

PRODUCTION / MANUFACTURING ENGINEERING

(Few related details & opportunities: Make in India & Skill India initiatives)

Manufacturing is currently emerging as one of the high growth sectors in India. Government of India (GOI) has launched the 'Make in India' program to place India on the world map as a manufacturing hub and bring in global recognition to the Indian economy.

The GOI has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of Gross Domestic Product (GDP) by 2022, from the current 16 per cent.

MARKET SIZE

It is known that, India's manufacturing sector has the potential to touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive and is picking up well.

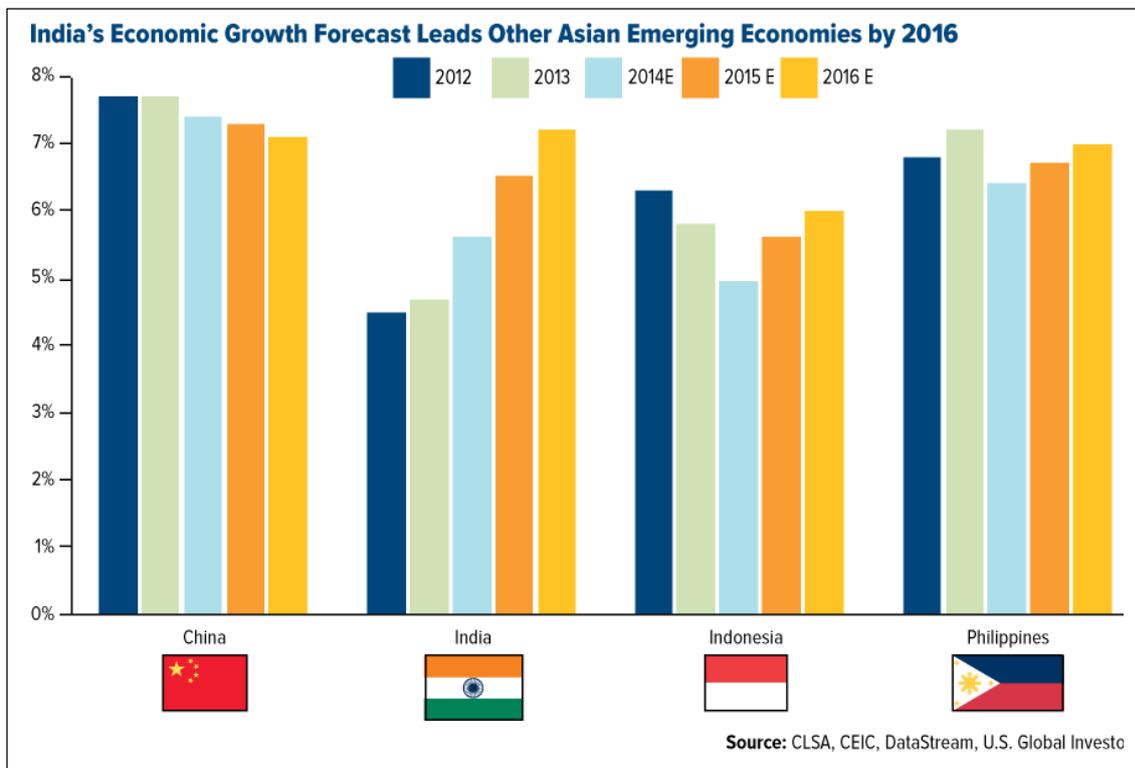
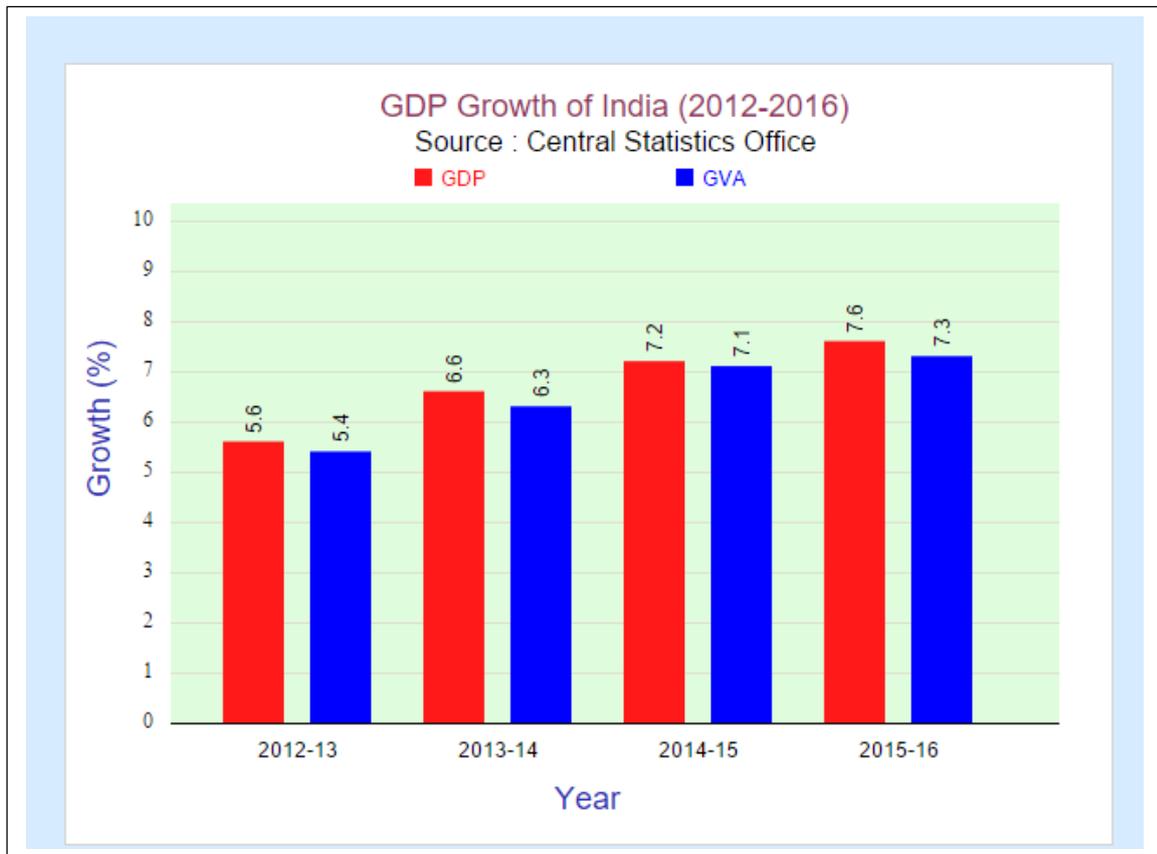
INVESTMENTS

In a major boost to the 'Make in India' initiative, the Make in India week which was held in Mumbai between 13th to 18th February of 2016, received an overwhelming response from investors. The fair had closed with INR15.2 trillion (US\$222 billion) in investment commitments.

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing the purchasing power.

The GOI has launched the "Make in India" programme with 25 thrust sectors to provide a major push to manufacturing in the country. An Investor Facilitation Cell has been created in 'Invest India' to assist, guide, hand hold and facilitate investors during the various phases of business life cycle. This Cell provides necessary information on vast range of subjects; such as policies of the Ministries and State Governments, various incentive schemes and opportunities available, to make it easy for the investors to make necessary investment decision. Information on 25 thrust sectors is also put up on 'Make in India's web portal (<http://www.makeinindia.com>) along with details of FDI Policy, National Manufacturing Policy, Intellectual Property Rights and Delhi Mumbai Industrial Corridor and other National Industrial Corridors.

Contribution of Manufacturing in GDP of India



MAKE IN INDIA – BOOST FOR INDIAN ECONOMY

In a short space of time, the obsolete and obstructive frameworks of the past have been dismantled and replaced with a transparent and user-friendly system that is helping drive investment, foster innovation, develop skills, protect IP and build best-in-class manufacturing infrastructure. The most striking indicator of progress is the unprecedented opening up of key sectors – including Railways, Defence, Insurance and Medical Devices – to dramatically higher levels of Foreign Direct Investment.

The Indian embassies and consulates have also been communicated to disseminate information on the potential for investment in the identified sectors. DIPP has set up a special management team to facilitate and fast track investment proposals from Japan, the team known as ‘Japan Plus’ has been operationalized w.e.f October 2014.

Various sectors have been opened up for investments like Defence, Railways, Space, etc. Also, the regulatory policies have been relaxed to facilitate investments and ease of doing business.

Six industrial corridors are being developed across various regions of the country. Industrial Cities will also come up along these corridors.

Today, India’s credibility is stronger than ever. There is visible momentum, energy and optimism. Make in India is opening investment doors. Multiple enterprises are adopting its mantra. The world’s largest democracy is well on its way to becoming the world’s most powerful economy.

EMPLOYMENT OPPORTUNITIES IN FUTURE.

Job placement firms expect the government's renewed push to manufacturing through its Make in India programme to start generating new employment opportunities in the next few months.

The GOI hopes to create a 100 million new jobs by 2022.

The firms estimate that 7.2 lakh temporary jobs are likely to be created in the next one year. It would add 8-13 per cent to the current jobs pool as investment into manufacturing, engineering and related sectors rise. They say the Make in India initiative has led to an increase in hiring in these segments as well as e-commerce and Internet-related sectors.

According to Rituparna Chakraborty, co-founder of TeamLease Services, "Skill development has gained enormous traction with Make in India. The plan to create 100 smart cities is also expected to fuel job growth".

Estimates also suggest that refocusing on India's traditional occupations would potentially create 10 million jobs a year. For instance, the Indian Leather Development Programme trained 51,216 youth in the past 100 days and it plans to train 1,44,000 young persons annually. Four new branches of Footwear Design & Development Institute — at Hyderabad, Patna, Banur (Punjab) and Ankleshwar (Gujarat) — are being set up to improve training infrastructure. The industry is undergoing acute skill shortage and most of the people trained are being absorbed by the industry. Big scale manufacturing firms have already started setting up plants in places like Chakan (Pune), Chennai and Hosur.

Chandrajit Banerjee, director general of CII has mentioned that "There are encouraging signs that Make in India is positively impacting generation of jobs. He has also mentioned that, Make in India has the potential to emerge as a force multiplier to provide the emerging workforce with new livelihood opportunities."

The government's economic policy is predicated on more and more workers moving from farms to industries. Sandip Sarkar, professor at the Institute of Human Development, projects that this year the number of youth in the age group of 15-29 in the workforce would be 153 million. This number would rise to 156 million in 2020 and to 158 million by 2025. More than 90 per cent of India's workforce still works in the informal sector, mostly on under-productive farms.

"A multiple set of jobs would be needed under the Make in India banner. While some would clearly be niche high-technology opportunities, there will be lakhs of jobs anchored around vocational trades and fundamental engineering," says Prabir Jha, global chief people officer at Cipla.

One of the key emerging trends is increased focus on improving skills of employees. "The trend to coach and mentor junior employees and guide them to improve their skill sets would play a significant role in improving skill sets in the coming times," says Aman Attree, HR Head, Hindustan Power projects.

Skilled workers are required in design and engineering, project planning, execution, erection, commissioning, operations and maintenance, transmission and distribution, trading and regulatory, renewable energy and manufacturing. Talent in many of these areas is still untapped.

"Make in India is all about increasing Indian manufacturing and the ones who would actually make this happen are shop floor technicians, engineers, designers, programme managers, etc.

Therefore, as more and more companies roll out their Make in India plans, the job market will be positively impacted," says Pierre de Bausset, president, Airbus Group India.

Airbus is bidding to make the C295 military transport aircraft with the Tata group. The European flying machines maker is also partnering Mahindra Defence to produce helicopters in India. Such large projects often spawn entire ecosystems of suppliers and vendors which potentially means a large number of direct and jobs. "Since our localisation programme will require a highly skilled workforce, we will train the manpower together with our partners here. It will expand the talent pool in India for aerospace and defence (industries)," says Bausset.

India is home to some of the best talents in the world, yet a major part of this talent pool remains untapped due to a fragmented marketplace. As investments pick up, companies will be on the lookout for the right talent. R Suresh, managing director of RGF Executive Search India, says even top leaders would need to acquire new skills. Design, technology skills, innovation, experience in operations, sales and distribution are going to be critical skill sets for top managers as well, he says. "The Indian job market has witnessed a substantial upswing in the demand for new work profiles, especially in sectors such as solar energy generation and construction (green buildings, smart homes)," says Rachna Mukherjee, chief HR officer, Schneider Electric India.

SKILL INDIA

After 'Digital India' and '**Make in India**', the GOI has launched yet another programme. This one is a revised version of programmes launched earlier under the skill development policy. This new programme, called 'Skill India', is supposed to be a multi-skill programme.

Objectives of 'Skill India'

The main goal is to create opportunities, space and scope for the development of the talents of the Indian youth and to develop more of those sectors which have already been put under skill development for the last so many years and also to identify new sectors for skill development. The new programme aims at providing training and skill development to 500 million youth of our country by 2020, covering each and every village. Various schemes are also proposed to achieve this objective.

Features of 'Skill India'

- The emphasis is to skill the youths in such a way so that they get employment and also improve entrepreneurship.
- Provides training, support and guidance for all occupations that were of traditional type like carpenters, cobblers, welders, blacksmiths, masons, nurses, tailors, weavers etc.
- More emphasis will be given on new areas like real estate, construction, transportation, textile, gem industry, jewellery designing, banking, tourism and various other sectors, where skill development is inadequate or nil.
- The training programmes would be on the lines of international level so that the youths of our country can not only meet the domestic demands but also of other countries like the US, Japan, China, Germany, Russia and those in the West Asia.
- Another remarkable feature of the 'Skill India' programme would be to create a hallmark called 'Rural India Skill', so as to standardise and certify the training process.
- Tailor-made, need-based programmes would be initiated for specific age groups which can be like language and communication skills, life and positive thinking skills, personality development skills, management skills, behavioural skills, including job and employability skills.
- The course methodology of 'Skill India' would be innovative, which would include games, group discussions, brainstorming sessions, practical experiences, case studies etc.

How is it different from the previous skill development policies?

It's not that we do not have any skill development programme already. The Government of India has **always** considered skill development as a national priority. It is just that since the ministry is new, the approach taken for skill development is also new. Earlier, the emphasis was on traditional jobs. But this time, all kinds of jobs will be given equal emphasis. Earlier, the responsibility was divided among various ministries, but this time, these are being clubbed together. The ministry of skill development and entrepreneurship will be the principal ministry which is going to coordinate with other ministries and organisations.

According to the GOI, Skill India won't be just a programme but a movement. Here, youth who are jobless, college and school dropouts, along with the educated ones, from rural and urban areas, all will be given value addition. The new ministry will be the certifying agency.

Certificates will be issued to those who complete a particular skill or programme and this certificate has to be recognized by all public and private agencies and entities, including overseas organisations. Skill India is a programme for the entire nation.

Advantages of Skill India

The idea is to raise confidence, improve productivity and give direction through proper skill development. Skill development will enable the youths to get blue-collar jobs. Development of skills, at a young age, right at the school level, is very essential to channelise them for proper job opportunities. There should be a balanced growth in all the sectors and all jobs should be given equal importance. Every job aspirant would be given training in soft skills to lead a proper and decent life. Skill development would reach the rural and remote areas also. Corporate educational institutions, non-government organizations, Government, academic institutions, and society would help in the development of skills of the youths so that better results are achieved in the shortest time possible.

To sum up

What shape ‘Skill India’ will take and what it will do only time can tell. But no doubt it seems to be a good initiative – providing skills to people, especially because India is one of the few countries all across the world whose working age population will be very high, few years down the line, going by its ever-increasing growth of population, as per the World Bank.

It is also high time now measures are taken to improve the physical and mental development of the youths of the country so that none of them remains unemployed and the country’s unemployment problem also gets reduced. It is time to open up avenues by which the youth accepts responsibility and no one remains idle because an idle youth is a burden to the economy. The economy should concentrate on job creation and social security schemes. With this new approach towards Make in India & skill development, India can definitely move forward towards its targeted results.

One of the biggest future drivers of India’s growth & economic prosperity will be “domestic production & manufacturing” and it is expected to play a big role in the overall development of the country and standard of living of its people.
