India has a higher education gross enrolment ratio of only 12.4%. The remaining 87.6% drop out at various points in school. Only 2.5 million out of a total of seven million that reach class XII go on to a university. The reasons for dropping out are varied. Issues of accessibility, affordability and employability prevent many students from pursuing higher education. Can this immense workforce that drops out be channelled to bridge the national skills gap?

The [**labour**](http://en.wikipedia.org/wiki/Employment)**sector of the**[**Indian economy**](http://en.wikipedia.org/wiki/Economy_of_India) consists of roughly 487 million workers, the second largest after China.[[1]](http://en.wikipedia.org/wiki/Labour_in_India#cite_note-1) Of these over 94 percent work in [unincorporated](http://en.wikipedia.org/wiki/Incorporation_(business)), unorganised enterprises ranging from pushcart vendors to home-based diamond and gem polishing operations.

467million semi/unskilled workers.

**National Skill Development Corporation (NSDC)**

The **National Development Skill Corporation India (NDSC)** aims to promote skill development by catalyzing creation of large, quality, for profit vocational institutions. It is based on Public Private Partnership (PPP) model which provides funding to scalable, for profit vocational training initiatives. Its mandates are also to support systems such as quality assurance, information systems etc. It facilitates development of skills of growing Indian workforce through **skill training programs**. One of the remarkable features of NSDC is that it supports skill development efforts, especially in the unorganized sector by its various funding schemes.

India is a growing economy and requires skilled workforce, but dearth of unqualified and unprofessional training institutes have created roadblocks to growth. As evident, skill shortage persists in every sector of economy. NSDC seeks to fill this gap between growing demand and scarce supply of skilled workforce. The primary goal of NSDC is to foster private sector and ensure industry participation in skill development. The NSDC strives to:

* Develop ultra low cost, high-quality, innovative business models
* Attract significant private investment
* Ensure that its funds are largely “re-circulating”; i.e. loan or equity rather than grant
* Create leverage for itself
* Build a strong corpus

NSDC plays three key roles-

* **Funding and Incentivizing:** One of the key roles of NSDC, it provides finance either as loans or equity, provides grants and other financial incentives to enhance private sector initiatives. Overall, NSDC aspires to create strong and viable business models.
* **Enabling Support Services:** A no. of input and support services such as faculty, training, standards and quality assurance, technology avenues, student placement etc. are required by a skill development institute. Here, NSDC plays an important role in fulfilling these inputs.
* **Shaping/creating-** NSDC shapes the future of development and skill training institutes by providing momentum for large private players in skill generation capacity.

**Why was NSDC set up?**

The NSDC was set up as a part of National Skill Development Mission to bridge the gap between growing needs of skilled manpower and its supply. The formation of NSDC was announced in the 2007-08 budget speech. There has been a compelling need to launch a world class skill development program which addresses the challenge of feeding the skill and resource hungry economy. Hence the **objective** of the NSDC lies in provision of skills significantly to 30% or 500 million people in India by 2022 through private sector initiatives.

Currently there are 21 focused sectors under NDSC’s purview which aim at attracting private investments to step up their growth. Thus NSDC has touched the realm of almost all dominant sectors of the economy. The list of the sectors is enclosed below:

1. Automobile / auto components
2. Electronics hardware
3. Textiles and garments
4. Leather and leather goods
5. Chemicals and pharmaceuticals
6. Gems and jewelry
7. Building and construction
8. Food processing
9. Handlooms and handicrafts
10. Building hardware and home furnishings
11. IT or software
12. ITES-BPO
13. Tourism, hospitality and travel
14. Transportation/ logistics/ warehousing and packaging
15. Organized retail
16. Real estate
17. Media, entertainment, broadcasting, content creation, animation
18. Healthcare
19. Banking/ insurance and finance
20. Education/ skill development
21. Unorganized sector

Set up by the Ministry of Finance it operates on an Equity base of 10 crore, where the government owns 49% and the rest 51% is held by the Private sector. The Section 25 of the Companies Act governs its laws.

**NSDC’s Work to empower Youth:**

1. **Funding-** The NDSC provides funding as loans, equity and financial incentives to improve financial viability through tax breaks etc. Courses run by an institute affiliated to NSDC are not chargeable to service tax. NSDC’s financing initiatives provide funding through:

* Loans
* Equity
* Grants

The Funding Guidelines are aligned to the philosophy that the business plans and viabilities thereof will be different for *‘for-profit’* and *‘not-for profit’* projects/proposals. NSDC calls for proposals in select areas from time to time. To receive funding, an organization needs to submit a proposal. Proposals are invited from private players, industry bodies, entrepreneurs and NGO’s. The proposal is then evaluated thoroughly and will be accepted for funding based on the organizations evaluation and subject to clearance by the NSDC Board. Once the funding is granted NSDC continuously monitors the use of funds, its progress and impact on skill development.

The NSDC Policy 2009 mandates NSDC to constitute sector skill councils with the objectives:

1. To identify skill development needs
2. Development of a sector skill development plan and to maintain skill inventory
3. To determine standards of skills
4. To participate in Affiliation, accreditation, examination and certification
5. To plan and execute training of trainers
6. To promote academies of excellence
7. To establish a well-structured Labour Market Information System (LMIS) to assist planning and delivery of training.

Each Sector Skill council should have a fair representation from Industry bodies, associations, academicians and Govt. nominees.

**Product Innovation** is also an important parameter of Skill Development. One of the significant challenges that the Indian Economy faces is tapping the demographic dividend. Hence NSDC actively targets innovation which can deal with the challenges. NSDC takes up innovative research that can have a deep impact on any part of the skill value change. The innovation can be in terms of technology, machinery, pedagogy etc, which can change the way skilling is delivered. All the priority sectors are targeted for funding which is a much directed approach to complete the objectives.

1. **Advocacy-** NSDC facilitates several support services such as curriculum, training of the faculty, and improvises on standards and quality assurance. NSDC ensures a comprehensive Labour Market Info System (LMIS) which gives way to labour market analysis. Sector specific councils has been set up which help identifying development needs through a sector specific LMIS. This will efficiently assess employee performance and skill development. The SSC’s will anticipate changes in labour market enabling standardization and accreditation processes.
2. **Govt.** **of India-** The Government of India has taken certain initiatives to develop skills among the youth and the unemployed. It has set up commissions, offers courses to train the unskilled and also acts at Ministerial levels to support the skill development program. The various initiatives taken by the Govt. of India include-
3. **Khadi and Village Industries Commission:** The Govt. has set up KVIC that conducts numerous courses to aid skill development through training. The duration ranges from few weeks to 2 years. It has also prescribed qualifications associated to the courses. On an average the KVIC provides 128 courses with a duration ranging from a minimum of 1 week to a maximum of 14 months. Least Qualifications are of very minimal requirements which are accepted.
4. **Ministry of Tribal Affairs:** The Ministry of Tribal Affairs initiates skill development through NGO’s and other voluntary organizations in providing professional coaching institutes for ST students to appear in various examinations.
5. **Ministry of Rural Development:** The Ministry of Rural Development has launched schemes to support skill development. One of the flagship scheme is Swarnjayanti Gram Swarozgar Yojana (SGSY) with a view to ensure inclusion of rural poor in the growth of the nation.
6. **Ministry of Communications and IT, Dept. of Information Technology:**

Technology has become the mainstay of the Indian Economy. Skills are now being learnt through technological processes. The HRD division ensures availability of trained human resources for manufacturing and service sectors for electronics and IT industry.

1. **Industry Associations-** The Industry Associations have come up to support the National Skill Development Program through various Industry bodies like Federation of Indian Chambers of Commerce and Industry (FICCI) and Confederation of Indian Industry (CII). FICCI offers support and facilitation services through Policy Advocacy, Industry Intervention and International collaboration so that the youth can acquire skills to contribute to the economy. CII helps in aligning manpower needs with skill initiatives to improve the employability of the working population including school dropouts, semi skilled and unskilled workers. CII has launched its own skill development initiative, aligned to the NSDC to skill 500 million people by 2022.

**Thus, NSDC recognizes Skill Development as an important imperative for achieving India’s ambitious growth targets with inclusion of the rural and unskilled/semi-skilled masses.**

**National Skill Development Corporation and Pune**

**Pune** is the ninth largest metropolis in India and second largest in state of Maharashtra after the financial capital of Mumbai. Pune City is the Administrative Capital of Pune district. Today, Pune is known for its high educational facilities and relative prosperity. It is also known as the ‘Cultural Capital of Maharashtra’.

The demographic and social profile of Pune presents a unique Human Resource opportunity for economic growth through manpower skilling. As per the 2011 Census of India estimate, the population of Pune urban agglomeration is to peg around 5,049,968. This includes the towns of Khadki, Pimpri-Chinchwad and Dehu. Growth in the software and education sectors has led to an influx of skilled labour from India. Besides, migration has also risen which calls for an **immediate attention for the up skilling of the unorganized labour so that there exists a balance between both the sectors which propagates into income equality and balanced development, both economically and socially in the region.** The literacy rate is about 81% , much above the national average of 74.01%.

Pune is emerging as a prominent location for IT and Manufacturing companies to expand. It is striking to note that Pune has the sixth highest per capita income in the country. The Automotive sector in Pune is also very prominent and competitive. Pune is popularly known as the “Oxford of India”. Thus there are ample opportunities and scope for expansion in employment of the unorganized sector through skill development.

Keeping the current realities of the district in view, along with possible economic growth that could be created in various sectors, various objectives are highlighted. They are-

1. Socio Economic profile- demography, economic profile of district by state of education, industry.
2. Identifying developmental opportunities keeping mind factor endowments and stakeholder perspectives.
3. Identifying specific developmental initiatives/ projects that can have a positive impact on employment generation.
4. Articulate the aspiration of youth.
5. Identifying current and future skills and manpower requirements by industry and estimate the gap that exists.
6. Studying the existing infrastructure booth in the private as well as the Govt. domain.
7. Suggesting recommendations to address skill gap.
8. Creating an action plan with indicative timelines.

There needs to be a, target of job opportunities among the unemployed youth and to transform the unorganized, unskilled manpower into organized and skilled one. Incremental human resource requirements in the Pune, have significant geographical and sectoral variations. Automobile, Education, Engineering, Information Technology (IT)/ ITES, hotel industry, sports, construction, floriculture, textiles and apparels, logistics etc. are emerging sectors of the district.

A special initiative needs to be initiated between the corporate, NSDC and the youth of the Pune. The aim should be to make employable a certain number of graduates and post graduates which have the necessary education but not the skill. Despite a high economic growth, the number of jobs has not increased in parity with the growth as there we lack the element of “inclusive growth”. A professional training needs to be provided to the ambitious and progressive degree holders which will ensure a corporate exposure to them.

The program is to be implemented by NSDC in the district with the partnership of corporate. After highlighting the demographics of district, we go through the various steps which are involved to tie up with the corporate under National Skill Development Corporation-

**Step 1-**

* Prospective partner corporate submit a proposal to NSDC
* Proposals are evaluated and approved by NSDC
* Candidates (Graduates and Post Graduates) from Pune district register on the website
* Drafting and signing of MOU
* Partner corporate identify and select candidates through the website and recruitment drives

**Step 2-**

* Selected candidates are moved to the company training centers
* Candidates then undergo training, ideally between 3-9 months, generally depending on the nature of work in a particular sector, for a defined program with a clear job alignment.
* In order to attract more candidates to the training, various incentives can be granted, like travel, boarding and lodging costs can be reimbursed; a provision of stipend can also be made to the candidates during their training period.

**Step 3-**

* At the end of the training, candidates are to be interviewed for a job position in the same corporate.
* If successful with the interview, candidates can be placed on agreed terms with the corporate
* Corporate will have to submit a report (quarterly or half-yearly) to NSDC about the implementation status of their program.
* If a candidate is not placed with the same corporate, placement agency should be given the task to recruit him to any other corporate for an interview.
* NSDC to monitor the implementation.

**This training also solves the problem of Adverse Selection arising out of Assemytric Information in the Employment Market.**

Here arises a question how to partner with a corporate. Corporate which are interested in participating in the program can engage in a meeting with NSDC to find out more about the program. The role of NSDC is to assist and advice the corporate on how can they be the part of the program. The corporate are required to submit a proposal regarding their sector. The proposal will include the details of the modus operandi of how the project will be run and the finances that explain the cost structure of the project. The proposal needs to be evaluated and approved technically and financially. Upon the approval of the project, a MOU needs to be drafted and signed between the NSDC and the corporate.

After the MOU has been signed, the corporate may begin selecting candidates from Pune. There can be various approaches to attract and select the best quality of candidates for the proposed program.

1. **Website for the program-** A website can be developed where interested candidates can submit their details (personal, education etc.) on the website. Through the website, corporate will be able to reach out to a larger talent pool from the district. From the website, candidates can be shortlisted for the program. The website can also be put to use in for sending invites for interviews etc.
2. **Head-** An administrative head can be appointed that will connect NSDC and partner corporate in the district. A head can also be appointed to connect the University with the corporate under NSDC.

As far as **funding** is concerned partner corporate will be responsible for providing travel, boarding, lodging and stipend of the candidate and can be reimbursed by the NSDC on the same. **SKILL MANAGEMENT** by the corporate can also be viewed as CSR **(Corporate Social Responsibility)** and a way through which the corporate can increase their workforce and increase employment opportunities.

**WHY PUNE ?**

According to the Economic Survey of Maharashtra 2011-12, **“Pune division has been the leading contributor in the Gross State Domestic Product (GSDP) of 26%. Around 60% of the total manufacturing companies of the state come under Pune region. To augment capacities to the fullest in this vibrant sector without which the economy cannot grow, training needs to be provided to the suitable candidates making them employable in the sector. The region has seen a seen a steady growth primarily because of existence of industries. Moreover, the Mahratta Chamber of Commerce Industries and Agriculture (MCCIA) says that GSDP in the state is expected to grow at 8.5%.** The performance of both agricultural and industrials sectors in Pune has been encouraging too. The Pune region has 34 approved SEZ s and 20 notified SEZs. With an approved proposed investment of Rs 40,731 crore, the SEZs are expected to generate employment for 9.66 lakh people. Thus the district of Pune poses a very promising and prosperous economic growth trajectory provided; the skills of the youth are harnessed in the right direction in a right manner. All what is required is a proper coordination between the NSDC and the partner corporate.

**Sector Specific details-**

The following are mentioned the sector specific details of the Pune district. These sectors promise very high employment opportunities through skill full implementation of the program that is to be developed by the partner corporate with the NSDC.

1. **Auto and Auto component \*\*\*\***

The Automotive sector is prominent in Pune. The Automotive Research Association of India has set up its office here, which is responsible homologation of all vehicles available in India. Here, all sectors of automotive industry are represented, from two wheelers and auto rickshaws to cars, tractors, tempos, excavators and trucks. Automotive companies like TATA Motors, Mercedes Benz, Mahindra and Mahindra, Force Motors, Kinetic Motors have set ups in Pune.  Automotive companies including General Motors, Volkswagen and Fiat have set up Greenfield facilities near Pune. *The Independent* cited Pune as India's **"Motor City"**. Several automotive component manufacturers like Saint-Gobain Sekurit, TATA Auto comp Systems Limited, Ro Visteon, and Continental Corporation are located here.

The Liberalization of the Indian Economy has seen significant growth in the Indian Automotive Sector as it contributes nearly 5% to the country’s GDP. It is indeed one of the major drivers of our economy as this sector has moderate direct employment and significant indirect employment; it is estimated that the sector provides direct and indirect employment to over 13 million people.

 The Mumbai-Pune-Nashik-Aurangabad region has witnessed a high growth rate as far as Automotive Sector is concerned. Some Demand Drivers of the Automotive Sector are:

* Increase in income levels and thus purchasing power
* Gradual shift to higher segment vehicles
* Availability of a wider range of products
* Availability of low cost finance
* Rapid Urbanization

Thus, there is always a scope for this sector for better performance, its skilling up and growth.

1. **Banking, Financial Services and Insurance \*\*\*\***

Pune has a massive scope in the banking, financial services and insurance sector. Financial consultancy and services Management consultancy and services, taxation and investment services, estate consultancy etc have cropped up in Pune. Pune has scores of nationalized, cooperative, private and foreign sector banks which cater to the Banking services.

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The Indian banking sector is growing at a fast pace, outperforming the Indian economy with a CAGR of 7% from 2000 to 2008. The total assets of the scheduled commercial banks has increased by 25% from Rs. 3,459,946 crore in 2007 to Rs. 4,326,469 crore during 2008, while the deposits collected by the banks during the same period has increased by 23%.

The Demand Drivers of the Banking, Insurance and Financial Sector are-

* Market Dynamics
* Technology
* Household Savings

Maharashtra has the highest percentage of total people employed in the Banking and Financial services Sector which is about 13%. Thus Pune being the second largest city in Maharashtra offers ample opportunities for skilled workforce.

1. **Building, Construction and Real Estate services \*\*\***

Pune has a lot to offer in the Buildings, Construction and Real Estate Sector. The Meetings, Incentives, Conferencing, Exhibitions trade is expected to get a boost once the Pune International Exhibition and Convention Centre (PIECC) when it gets completed in 2017. The 97-hectare PIECC will boast a seating capacity of 20,000, with a floor area of 13,000m2. It will have seven exhibition centres, a convention centre, a golf course, a five-star hotel, a business complex, shopping malls and residences. The US$115 million project is developed by the Pimpri-Chinchwad New Town Development Authority. Emergence of Pune is becoming increasingly integral to the real estate sector in Maharashra, and the country at large.  Driven by positive demographic and income trends; auto and education industry; and fast-developing infrastructure, Pune claims the status of one of the leading real estate destinations in India. Since Pune is a home to a large number of educational and training institutes, it is the now the new IT Hub after Bangalore. The Pune real estate market has been driven by genuine demand resulting in increased development of both commercial as well as residential space. With the increasing number of employment opportunities in the city, the demand for homes is also rising steadily, and continues to climb steadily. The developers who were earlier focusing only on the commercial projects are now moving towards building residential projects in Pune. Thus, the “Oxford of the East” is experiencing a boom in the Building, Construction and Real Estate Sector. 

The Construction sector in India is the second largest economic activity after agriculture and provides employment to about 33 million people. India's Construction industry has grown at a Compounded Annual Growth Rate (CAGR) of about 11.1% over the last eight years on the back of massive infrastructure investment and rapid rise in housing demand.. The Real Estate segment contributes around 24% to the Construction GDP of India while Infrastructure segment contributes around 76%. Thus this sector is a very vibrant sector of the economy. Realizing its imperative, skills need to be scaled up to match to the demand of the sector.

1. **Chemicals and Pharmaceutical Sector \*\***

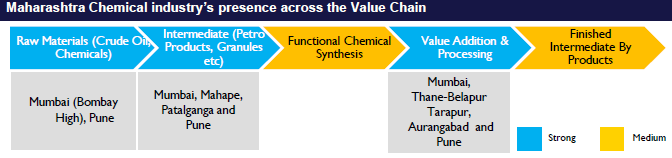
India manufactures more than 70,000 chemicals and is the 12th largest producer of chemicals in the world. The size of India’s Chemical industry estimated to be around Rs. 1, 60,000 crore ($35 billion). The chemicals industry constitutes about 3% of GDP and 17.6% of manufacturing sector. The Indian pharmaceutical industry is one of the world’s largest and most developed, ranking fourth in volume terms and thirteenth in value terms. The country accounts for an estimated 8% of global production and 2% of world markets in pharmaceuticals.

The Western India accounts for 47% of the chemicals production and Maharashtra has a neat 7% share in the chemicals industry.

With increasing student and work population in Pune, the Pharmaceutical Sector is experiencing high growth as the demand for healthcare and health products has increased substantially. Lot of Pharmaceutical companies have now entered Pune like Aventis Pharmaceuticals Limited, Biocon, Cadila Healthcare Limited, Cipla Limited, Dr. Reddy’s Laboratory, Ranbaxy, GlaxoSmithKline Pharmaceuticals Ltd., Wokhardt Ltd., Abbort. Etc are present here. Keeping in mind the long term growth trend, we expect that the domestic production would grow at the rate of the Private Final

Consumption Expenditure on Healthcare (about 14%) and a long term export growth rate of about 15% till 2022. Therefore, this sector demands skilled workforce in the district.



****.The chart given above indicates that Pune has a strong presence in the Chemical Industry.

1. **Construction Material and Building Hardware \*\***

Construction investment accounts for nearly 52.4% of the Gross Fixed Capital Formation which immensely contributes to economic development. Construction materials and equipment sector accounts for approximately 8.6% of India’s GDP. Construction material and equipment sector comprises of various sub industries like cement, steel, timber, tile, ceramics etc. The steel segment employs the largest number of people at about 44%. The Western zone accounts for about 30% of the employment in steel.

The Builders Association of India was established in Pune in 1941 and its vision is to build public confidence in the Public confidence in the Construction Industry and to achieve highest standards of efficiency and quality in the construction material and building hardware sector. This sector absorbs a large workforce as it gives employment in almost all fields like Manufacturing/Operations, Sales/Marketing, Customer Support, Research and Development, Support Functions like HR, Finance etc.



1. **Education and Skill Development services sector \*\*\*\***

The Education and Skill Development Services Sector broadly comprises of School Education, Higher Education, and Industrial/Technical Training, including Vocational Training. With rising incomes and changing demographic profile, the proportion of private sector spends on education as well as the overall spend of households on education are likely to increase. Increasing investment by the private sector is evident from their increasing share in the number of high/higher secondary schools and higher education institutions.

Pune is known as the “OXFORD of the East” as there are about 639 schools and is home to world renowned institutions like Symbiosis College, ILS Law College, Fergusson’s College, Pune University etc. Considering the large presence of foreign students, the university grants commission-appointed standing committee on promotion of higher education has recommended that Pune be among the four destinations for setting up an education excellence and export zones (EEZs). The demand for teachers and trainers in India is increasing at a drastic pace and thus this sector calls for employment and training.



1. **Electronics Sector \*\***

The global Electronics Hardware industry had a production of US $ 1.85 trillion in 2008. From then, this industry has been on a growth path, the recent rapid growth in industry production which was the result of strong consumer spending backed by consumer expansion in India. The consumption of Electronics was US $ 28 billion in 2005. It is estimated that the demand for electronics (consumption) in India will be US $ 126 billion in 2010 and US $ 363 billion in 2015. The major demand drivers for electronics sector are:

* Consumer Electronics
* Personal Computers and Laptops
* Telecommunication revolution etc.

Pune has the Electronics Committee which is one of the oldest functioning companies with a mission to undertake all activities which will put Pune on global map of Electronics Industry. The Chamber along with Ministry of Information Technology, Government of India and GTZ, Government of Germany has promoted Centre for Electronics Test Engineering (CETE) in Pune. CETE-Pune will caters to industries in Western India with a special focus on industries in Pune. Electronic Industry Giants like Siemens, Philipp’s, Godrej, and Samsung are pretty dominant in Pune and call for larger employment opportunities. The Electronics Test and Development Centre (ETDC) is a leading testing and certification centre.

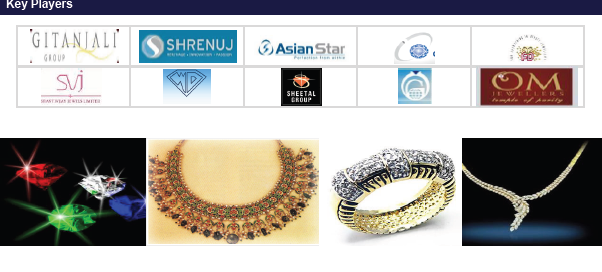


1. **Gems and Jewellery \*\***

The Indian Gems and Jewellery sector is highly dominated by unorganized players and is largely fragmented. Organized players only constitute 4%-6% of the sector. The Government has allowed 100% FDI through automatic route in the G&J Sector to increase competency, and employment.

Though Gems and Jewellery clusters are concentrated in various regions of Mumbai, Pune has a medium and emerging presence in the value chain of this sector. To boost this sector, Sinhgad School of Gemology and Jewellery Designing has been set up.

Established in 2007, SSGJD, offers Part-Time, Fast track, Career Oriented, Proficiency Courses in the field of Gems and Jewellery.



1. **Healthcare Services \*\*\***

The healthcare industry includes medical care providers, physicians, specialist clinics, nursing homes, hospitals, medical diagnostic centers and pathology laboratories. In terms of revenue and employment, healthcare is one of India’s largest service-sector industries. During the 1990s, Indian healthcare grew at a compounded annual growth rate of 16%. Today the total value of the sector is more than $34 billion.

The Indian healthcare sector constitutes of the following:

· Medical care providers: physicians, specialist clinics, nursing homes and hospitals;

· Diagnostic service centers and pathology laboratories;

· Medical equipment manufacturers;

· Contract research organizations (CRO's), pharmaceutical manufacturers;

· Third party support service providers (catering, laundry).

Pune is not just about education and IT anymore. Even healthcare is making its presence felt strongly. Major corporate giants like Apollo, Wockhardt have their eyes set on this city and the ones that are already established in the city are slated for major expansion. The major strength of this city is its hugely expanding population base. "The opportunities in Pune city as a healthcare market are fantastic. Pune is becoming a metro. In fact, it is fast pacing up with Mumbai. It has a huge population base of 10 million, mostly comprising of industrial workers from the BPO, IT and education industry. If patients coming from areas like Sangli, Aurangabad or Nagpur in Maharashtra are given a choice between the two cities, they will definitely prefer Pune because the cost of living is less; there are better traveling and traffic conditions. Owing to these factors, Pune is emerging as the nerve centre for healthcare services in Maharashtra.



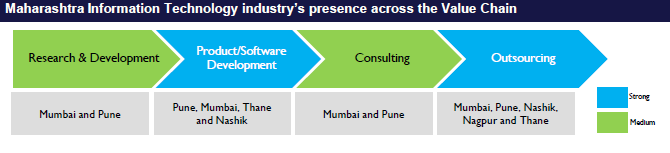
1. **IT & ITES Sector \*\*\*\***

Information technology and Information Technology Enabled Services are an “Engine of Global economic growth”. The Domestic IT Services segment aggregated revenues of USD 33.5 billion, accounting for 57% of total exports. Maharashtra contributes for more than 30% of country’s total export for software, and Pune leads in this. Maharashtra has about 425 private IT Parks out of which 88 are functional and the state houses more than 1200 software houses.

Pune has taken up initiatives to expand the IT & ITES sector by providing additional FSI for IT Parks. It has also vowed to provide electricity to these IT Hubs at industrial rates.

The Hinjawadi IT Park (officially called the Rajeev Gandhi IT Park) is a project being started by MIDC to house the IT sector in Pune. When completed, the Hinjawadi IT Park is expected to have an area of about 2,800 acres (11 km2). The estimated investment in the project is [INR](https://en.wikipedia.org/wiki/Indian_rupee)60000 crore (US$11 billion).To facilitate economic growth, the government made liberal incentives in its IT and ITES Policy, 2003 and leased properties on MIDC land. The IT sector employs more than 70,000 people. Software giant Microsoft intends to set up a [INR](https://en.wikipedia.org/wiki/Indian_rupee)700 crore (US$130 million) project in Hinjewadi.

IT Software companies like TATA Consultancy Services (TCS), Infosys Technology, TATA Technologies, KPIT Cummins Info systems, Wipro Technologies, Tech Mahindra, Cognizant, and Satyam Computer Services etc. have offices here and provide employment. As per a recent IDC report, Pune has the highest PC penetration among households and has overtaken the much-fancied Bangalore. According to a survey carried out, it is estimated that the IT/ITES sector will generate 97,000 jobs in the country this year and Pune will have an ample share in it. Thus the roots for employment in IT/ITES Sector need to be strengthened for better to absorptive capacity.



1. **Media and Entertainment Services \*\*\***

The media and entertainment industry consists of many different segments under its folds such as television, print, and films. It also includes smaller segments like radio, music, OOH, animation, gaming and visual effects (VFX) and Internet advertising.  Entertainment Industry in India has registered an explosive growth in last two decades making it one of the fastest growing industries in India.Indians are likely to spend more on Media and Entertainment services due to their steady disposable income. A survey report says that the Entertainment Industry in India is expected to expand by 12.5% every year.  As the industry braces for exciting times ahead, the sector is projected to grow at a CAGR of 14% to reach US$ 28.1 billion by 2015.

The key demand drivers responsible for the growth of M&E Sector are:

* Digitization
* Continued growth of Regional Media
* Persistent strength of Movie Business
* New Media segment

Pune boasts a lot in terms of Cinema, Shopping, and Entertainment. It has prominent shopping arcades and multiplexes that dazzle throughout the length and breadth of the city. Not only youngsters but Middle Aged is also now visiting multiplexes and malls as shopping has itself become an entertainment industry. E-Square, Inox, Big Cinemas, Cinemax, PVR, Fame Cinemas are some branded multiplexes. Pune being the “City of Students” is blessed with malls. Phoenix Market City, Inorbit Mall, SGS Magnum Mall, Shoppers Stop, Pune Central, Koregaon Park Plaza are one stop shopping avenues for the entertainment hungry Puneites. Exciting new developments in the technologies used in the Media and Entertainment Industry are taking place. Proximity to the “Bollywood Capital of India-Mumbai”, gives Pune an added advantage to expand employment in this sector.



1. **Sports Sector- \*\***

Sports Industry is a market in which people, activities, business, and organizations involved in producing, facilitating, promoting, or organizing any activity, experience, or business enterprise focused on sports. Due to its wide involvement in society, sport industry, therefore, is of great significance on both macro and micro levels. Specifically, sport industry is the catalyst in economy and an active ingredient in personal identity formation.

The Sports Sector is still unorganized, untapped and remains a small scale sector. The total business of Indian Sports Industry is approx 1400 crore. Pune being a “student city” demands a lot as far as Sports and allied activities are concerned. Popular games and sports in Pune include athletics, cricket, football, hockey, badminton, tennis and even Paragliding due to Pune’s unique topography. Pune conducts an International Marathon on an annual basis. The 2008 Common Wealth Youth games were held in Pune. An Indian Premier League cricket team based in Pune began play in 2011. The team is named as Pune Warriors India and was brought for $370 million. Pune has an established Pune Football Club (PFC) and also a Race Course in the Cantonment Area of over 118.5 acres.

There are prominent sports institutions in Pune which include the Nehru Stadium, the Deccan Gymkhana and the Royal Connaught Boat Club as well. Thus this city awaits resources in the form of skilled human capital to enhance the sports sector.



1. **Infrastructure Sector \*\*\*\***

The Indian Infrastructure Industry has been growing impressively with an average crucial growth rate of 12.28%. It is estimated that Infrastructure Sector needs to grow at a CAGR of 15% over the next five years to support the growing requirements of virtually every other sector of the Indian Economy. To stimulate and mobilize increased private sector and foreign sector investments, the Govt. has liberalized FDI Regulations, extended tax holiday periods, PPP mode has been introduced etc,. The Infrastructure sector encompasses all the other sectors of the Economy like Roads, Ports, Airports, Railways and Telecommunications. Though, India has spent a robust amount of Rupees 2.14 Lakh crore but recent estimates state that we need US$ 1 Trillion to finance our Infrastructure needs. The spending has to reach to 10% of the GDP.

Maharashtra is one of the leading states with improved infrastructural facilities as state is a major contributor to Nations economy, accounting for almost 21% of industrial output, 13% to National GDP, and 13.7% to total factory employment. Pune infrastructure is increasingly acquiring importance as one of the main infrastructural support of Maharashtra. Pune infrastructure has led to be the city becoming 6th largest economy of India. Pune Infrastructure is also well known for its floriculture and horticulture related activities. The government of Maharashtra has been trying to highlight Pune as an agri-business center.

Pune has institutes which offer courses in Infrastructure business/management:

* SAMVIT School of Infrastructure Business, Pune offers a two-year full-time Post Graduate Programme in Infrastructure Business (PGPIB), the course contents of which are equivalent to an MBA. It also offers short duration certification courses in infrastructure, construction, etc.
* The National Institute of Construction Management And Research (NICMAR), Pune offers two-year full-time courses in construction management, project engineering, real estate, etc.

Infrastructural Development thus becomes critical for the overall development of the Pune District as well as India.



1. **Textile and Clothing Industry \*\*\***

The Indian Textiles Industry is estimated to be at US$ 51.4 billion and accounts for 4% of country’s GDP of which, Maharashtra contributes to about 10.4% to India’s textiles and apparels output. The sector  employs  nearly  35  million  people  and  after  agriculture,  is  the  second‐highest employer  in  the  country.

Maharashtra has the largest area of 33.4% under cotton cultivation and the state has witnessed 122 major textile projects with an investment of US$ 224 million.

Pune specializes in production of Readymade Garments (RMG) in Maharashtra. It offers National as well as International brands of clothing. Armani , Versace , Loui Vuitton , Burberry , Prada , Gucci , American Eagle , Hollister , Iceberg , Polo , Ralph Lauren , Diesel , Abercormbie are some top notch brands in Pune. Wholesale Brand clothing market also marks its presence in the district.

Pune was also one of the first cities to start a degree program in Textiles and Clothing to unleash the potential of the region in the sector. SNDT College of Home Science provides a M.Sc degree in Textiles and Clothing.



1. **Tourism, Travelling and Hospitality Sector \*\*\***

The Travel and Tourism Industry in India accounted for approximately 6% of GDP and 30.5 million jobs in 2008. Maharashtra is ranked second in terms of International Tourist visit with a share of 14.6%, 15.3% being for Delhi. The Demand drivers in the Travel and Tourism sector are:

* Rapidly increasing purchasing power of the middle class
* Better road connectivity
* Evolving Lifestyle
* Favorable perception of Brand India
* Attractive market that motivates foreign business travelers

Pune has many unexplored destinations within 70 km of the city. Heritage walks/spots like Shanivarwada, Vishram Baug, Aga Khan Palace needs to be promoted. Pune offers climate and topography that are best suited for treks, Bhima Shankar is one such place that can be developed into a tourist trek sport. Paragliding at Panchgani and Saswad offer excellent opportunities to adventure seeking people. There are many forts in the Pune district that need to be promoted. Munshi Lake and Dam, Saras Garden, Parvati Hills Temples, Bund Garden, Pataleshwar Caves, National War Museum etc. are some of the Tourism spots in Pune. Prominent and 5 Star Hotels like Hyatt Regency, Mariott Courtyard, Le Meridian, Taj Vivanta Hotel, The Westin, and Pride Hotel etc. are present to cater to the Hospitality Sector.

As per the Planning Commission, an investment of Rs. 10 Lakh creates 78 jobs in Tourism Sector while the same generates 18 jobs in Manufacturing and 45 jobs in Agricultural Sector. The Employment number is expected to rise to 40 million by 2019. Therefore there is a urgent need to develop skilled workforce for the booming sector.



1. **Unorganized Sector**

The unorganized sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten total workers. Unorganized workers consist of those working in the unorganized enterprises or households, excluding regular workers with social security benefits, and the workers in the formal sector without any employment/ social security benefits provided by the employers. The extent of informal employment was about 92% - 93% between 2008 and 2012.

There are about 3.7 crores unorganized labourers in Maharashtra and 40 crore in the country.

This sector contributes massively to the district’s GDP but the annual budgetary allocation has been very dismal, sometimes standing at Rs. 2.50 per labour in the unorganized sector. 90% of women workers in Maharashtra are in the informal sector. 23.74% is the participation rate of women as main workers and 32.80% is for both main and marginal workers. However it is true that more work is being extracted from the unorganized labour segment and they are being paid less in comparison, because of the unskilled nature of work. This definitely calls for skilling up of the workers in the unorganized sector in the district.



With a Population of 3.115 million (2011 census) it has a well defined Primary, Secondary and Tertiary Sector and Pune’s GDP growing @ of around 8% and per capita GDP pegged at around Rs. 46000 is taking Pune ahead of Hyderabad. On the Social front, it is the city to have least gap between the rich and the poor. Pune has also witnessed the biggest boom in multi-millionaire population across India in the last 5 years- a whopping 68% rise due to robust growth in the local automotive, manufacturing and technology sectors. An interesting observation made by a report says that, Pune will become one of the fastest growing cities over the next two decades nearly doubling its population.

This tremendous population growth rate offers an unbelievable opportunity for development on the region through skill maneuvering. Therefore there is an urgent need to tap this golden opportunity to form a program for skilling up of the population of Pune District which promises high growth in every sector.

**The plan should be implemented as soon as possible so that Pune truly stands up to the title “OXFORD OF THE EAST”, transforming into a leading metropolis of Developmental and Inclusive Growth.**