenomenon and an area of strength of the UK's skill sector. Equally, auto repair and auto manufacturing is a sector that is growing in both countries and where the UK has deep roots in skill development.

Before moving on to look at the geographical spread of employment generation in India, it is important to reflect on the drivers of skill development. While growing sectors will



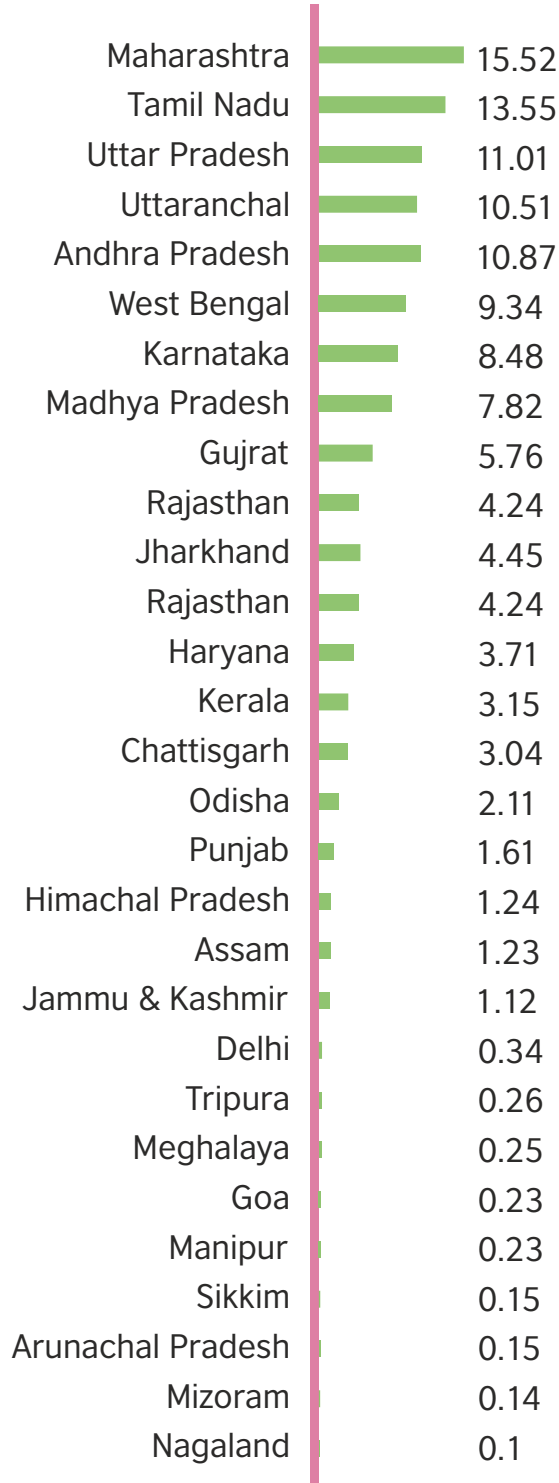
19. Source: National Skill Development Corporation

20. Source: www.bangalorebest.com/bengaluru-is-the-manufacturing-hub-for-luxury-brands-like-ralph-lauren-burberry-cavalli-georgio-armani-hugo-boss/

demand new skills, established sectors undergoing transformation will also require new skills. India is still a largely agricultural economy, which is fundamental to sustain the nation. The sector itself is undergoing transformation and this is also driving a significant demand for new skills and large scale skilling programmes²¹. All these sectors have the support of the 40 Sector Skills Councils (SSCs)²². While there is a demand for high level skills, there is also a growing number of sector specific higher education institutes, such as the growth of Agricultural Universities²³, both of which could act as partners for international collaborations.

Figure 6
INCREMENTAL HUMAN RESOURCE REQUIREMENT BY STATES FROM 2012-2022²⁴

Top 5 States Account for 50 per cent of the Incremental Requirements of the Country



The table shows that states like Uttar Pradesh, Uttarakhand, Maharashtra, Andhra Pradesh, Telengana and Tamil Nadu would require anywhere between 10-16 million skilled manpower between the year 2012-2022 to drive the growth of its economy.

21. More information available in the report on 'Human Resource and Skill Requirements in the Agriculture Sector' available at www.nsdindia.org/sites/default/files/files/Agriculture.pdf
 22. List of SSCs available at www.nsdindia.org/sites/default/files/files/Contact-Details-SSC.pdf
 23. www.university.careers360.com/articles/top-agricultural-universities-in-india-2016
 24. Source: National Skill Development Corporation

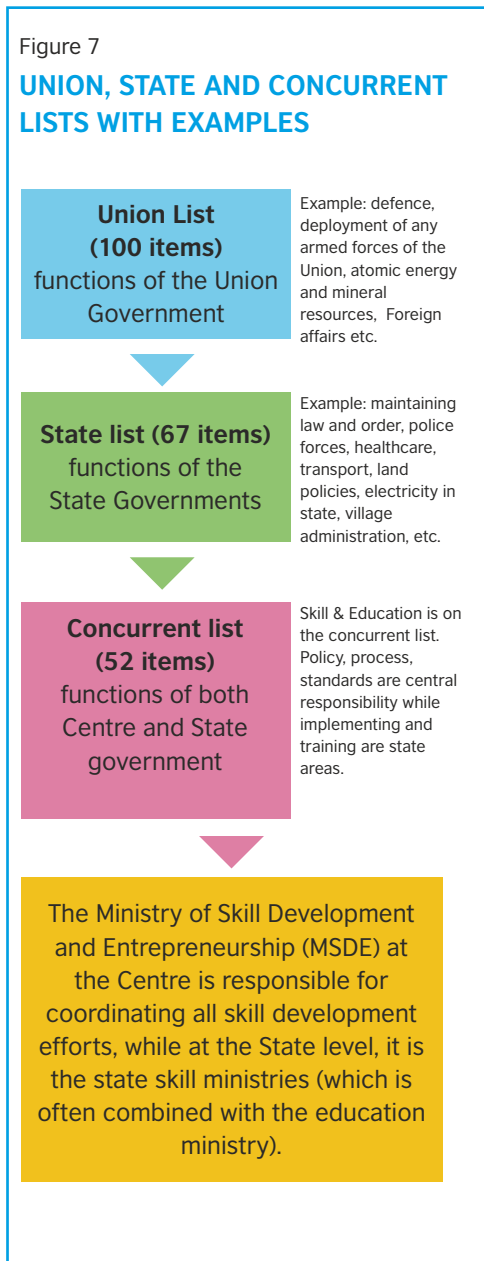
CHAPTER 3

SKILLS STRUCTURE IN INDIA

This chapter focuses on listing out some of the major organisations that offer different aspects of skill development (training, curriculum, assessment and certification) in India.

GOVERNANCE: UNION AND STATE RESPONSIBILITIES

As a federal country, the Constitution of India defines the distribution of responsibilities for key policy areas by creating three lists:



In the Skills Sector, there is a mix of Central Schemes, designed and funded centrally, with some front line support from the states. Two significant central schemes are Pradhan Mantri Kaushal Vikas Yojana (PMKVY) under the Ministry of Skills Development and Entrepreneurship, and Deen Dayal Upadhyaya Grameen Kaushalya

Yojana (DDU-GKY) under the Ministry of Rural Development. Both schemes engage private training providers to create courses developed by Sector Skills Councils. These courses are based on National Occupational Standards (NOS) and Qualification Packs (QPs).

Figure 8
PRADHAN MANTRI KAUSHAL VIKAS YOJANA (PMKVY)

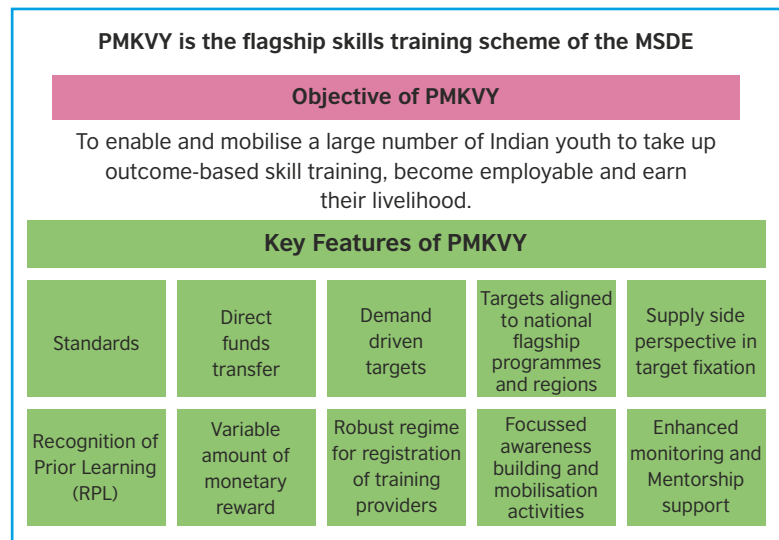
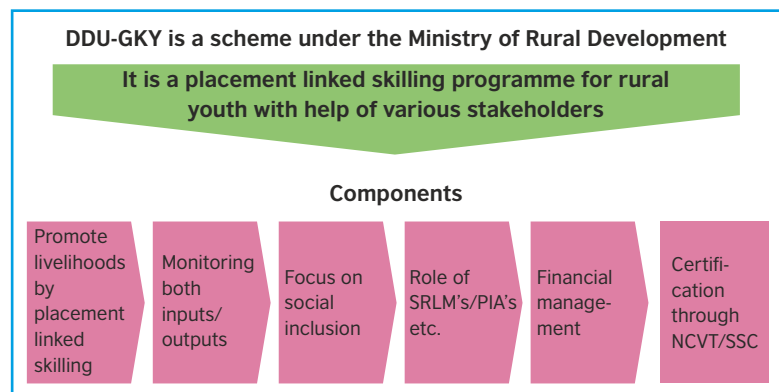
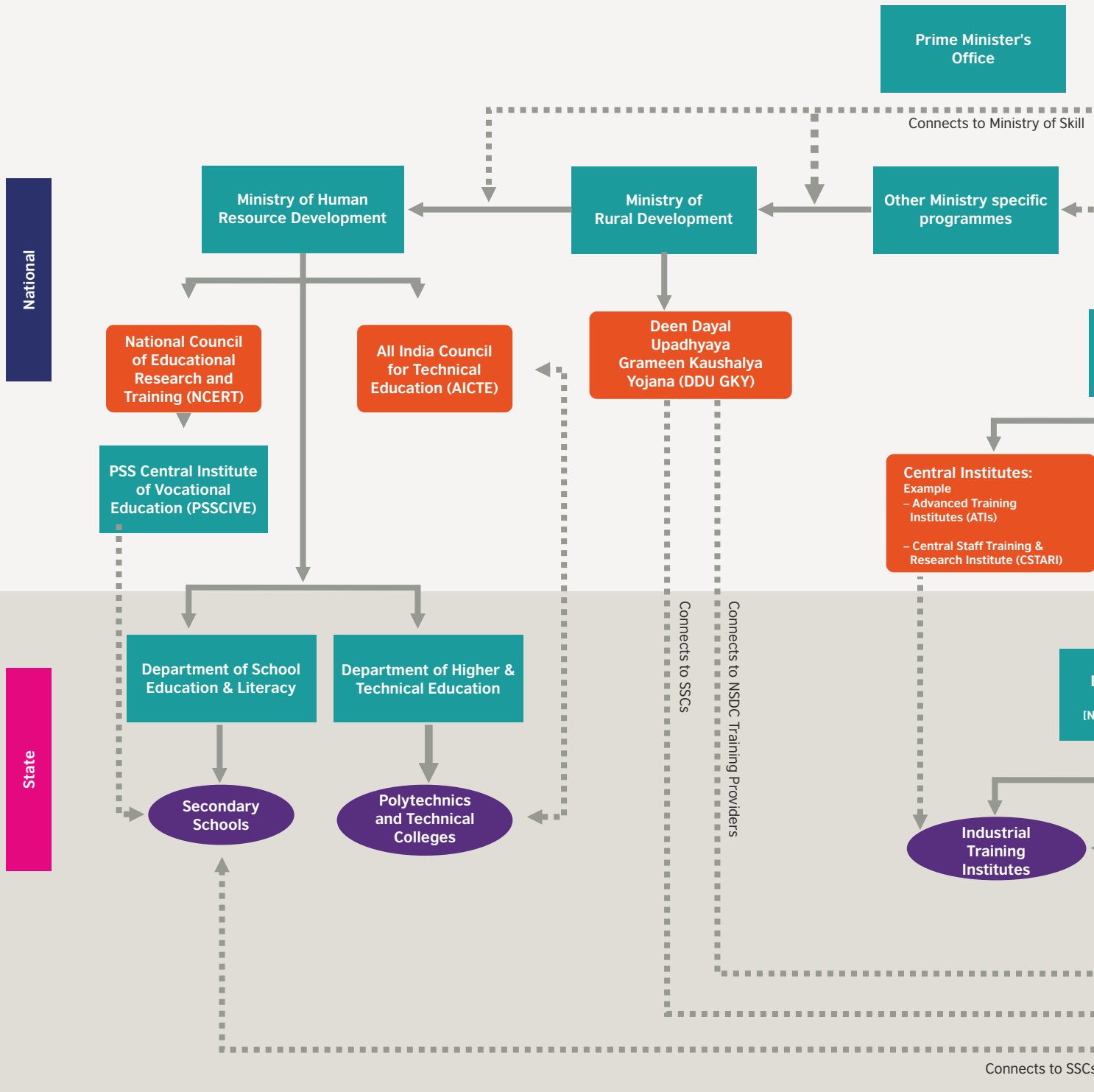


Figure 9
DEEN DAYAL UPADHYAYA GRAMIN KAUSHALYA YOJANA (DDU-GKY)

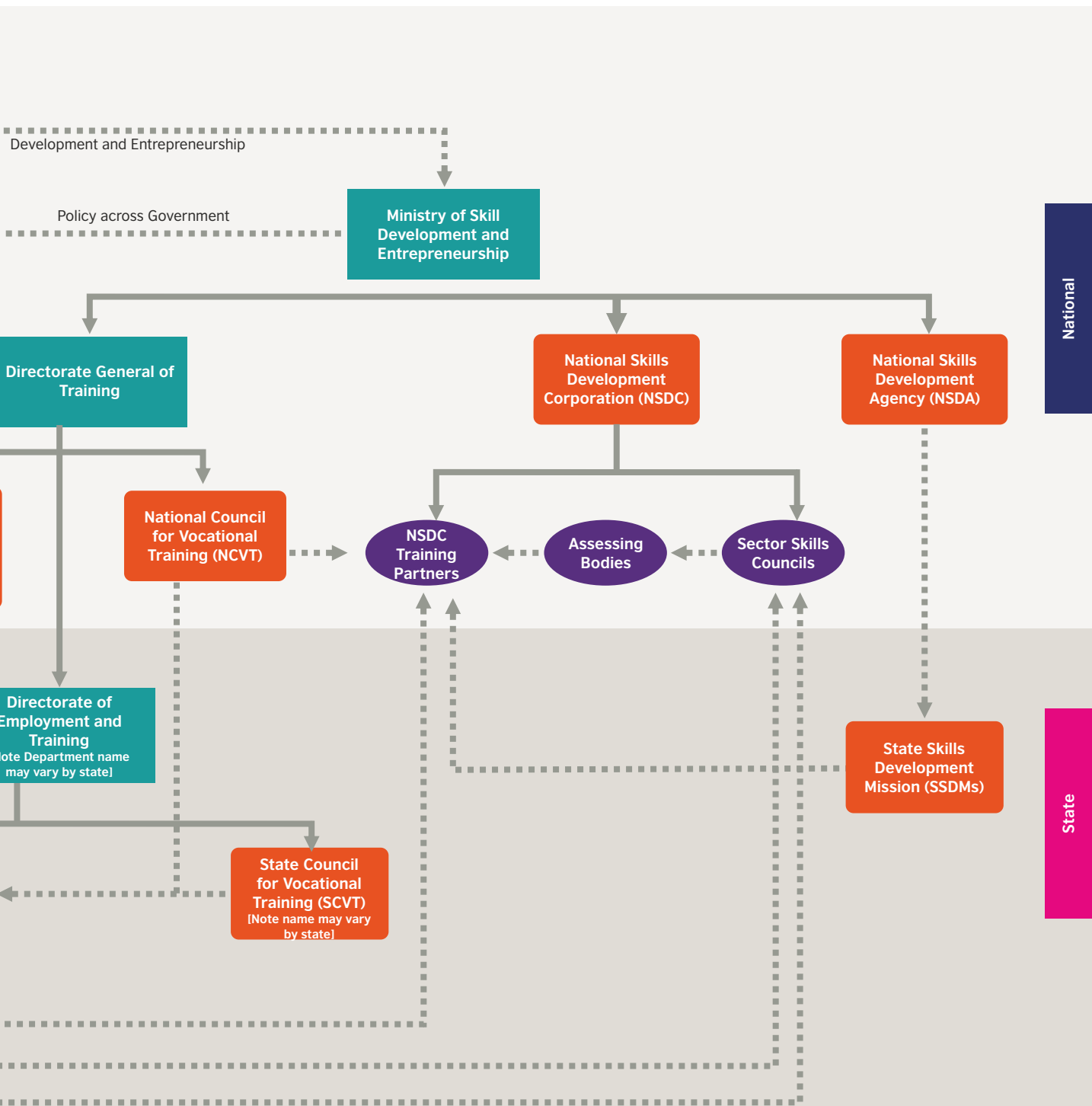


OVERVIEW OF KEY GOVERNMENT STAKEHOLDERS IN SKILLS SECTOR



Key





SECTOR SKILL COUNCILS - INDIA

Security	Automotive	Retail Associations	IT-ITeS	Media & Entertainment	Games & Jewelry	Leather	Telecom	Rubber	Indian Plumbing
Agriculture	Capital Goods	Electronics	Construction	Healthcare	Apparel & Furnishing	Life Sciences	Power	Mining	Beauty & Wellness
Iron & Steel	Handicrafts & Carpets	Logistics	BFSI	Tourism & Hospitality	Textiles & Handicrafts	Earth Moving & Infra.	Food Processing	Furniture and Fitting	Sports
Green Jobs	SSC for PWD	Oil & Gas	Aviation & Aerospace	Education	Domestic Worker	Management & Entrep.	Chemical	Paint & Coating	Strategic Manufacturing

Two examples of state-level responsibilities are the management of Industrial Training Institutes (ITIs), which impart skill trainings to students, and the State Skill Development Missions, which are responsible for integrating various skill development efforts within the states.

Industrial Training Institutes (ITI)

ITIs are managed by the Directorate General for Training, who funds and oversees the National Council for Vocational Training (NCVT) and a network of Central Institutions that build the capacity and the curriculum for the network of ITIs. Individual ITIs in turn, are funded and managed by the state government. There is scope for state-level certification through the State Council for Vocational Training, but this is not widely utilised.

State Skill Development Missions (SSDM)

State Skill Development Missions are fully devolved to the states. They have flexibility to develop programmes for their state. Many follow a similar model to the central initiatives by engaging private training organisations to provide training to priority learners. Most programmes align the certification of their programmes to SSCs or the NCVT.

BROAD CLASSIFICATION OF DELIVERY AGENTS FOR SKILL DEVELOPMENT

There are five major pillars for skills training in India.

- Directorate General for Training
- NSDC affiliated organisations
- AICTE affiliated organisations
- Senior secondary schools
- Private unaided training providers

Some statistics relating to the above mentioned pillars can be seen in Figure 10. The fifth pillar—the private unaided training sector, as in all countries, is probably the largest and hardest to quantify. It is not reliant on any source of public funding and is largely unregulated and unmapped.

We will start with an overview of training providers and certification bodies, which are common to all five pillars. We will then have a look at groups of organisations that are unique to one or more pillars, including capacity building organisations, assessment bodies and apprenticeship boards.

Figure 10
SOME STATISTICS

Directorate General for Training

- 11, 964 Industrial Training Institutes in India
 - > 9680: privately run
 - > 2284: government run

NSDC affiliated organisations

- 267 affiliated training centre

AICTE affiliated institutions

- 1,910 polytechnics

Senior secondary schools

- 70,700 overall
 - > 24,062 government
 - > 19,816 private aided
 - > 26,892 private unaided

Private unaided training providers

- No reliable data available

MORE STATISTICS

Ministry of Skill Development and Entrepreneurship has

1386 Qualification Packs

6,744 unique National Occupational Standards (NOS)



TRAINING ORGANISATIONS

As in all sectors of education, there are three broad groups of training providers:

- government managed and funded organisations;
- privately managed and government funded (aided) organisations; and
- privately funded and managed organisations.

Industrial Training Institutes (ITIs)

are the most numerous of the dedicated TVET institutions. They formally started in the late 1960s and are funded at a state level. These institutions generally provide the Craftsmen Training Scheme (CTS), which is certificated by the National Council for Vocational Training (NCVT). The CTS scheme is made up of 12 year courses, depending on the trade and generally targets students who have passed 12th Standard (A-levels) or 10th Standard (GCSEs), depending on the trade. CTS has great brand visibility among employers, learners and parents, though there is concern about how up to date the courses are from an industry perspective. The ability to innovate curriculum in order to respond to employer demands is limited by formal theoretical assessments and by the lack of modern infrastructure and equipments.

ITIs are also able to deliver short course skills training through the Skill Development Initiative Modular Employability Scheme (SDI MES), which is also certified by the NCVT. There is a greater diversity of courses under this scheme and is more responsive to industry needs though the depth of training is limited compared to the CTS.

SDI MES was initiated in 2009 and there are 91 sectors²⁵ in which courses are currently available. Convergence through the NSQF may also upgrade these courses to align to industry standards. SDI MES courses, alongside courses developed by SSCs, are generally the two certification schemes preferred by the State Skill Development Missions.

Government-run ITIs are generally larger and run a number of trades, as well as SDI MES courses. There are

approximately 126 trades offered through CTS and can be broken down as follows:

- 73 engineering courses like diploma in Chemical Engineering, Civil Engineering and Instrumentation & Control
- 48 non-engineering courses like MSc, BBA, and MCA
- 5 courses exclusively for the visually impaired, such as courses in metal cutting attendant.

The largest of ITIs cater to around 2000 students. Compared to UK colleges, they are relatively small and to engage with them individually from an international perspective would pose a challenge. Teacher training and capacity building for ITIs is supported by a network of Central and state-level institutions (more details given below), which would provide a more strategic platform for engagement. Such an engagement would be best initiated through the Central or State Government.

Polytechnics form the next largest group of institutions. These institutions target higher level skills and are generally considered to be part of the higher education sector. They are funded and regulated by the All India Council of Technical Education (AICTE) and supervised at the state level by the Directorate of Technical Education. Polytechnics, including specialist institutions, such as Nursing Colleges or dedicated institutions for women, are a mix of public and private institutions. They offer three-year Diploma programmes on a wide range of technical subjects, from bio-technology to jewellery designing.

CERTIFICATION BODIES

Government funded programmes

India has recently introduced the National Skills Qualification Framework (NSQF). The framework will unify the norms for certification for all government-funded training programmes delivered by public and private training bodies. Three types of organisations currently provide certificates for these schemes:

- National Council for Vocational Training (NCVT) (awards National

Trade Certificates)

- All India Council for Technical Education (AICTE) (awards Diplomas)
- Sector Skill Council (awards Sector Specific Certificates)

The first two organisations are national certification boards that cover multiple subjects. Sector Skills Councils are sector specific. In the 2016 Budget announcement, a new National Board for Skill Development Certification has been proposed, which is likely to unify the certification currently issued by NCVT and Sector Skills Councils.

Privately-funded

As in the UK, there is a regulatory framework for privately-funded certification. As such, the variety of certification is limitless and includes professional and language qualifications. There are a number of high profile national and international certificates, which rely on brand and reputation for currency, with a high visibility in India. A number of international certificates have been integrated into programmes offered by the traditional TVET institutions and universities through the alignment of curriculum and a separate fee paid directly by the student. In the technical sector, CISCO is a good example of an international certificate that falls into this category. In the higher education space, the Association of Chartered Certified Accountants (ACCA) is a common example.

CAPACITY BUILDING

Traditional TVET institutions and schools are supported through a network of capacity building institutions that support curriculum development and faculty training. The institutions generally align to the certifying body.

For NCVT certified courses, there is a network of 30 Central institutes²⁶. The most prominent institution in this sector is the Central Staff Training & Research Institute (CSTARI) in Kolkata, though there are a number of Advanced Training Institutes (ATIs) and increasing state level faculty training

25. List if sectors and courses are available at sdis.gov.in/SDI/frmViewSectorsCourses.aspx

26. List available at www.dget.nic.in/content/institute/central--institutions.php

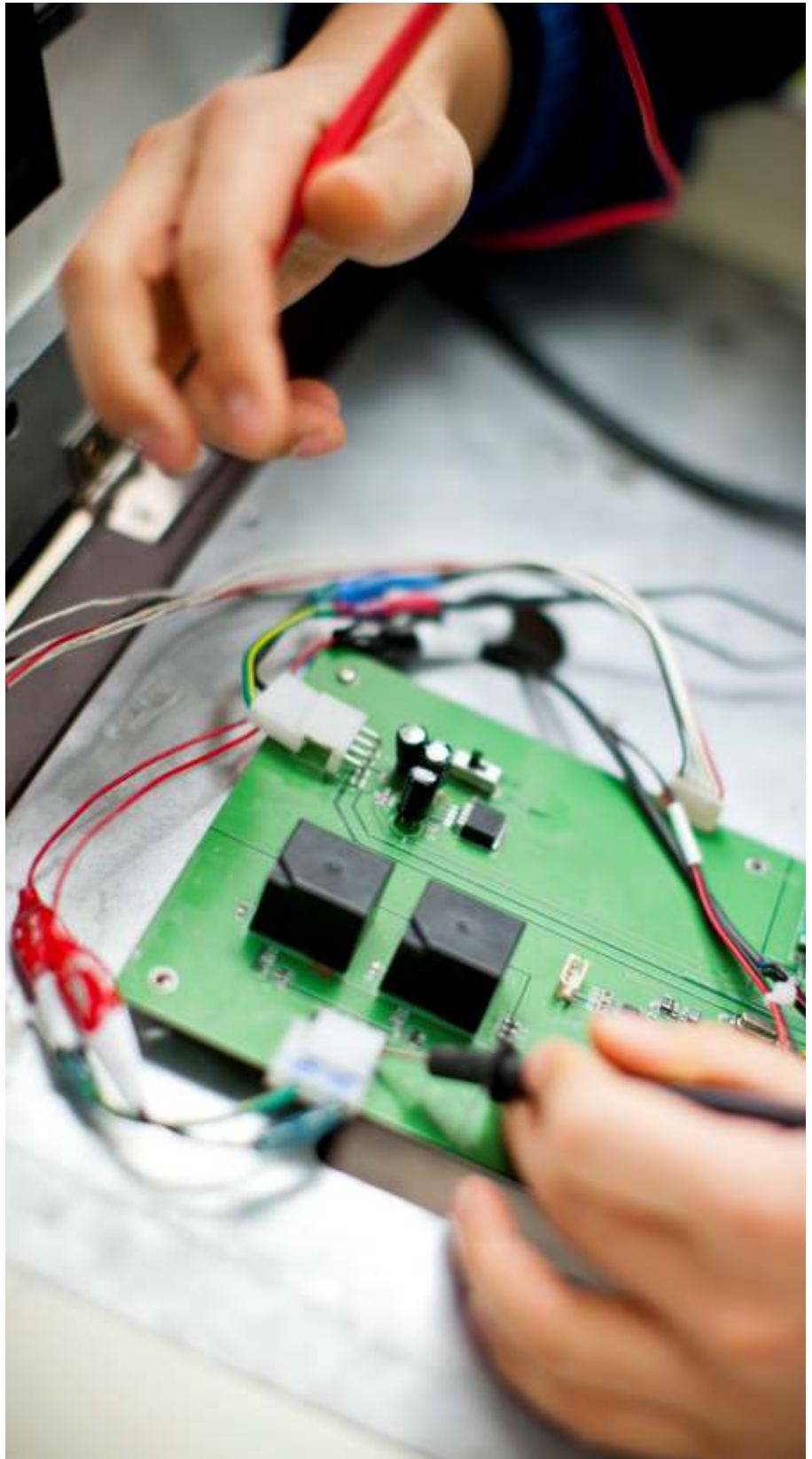
institutes to provide greater access to training.

Support is provided to schools through the Pandit Sunderlal Sharma Central Institute of Vocational Education (PSSCIVE), which is a specialist institution in the National Council Of Educational Research And Training (NCERT). The organisation recently developed a NSQF Cell, which supports the introduction of competence-based qualifications in schools that work closely with SSCs. The NSQF Cells provides advice to the Ministry of Human Resource Development (MHRD) and supports the development of curriculum and faculty training.

In addition to certificates, Sector Skills Council is responsible for developing the National Occupation Standards (NOS), that represent industry norms for competence, as well as Qualification Packs (QP) that bring these together into a coherent training programme. SSCs also provide faculty training for their affiliated partners.

ASSESSMENT BODIES

Assessment Bodies are relatively unique in India. A significant percentage of assessments for the National Boards (NCVT and AICTE) are delivered by them through state-level government agencies. However, with the introduction of the SDI-MES scheme in 2009, additional capacity was required to deliver assessments for the increased number of short courses. Assessment bodies are private assessment agencies that will often have existing business in the privately-funded training sector. In order to assess under the SDI-MES, suitably qualified bodies had to be recognised by the NCVT. As SSCs started to establish and issued their first NOS and QPs, a similar exercise was undertaken to deliver assessment through suitably qualified assessment bodies.²⁷



APPRENTICESHIPS

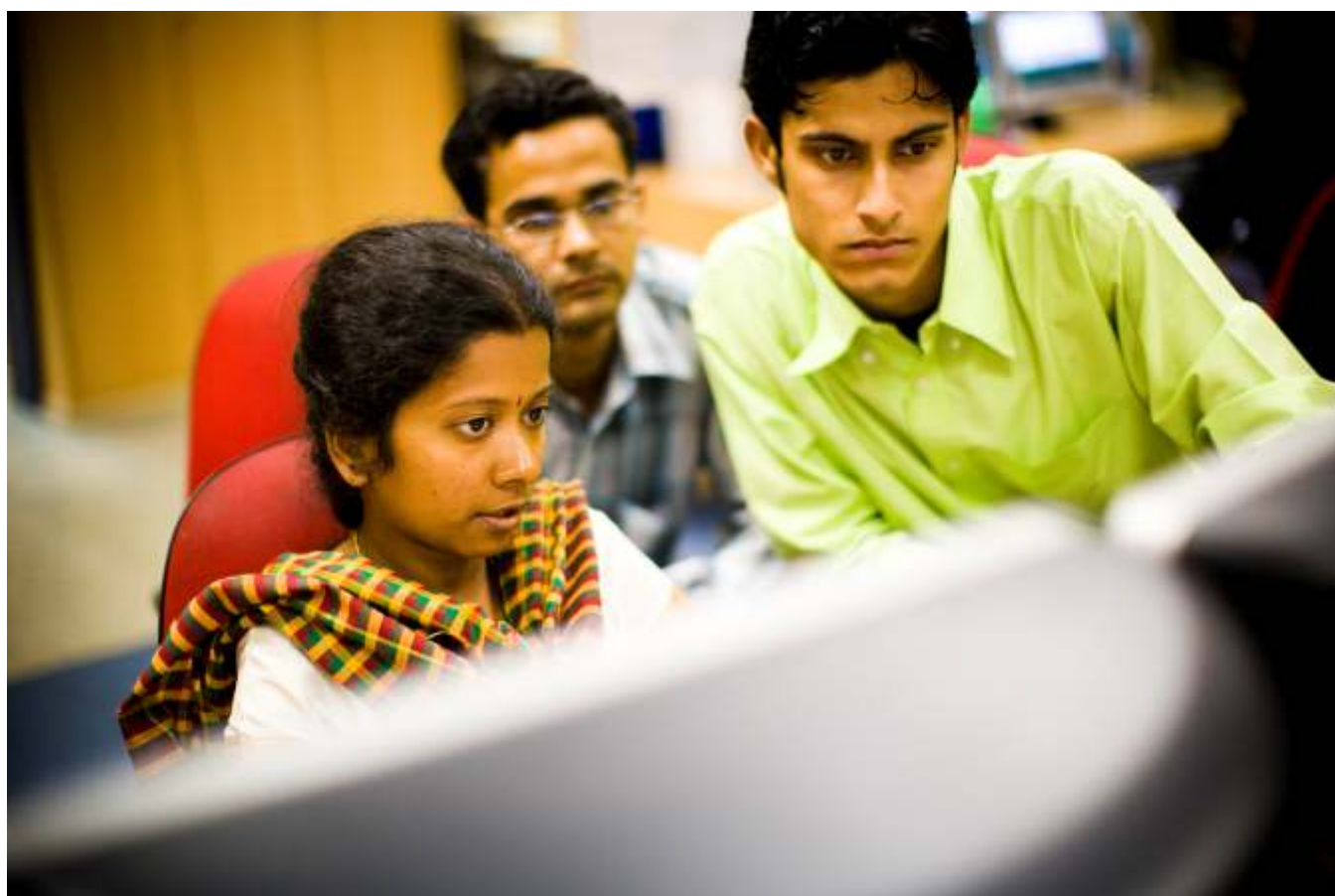
Apprenticeships are defined under the

27. Report on assessment bodies can be found at www.britishcouncil.in/sites/default/files/ilo_british_council_skill_assessment_in_india.pdf

original Apprenticeship Act in 1961. This act has been amended a number of times, most recently in 2014. Two parallel schemes operate under the principal ministries. Trade apprentices are governed by the Apprenticeship Training Scheme, under the Directorate of Training and implemented through six Regional Directorates of Apprenticeship Training (RDATs) located at Kolkata, Mumbai, Chennai, Hyderabad, Kanpur and Faridabad. Higher Level Apprenticeships are the responsibility of the Ministry of Human Resource Development and are

implemented by four regional Boards of Apprenticeship Training (BOAT) (Mumbai, Chennai, Kanpur and Kolkata). Unlike the Apprenticeship system in the UK, the costs of the scheme are borne wholly by the employer, including training costs. The development and delivery of training is driven primarily by the employer in line with legislation. Though this approach fragments the delivery of the scheme, it is needed because apprenticeship must be very closely aligned to employers' specific needs.

Recent significant changes have been made to the Apprenticeship Training Scheme (ATS) that can benefit UK companies based in India. The most notable is the National Apprenticeship Promotion Scheme, under which 25% of the stipend for apprentices will be reimbursed to the firm hiring apprentices. This initiative seeks to scale up apprenticeship training. This along with the recent amendments to the Apprentices Act could play an important role in scaling up apprenticeship training.



INDUSTRY BODIES

Industry bodies play a unique and extensive role in the Skills sector in India. Not only do they represent Industry from a policy perspective, but they also play an active part in the Skills sector. The three main industry bodies that are most active in the Skills sector are the Confederation of Indian Industries (CII), Federation of Indian Chambers of Commerce & Industry (FICCI) and The Associated Chambers

of Commerce & Industry of India (ASSOCHAM).

All three are involved in research in the sector and the first two hold National Annual events that brings together industry, Training providers and Government officials. All three also play an active role in the delivery of skills training, which includes housing Sector Skills Councils, acting as an assessing bodies and direct training. More information on their specific activities

in the skills sector can be found by following the link below:

- CII Skills: <http://ciiskills.in/>
- FICCI Skill Development Forum: www.ficciskillforum.org/about-us/index.html
- ASSOCHAM Skill Development Centre: www.assocham.org/defaultpage.php?pageld=43

CHAPTER 4

POLICY INITIATIVES

This chapter provides an overview of key policy initiatives that have been instrumental in promoting and scaling up of skill development in India. These include the setting up of the Ministry of Skill Development and Entrepreneurship, The National Policy on Skill Development and Entrepreneurship and the most recent Union Budget of 2016-17.

The creation of the Ministry of Skill Development and Entrepreneurship (MSDE) in 2014 was both a significant statement of intent as well as a strong and unified driver for policy in the Skills Sector. A summary of the functions are given below.

SKILLS MINISTRY BROUGHT TO LIFE

Functions of MSDE:

- coordinate with stakeholders for bringing together skill development initiatives
- bridge the huge disconnect between demand and supply of skilled manpower
- create enabling policies for all other ministries in line with the market demand
- expand entrepreneurship education
- operationalise policies for soft skills, computer education
- promote public-private partnerships in skilling
- promote industry-institute linkages
- promote market research and create training curriculum
- assess and certify existing skills.

The National Policy on Skill Development and Entrepreneurship (NPSDE) 2015 was published after extensive consultation and the 2016 Budget illustrates the focus and direction of the government's policy in Skills, including the announcement of a new National Board for Skill

Figure 11

NATIONAL POLICY FOR SKILL DEVELOPMENT AND ENTREPRENEURSHIP



Development Certification which will be set up in partnership with the industry and academia.

THE NATIONAL POLICY ON SKILL DEVELOPMENT AND ENTREPRENEURSHIP WAS RELEASED IN 2015

Global partnerships have been listed as one of the major enablers to achieve the objectives of the policy. Key

highlights in the policy that promote international collaborations are listed below:

- one of the mission statements of the policy is to promote certification and assessment in alignment with global and national standards; the Quality Assurance (QA) framework will seek to promote certifying agencies that can ensure national and international recognition of outcomes certified
- the policy seeks to operationalise a well-defined quality assurance

framework aligned with global standards to facilitate mobility of labour

- the National Skills Qualifications Framework will be aligned to globally recognised qualification frameworks for ensuring quality and uniformity; consequently, transnational standards will be created for sectors where there is an opportunity for international workforce mobility
- to address the aspect of skill mobility, the government will proactively build Human Resource Mobility Partnerships (HRMP) with key countries in collaboration with the concerned parties.

In April 2016, the MSDE along with NSDC and UKIERI announced the launch of 'Transnational Skill Standards in India'. These standards have been benchmarked to the United Kingdom across 82 identified job roles, that is, 15 Indian SSCs have benchmarked 82 job roles with 11 SSCs of UK and prepared these standards.²⁸

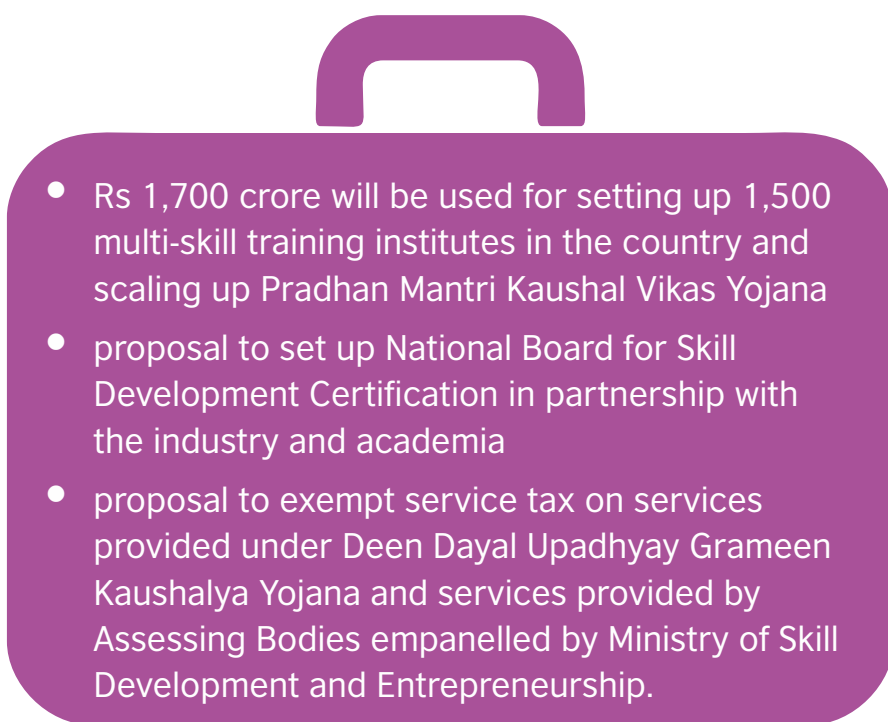
Marking the first anniversary of the 'Skill India' initiative on the occasion of World Youth Skills Day on 15 July 2016, MSDE launched 15 **India International Skill Centers (IISC)** across the country, which will support the youth in getting foreign placement. The states where these centres have been setup include Uttar Pradesh, Kerala, Jharkhand, Bihar, Andhra Pradesh/Telangana, West Bengal, Maharashtra, Punjab and Rajasthan.

IISCs are envisaged to provide complete training and certification programmes to youth intending to migrate overseas for work.

Also launched on the same day were: Pradhan Mantri Kaushal Vikas Yojana 2.0, which aims to train over 1 crore youth over the next three years; India Skills Online (www.skillindia.gov.in); and Labour Management Information System (LMIS).²⁹

Figure 12

2016-17: UNION BUDGET AND HIGHLIGHTS FOR SKILL INDIA



28. Source: imesofindia.indiatimes.com/city/delhi/India-launches-skill-standards-which-have-global-recognition-benchmarks-them-to-UK-Standards/articleshow/51699462.cms

29. Source: economictimes.indiatimes.com/articleshow/53252497.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst.

CHAPTER 5

UK ENGAGEMENT

This chapter:

- summarises some of the opportunities for collaborations that exist between the UK and India in the skills domain
- lists out options for strategic support that can be explored by training providers
- concludes with a list of UK-based organisations operating in India with the aim of promoting skill development.

STRATEGIC SUPPORT

Training providers in the UK can explore possibilities of funding their skill development partnerships through the following:

UK India Education Research Initiative (UKIERI):

- UKIERI is funded and supported from the UK by Department for Business, Energy and Industrial Strategy, Foreign and Commonwealth Office, British Council, Scottish Government, Department for the Economy and Welsh Government; and from India by Ministry of Human Resource Development, Department for Science and Technology, Ministry of Skill Development and Entrepreneurship, University Grants Commission and All India Council for Technical Education.
- It facilitates partnerships between UK and Indian awarding bodies, colleges, SSCs, industry and training delivery organisations focussing on:
 - a) Development of highly skilled teachers/trainers using latest pedagogical methods and equipped to deliver industry-relevant training
 - b) Engagement with industry and employers leading to apprenticeships

- c) Programmes that meet the objectives of Indian SSCs and Community colleges
- d) Programmes for enhancing leadership and management skills for institutional capacity building
- e) Programmes enhancing skills for employability and entrepreneurship
- f) Collaborations to support centres of excellence
- g) Activities aimed at employer engagement, employability and entrepreneurship.

For more information on UKIERI and the latest call for proposals please visit the website: www.ukieri.org.

National Skills Development Corporation:

- Loans for NSDC partners for skill development and training in (although not limited to) the 22 priority sectors listed by them³⁰.

MARKETS

- **Individuals Seeking International Training and Qualifications**
 - A large number of trainings are undertaken by private individuals and funded directly by them. This population is largely constituted

by the 68 million graduates in India who would be willing to pay a fee to gain additional employability skills.

- A large number of Indians are also looking for international qualifications that can enable them to work internationally and are, therefore, willing to pay registration and examination fee. According to the survey conducted by the UN Department of Economic and Social Affairs (DESA), India's population living abroad is the largest in the world, with 16 million people living outside the country in 2015³¹.

• Consultancy

- Knowledge partner for new centres, for example setting up of 1500 multi-skill training institutes, and also for the National Skills Universities and institutes which will be promoted in partnership with the States as centres of excellence for skill development.
- Master Trainer programmes for established institutions in both training and assessment.

• Corporate Social Responsibility (CSR)

- Rs. 6,338 crore was spent on CSR

30. More details on funding from NSDC is available at www.nsdcindia.org/funding

31. http://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/MigrationReport2015_Highlights.pdf

32. According to data from the Ministry of Corporate Affairs (MCA);

www.livemint.com/Politics/J8c8u8zoCk7rFfdPc3HYoO/Union-Budget-201617-Education-and-skill-development-may-at.html

33. The World Bank Enterprise Surveys 2014

by 460 companies in Financial Year 2015

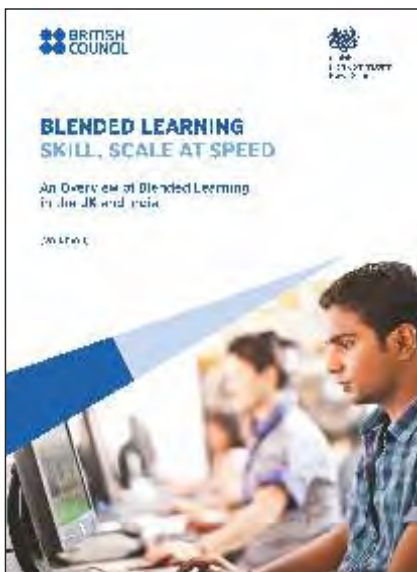
- Education and skill development attracted 23 per cent of the CSR spending³²
- Company trainings
 - 35.9 per cent of firms in India offer formal training programmes for its permanent and full-time employees³³

RESEARCH ON OPPORTUNITIES TO PARTNER IN INDIA

Research has been one of the key focuses of MSDE and the Ministry, through the National Skills Research Division, seeking to generate technical and research support for their skills development work in India.

More case studies and details of possible opportunities for skill

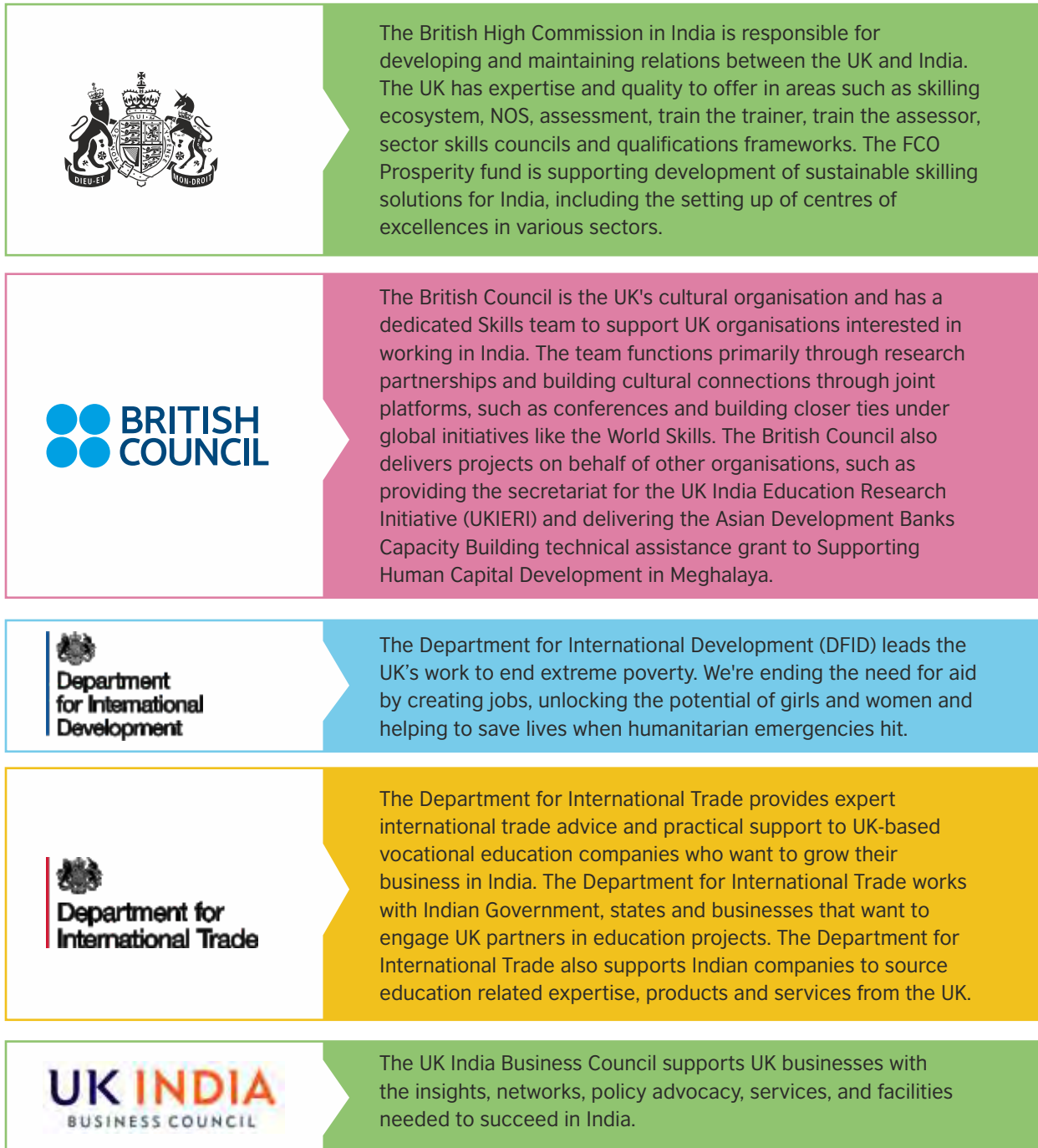
development partnerships for UK stakeholders in India can be found in the report ***Skill Development landscape in India: A perspective for foreign service providers***³⁴



34. Report available at: www.ukieri.org/images/pdf/UKIERI-Report-Final-Version-3rd-November-2015.pdf Or can be downloaded from: www.ukieri.org

Figure 13

ROLE OF UK ORGANISATIONS



BRITISH COUNCIL

British Council creates international opportunities for the people of the UK and other countries and builds trust between them worldwide. We are a Royal Charter charity, established as the UK's international organisation for educational opportunities and cultural relations.

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For more information, please visit: www.britishcouncil.org. You can also keep in touch with the British Council through twitter.com/britishcouncil and <http://blog.britishcouncil.org>.





GAMES DEVELOPMENT

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ANNEXURE

LIST OF ABBREVIATIONS

ATI: Advanced Training Institute	MoLE: Ministry of Labour and Employment	PSSCIVE: Pandit Sunderlal Sharma Central Institute of Vocational Education
AICTE: All India Council for Technical Education	MoRD: Ministry of Rural Development	QCI: Quality Council of India
AITT: All India Trade Test	MSDE: Ministry of Skill Development and Entrepreneurship	QP: Qualification Pack
AHI: Apex Hi-Tech Institute	MSME: Ministry of Micro Small and Medium Enterprises	RVTI: Regional Vocational Training Institute for Women
ASSOCHAM: Associated Chambers of Commerce of India	NPSDE 2015: National Policy on Skill Development and Entrepreneurship 2015	RMSA: Rashtriya Madhyamik Siksha Abhijan
ATS: Apprenticeship Training Scheme	NCERT: National Council for Education Research and Training	RPL: Recognition of Prior Learning
CSR: Corporate Social Responsibility	NCVT: National Council for Vocational Training	SSC : Sector Skills Council
CSTARI: Central Staff Training & Research Institute	NIMI: National Instructional Media Institute	TTTI: Technical Teachers Training Institutes
CTI: Central Training Institute for Instructors	NOS: National Occupational Standards	TVET: Technical and Vocational Education and Training
CII: Confederation of Indian Industries	NPE: National Policy on Education	
CTS: Craftsmen Training Scheme	NSDA: National Skill Development Agency	
DDU GKY: Deen Dayal Upadhyaya Grameen Kaushalya Yojana	NSDC: National Skill Development Corporation	
DGT: Directorate General of Training	NSDF: National Skill Development Fund	
FICCI: Federation of Indian Chambers of Commerce and Industry	NSDCB: National Skill Development Certification Board	
FTIs: Foremen Training Institutes	NSQF: National Skills Qualification Framework	
GDP: Gross Domestic Product	NSRD: National Skills Research Division	
ITI: Industrial Training Institute	NVTI: National Vocational Training Institute for Women	
LMIS: Labour Market Information System	PMKVY: Pradhan Mantri Kaushal Vikas Yojana	
MES-SDI: Modular Employable Skills under Skill Development Initiative scheme		
MHRD: Ministry of Human Resource Development		

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