



Bridging India's Skill Gap

This editorial is based on "[The employment paradox: Skilling schemes need more realistic streamlining](#)" which was published in Business Standard on 04/03/2025. The article highlights India's paradox of rising youth unemployment and skill gaps, with employability falling to 42.6% in 2024. In response, the government is enhancing the Skill India Mission and launching a major internship initiative.

For Prelims: [Skill India Mission](#), [Skill India Digital Hub](#), [Pradhan Mantri Kaushal Vikas Yojana](#), [National Skill Development Corporation](#), [National Apprenticeship Promotion Scheme](#), [SANKALP \(Skills Acquisition and Knowledge Awareness for Livelihood Promotion\)](#), [Deen Dayal Upadhyaya Grameen Kaushalya Yojana](#),

For Mains: Key Government Initiatives Related to Skill Development in India, Key Issues Associated with India's Skilling Initiatives

India confronts a critical paradox: **escalating youth unemployment amidst persistent skills deficiencies**. The **Graduate Skill Index** indicates a troubling decline in employability to **42.6% in 2024**. In response, the government has launched strategic interventions, notably the [Skill India Mission](#) and an ambitious internship initiative targeting 10 million youth over five years. These programs represent crucial efforts to align educational outcomes with industry requirements, though **substantial enhancements remain imperative if India is to successfully convert its demographic dividend into sustainable economic prosperity**.

What are the Key Government Initiatives Related to Skill Development in India?

- **[Skill India Mission](#)**: It was formalised in 2015, serves as an umbrella initiative to deliver comprehensive skill training through ITIs, polytechnics, and vocational centers.
 - It focuses on industry-driven training and entrepreneurship development.
 - [Skill India Digital Hub](#) is a digital platform to synergize India's skill development, education, employment and entrepreneurship landscape
- **[Pradhan Mantri Kaushal Vikas Yojana \(PMKVY\)](#)**: It was initiated in 2015 as a flagship scheme offering short-term training and certification across various trades.
 - It targets **school dropouts, unemployed youth, and underprivileged groups to boost employability**.
 - The 2023 upgrade, PMKVY 4.0, emphasizes industry-aligned courses, **digital skills, and green jobs**.
- **[National Apprenticeship Promotion Scheme \(NAPS\)](#)**: It was launched in 2016, promotes on-the-job training via apprenticeships in industries and MSMEs.

- It provides financial incentives to employers who hire and train apprentices.
- **National Skill Development Corporation (NSDC):** Established in 2008, this public-private collaboration plays a key role in executing nationwide skilling initiatives.
 - Operating under the **Ministry of Skill Development & Entrepreneurship**, its mission is to bolster vocational training across diverse sectors.
 - By engaging the private sector, it drives innovative efforts to enhance overall skill development.
- **Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY):** It is a skill development program for rural youth in India.
 - The program is implemented by the Ministry of Rural Development (MoRD).
- **SANKALP (Skills Acquisition and Knowledge Awareness for Livelihood Promotion):** It is a program launched by the Indian government for improving the quality and quantity of short-term skill training by strengthening institutions, enhancing market connectivity, and including marginalized sections of society in skill development initiatives,
- **STRIVE (Skill Strengthening for Industrial Value Enhancement):** It is aimed at improving the quality and relevance of skill training provided through Industrial Training Institutes (ITIs) and apprenticeships, thereby enhancing the industrial workforce's capabilities and value within the market also.
- **PM Vishwakarma Yojana**, launched in 2023, focuses on **Skill Upgradation** for traditional artisans and craftsmen such as carpenters, weavers, and blacksmiths.
 - It offers financial assistance, toolkits, and entrepreneurship training to preserve and enhance heritage skills.

What are the Key Issues Associated with India's Skilling Initiatives?

- **Mismatch Between Skills and Industry Demand:** India's skilling programs often do not align with industry requirements, leading to a significant employability gap.
 - Many courses under **Skill India Mission** focus on traditional trades, while demand for **automation and green jobs** is growing.
 - **Lack of real-world exposure** and outdated curricula further reduce the market relevance of skilled workers.
 - **Over 50% of graduates and 44% of postgraduates are underemployed in low-skill jobs**, with the gap attributed to **inadequate vocational training**
 - Nearly half of India's graduates are unemployable while people with **formal vocational training** make up just **4% of population**.
- **Low Participation of Women in Skilling Programs:** Women face barriers to accessing skilling programs due to **socio-cultural norms, mobility constraints, and lack of childcare support**.
 - **Many courses remain male-dominated**, failing to equip women for high-paying jobs in technology, manufacturing, and digital sectors.
 - The absence of **gender-sensitive skilling policies** limits workforce diversity and economic empowerment.
 - Increasing female participation in skilling is crucial for **India's goal of 50% female workforce participation by 2047**.
 - About 43% of STEM graduates in India are women, which is the highest in the world, but their share in STEM jobs in India is a mere 14%.
 - Female Labor Force Participation (FLFP) in India is **37% (PLFS 2023)**,
- **Poor Apprenticeship and On-the-Job Training Culture:** Unlike countries like Germany and Japan, India lacks a strong **apprenticeship and dual-learning model**, reducing hands-on experience for workers.
 - Many employers hesitate to invest in skill training, fearing attrition and high costs.
 - Despite the **Apprenticeship Act**, industries remain reluctant to engage trainees, limiting workplace learning opportunities.
 - Expanding work-integrated skills can bridge the gap between theoretical learning and job-readiness.
 - Only **27.73 lakh apprentices** have been engaged in the last 5 years under the **National Apprenticeship Promotion Scheme**
- **Fragmented and Overlapping Skilling Programs:** Multiple skilling initiatives across **different**

ministries create inefficiencies, leading to duplication of efforts and poor coordination.

- Programs like **Pradhan Mantri Kaushal Vikas Yojana 4.0, Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), and National Apprenticeship Promotion Scheme** often operate in silos, reducing their impact.
- The absence of a **unified skills database** makes tracking progress and workforce planning difficult.
- A centralized, tech-driven skilling ecosystem can improve resource allocation and policy outcomes.
- Despite **many skilling schemes** running under different ministries, only 16% young slum residents are aware of job roles available per qualifications.
 - Also, the **Pradhan Mantri Kaushal Vikas Yojana (PMKVY)** has trained **13.7 million candidates**, but **only 18% or 2.4 million were successfully placed in jobs**.

▪ **Insufficient Private Sector Participation and Investment:** Private sector involvement in skilling remains weak due to **limited incentives, bureaucratic hurdles, and lack of industry-academia linkages**.

- Companies are hesitant to fund large-scale upskilling programs, relying instead on **government schemes like PMKVY**.
- Unlike countries where industries lead skilling initiatives, India's model remains **government-driven**, affecting sustainability.
- The Skill India Digital Hub (SIDH) is a comprehensive digital platform designed to synergize and transform the skills, education, employment, and entrepreneurship landscape in India, **but the participation remains low**.

▪ **Skilling Challenges in Rural and Informal Sectors:** India's skilling ecosystem is largely **urban-centric**, leaving out a **significant portion of the workforce in informal and rural sectors**.

- Many rural workers lack access to formal skilling institutions, and **migration challenges** make consistent training difficult.
 - According to a report by the **World Economic Forum**, **only 10%** of the rural workforce in India has received formal skills training
- The informal economy, which employs **over 90% of the workforce**, remains largely outside structured skilling programs.

▪ **Low Recognition and Certification of Skills:** A large section of India's workforce is **informally skilled**, but lacks **formal recognition and certification**, limiting job mobility.

- The **Recognition of Prior Learning (RPL) under PMKVY** aims to certify existing skills, but outreach remains low.
- Employers often prefer **degree holders over skilled workers**, reducing the impact of vocational education.
- Bridging the gap between **traditional skills and formal accreditation** is crucial for workforce competitiveness.
- In the **construction sector**, the **majority of workers** are skilled informally but lack certification, reducing wages and job security.

What Strategic Measures can India Implement to Enhance and reform its Skilling Ecosystem?

- **Skilling for Informal and Rural Workforce Inclusion:** A **Rural Skilling and Livelihood Mission** should focus on **agri-tech, food processing and sustainable crafts** is needed to integrate rural populations into the formal economy.
 - Mobile skill training centers, **village-level skilling hubs, and digital literacy programs** should cater to remote areas.
 - Collaboration with **FPOs (Farmer Producer Organizations), SHGs (Self-Help Groups), and Krishi Vigyan Kendras (KVKs)** can provide **agriculture-based skills in organic farming, precision agriculture, and supply chain management**.
- **Industry-Aligned and Future-Ready Curriculum Development:** The skilling ecosystem must shift from a **supply-driven approach to a demand-driven model** by aligning courses with **Industry 4.0, automation, green jobs, and digital economy skills**.
 - Sector Skill Councils (SSCs) should collaborate with **tech companies, MSMEs, and gig**

- **economy platforms** to co-design skilling modules.
- **Work-integrated learning** should be promoted through industry apprenticeships and immersive internship models.
- **Strengthening the Apprenticeship and Work-Based Learning Model:** A **dual-learning approach** combining classroom training with hands-on experience should be institutionalized across all skilling programs.
 - The **Apprenticeship Act** should be revised to incentivize private sector participation through tax breaks and wage support for trainees.
 - Expanding **National Apprenticeship Promotion Scheme (NAPS)** and integrating it with **Startups, MSMEs, and Manufacturing 4.0 sectors** can boost workforce employability.
 - **Gig economy-based apprenticeships** should be promoted to provide flexible skill-learning pathways.
- **Enhancing Digital Skilling and Online Learning Infrastructure:** A **nationwide digital skilling framework** should be developed to equip the workforce with **AI, blockchain, fintech, cloud computing, and cybersecurity** skills.
 - **Skill India Digital Hub** should be expanded to offer **multi-language, AI-driven adaptive learning** for urban and rural populations.
 - **5G-enabled skilling hubs** should be set up in tier-2 and tier-3 cities for remote training access.
- **Integrating Skilling with School and Higher Education System:** A **National Vocational Education Framework** should mandate **early exposure to technical and soft skills** from **secondary school onwards**.
 - Introducing **modular vocational courses** under **New Education Policy (NEP 2020)** can create a seamless transition between academia and industry.
 - Skilling and degree programs should be **credit-linked** under the **National Credit Framework (NCrF)**, allowing students to **combine academic and skill-based learning**.
- **Gender-Inclusive Skilling and Workforce Participation Enhancement:** Vocational Training Programme for Women should focus on increasing **female participation in STEM, gig economy, financial services, and digital entrepreneurship**.
 - Gender-responsive skilling hubs, flexible training schedules, remote learning options, and childcare support can improve accessibility for women.
 - **Financial incentives, startup grants, and mentorship programs** should be introduced for women-led enterprises in skilling.
- **Recognition of Prior Learning (RPL) and Upskilling for Workforce Mobility:** A **nationwide RPL framework** should formally recognize **informal sector skills** through certification, enabling **job mobility and wage enhancement**.
 - Existing workers should have access to **stackable micro-credentials**, allowing them to gain qualifications progressively.
 - **Flexible upskilling modules in regional languages** should be made available through **Skill India Digital Hub**.
- **Strengthening Private Sector Participation and PPP Models:** Public-private partnerships (PPP) should be expanded to integrate skilling programs into **corporate CSR initiatives, startup ecosystems, and industrial clusters**.
 - **Tax incentives and financial grants** should be provided to companies investing in skilling
 - **Co-certification models**, where industries certify skill courses along with government agencies, can enhance employability.
- **Addressing Soft Skills, Professional Ethics, and Workplace Readiness:** Soft skills training in **communication, problem-solving, adaptability, and teamwork** should be **embedded into all vocational programs**.
 - **Industry-oriented soft skill boot camps** should be introduced to improve **job readiness, leadership skills, and professional ethics**.
 - **English proficiency and digital literacy courses** should be integrated with ITI and polytechnic training.
- **Strengthening Monitoring, Evaluation, and Accountability Mechanisms:** A **real-time, AI-driven skilling dashboard** should be developed to track **enrollment, completion, employment rates, and industry feedback**.

- **Outcome-based funding mechanisms** should be implemented to ensure that **skilling programs translate into actual employment opportunities**.
- Skilling centers should undergo **third-party audits**, and **industry advisory boards should provide periodic recommendations**.
- **Geo-tagging of skilling centers and biometric attendance systems** can curb inefficiencies and ensure quality training delivery.

Conclusion:

To harness its demographic dividend, **India must bridge the skill gap through agile, industry-aligned training**. Strengthening apprenticeships, digital skilling, and rural workforce inclusion is crucial. A unified, demand-driven skilling ecosystem with strong private-sector collaboration can enhance employability. **Only then can India transform its youth potential into sustainable economic growth.**

Drishti Mains Question:

Despite various government initiatives, India faces a persistent skill gap in its workforce. Critically analyze the factors responsible and suggest measures to enhance skilling efforts.

UPSC Civil Services Examination Previous Year Question (PYQ)

Prelims

Q. With reference to Pradhan Mantri Kaushal Vikas Yojana, consider the following statements: (2018)

1. It is the flagship scheme of the Ministry of Labour and Employment.
2. It, among other things, will also impart training in soft skills, entrepreneurship, and financial and digital literacy.
3. It aims to align the competencies of the unregulated workforce of the country to the National Skill Qualification Framework.

Which of the statements given above is/are correct?

- (a) 1 and 3 only
- (b) 2 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

Ans: (c)

Mains

Q. “Demographic Dividend in India will remain only theoretical unless our manpower becomes more educated, aware, skilled and creative.” What measures have been taken by the government to enhance the capacity of our population to be more productive and employable? (2016)

