

**EXECUTIVE SUMMARY**

**Program for creation of gainful employment of rural BPL youth in Apparel Industry**

**1. Context**

- With Indian Textiles & Clothing industry expected to reach US\$ 85 Billion by 2010, the gap in the demand and the supply of skilled manpower is expected to be 2 million by 2010. The present institutional structure is inadequate to meet this huge shortage of skilled manpower, both in quantitative and qualitative terms.
- With economy growing at a rate of 9% per annum, there is a need to ensure that this growth is inclusive, in order to have positive impact on poverty levels.
- Apparel industry employs people at shop floor level with low levels of education and skills, specifically suited for women.
- Thus there is convergence between the requirement of skilled manpower for apparel industry and poverty alleviation, objective of the Government.

**2. Objectives & Targets**

- The program has twin objectives: To meet the skill requirements of the apparel industry and in the process enable rural poverty alleviation.
- To train and place 5 lakh rural BPL youth over a period of 5 years @ 1 lakh per year in the apparel industry as operators at the shop floor level.

**3. Strategy & Approach**

- **Placement Linked:** Assured placement for every trainee. Pre-requisite of the program is the commitment of the industry to employ the trained persons.
- **Selection of Trainees:** Trainees in the age of 18-30 years with education qualification of standard 5<sup>th</sup>/8<sup>th</sup> will be selected from rural BPL families, as per the list maintained by the District Rural Development Agencies (DRDAs), based on basic screening tests such as Eye-hand coordination, eye sight/color blindness, etc.
- **Training Centers:** Leverage and utilize existing infrastructure and facilities for operation of training centers. No new buildings to be constructed. Wherever possible, dormitory accommodation would be provided for the trainees.

- **Training Partners:** Partnership with agencies who have aptitude and capability to conduct training so that the government doesn't have to create new posts for the trainers.
- **Training Content :** Innovative content development with inputs from the industry to meet the global best practices. The content is multimedia based for impact, standardization, and scaling up. Updation, translation and customization of the training content will be ensured to meet the specific industry needs.
- **Skill sets:** The objective of the program is to impart basic skills necessary to become a shop floor level operator, so that the initial wages are at least equal to the prescribed minimum wages.

Technical Skills: Sewing machine operator program, garment designing, Quality evaluation, machine maintenance, etc.

Soft Skills: Health & hygiene, social security, self-management, workplace etiquette, group/team behaviour etc

- **Duration:** One-month basic course.
- **Certification of trainees :** Certification by third party (educational/vocational institution) to ensure high quality standards.

#### 4. Funding

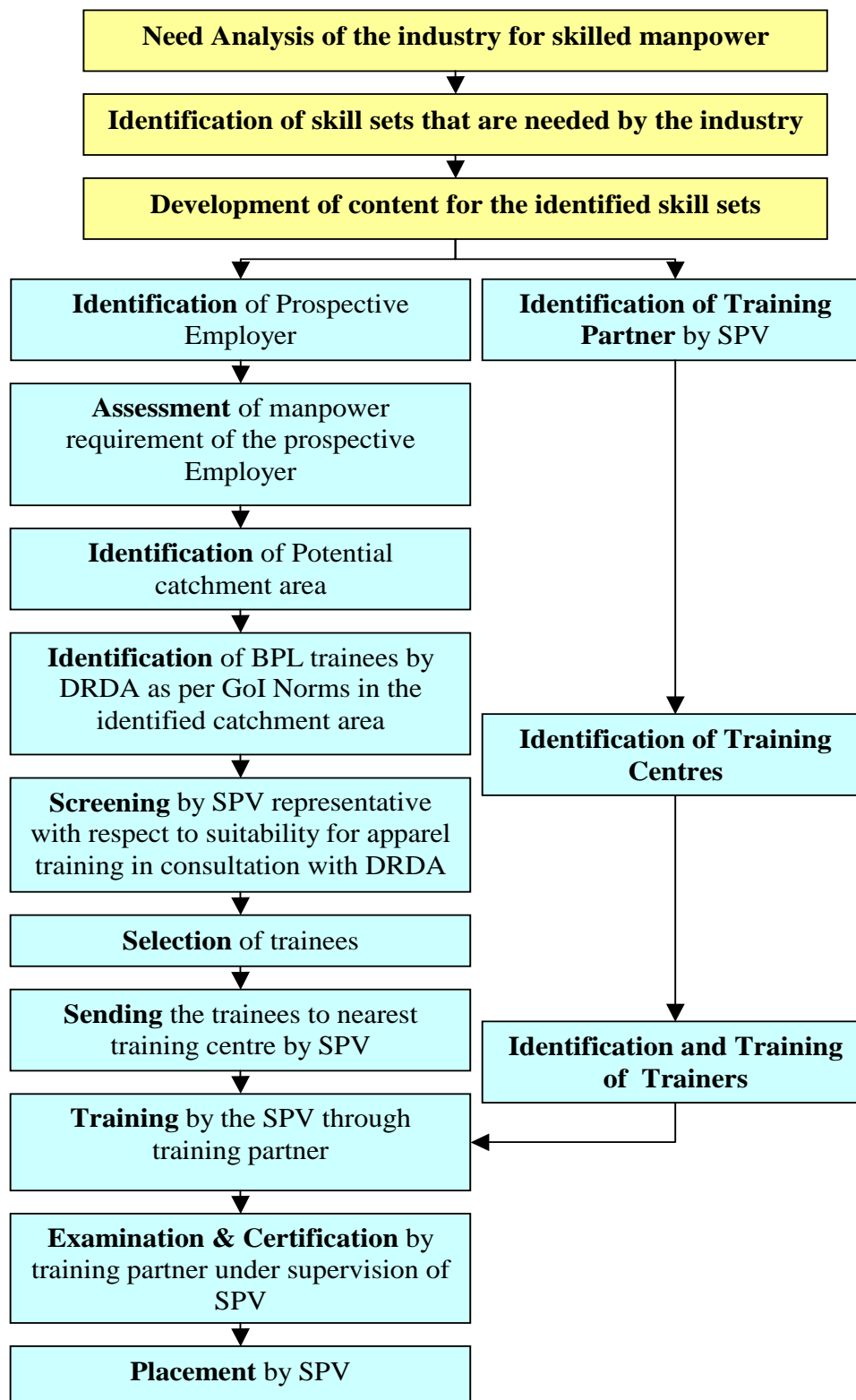
- The cost of training to cover 5 lakh persons over next 5 years is estimated to be Rs. 8,174 per person. The GoI (Ministry of Rural Development) would share Rs.5000 per person out of special SGSY projects and remaining will be contributed by the industry.

#### 5. Implementation

- IL&FS has strong linkages with the textile industry and was nominated as Program Management Consultant by Ministry of Textiles; Govt. of India to facilitate the establishment of Integrated Textile Parks throughout India. IL&FS has been working extensively in the field of training and education, particularly related to development of multimedia teaching aids and content. Given this IL&FS has decided to plan and execute this program.
- With the objective of ensuring Public Private Partnership in the program IL&FS has established a Special Purpose Vehicle (SPV) namely, APPTEx Manpower Development Company Limited. The textile industry associations, apex bodies and textile park SPV will be shareholders of this company in addition to IL&FS. APPTEx will be responsible for the entire process right

from the stage of identification and selection of trainees to placement of trainees.

- The implementation process is outlined below.



## **6. Pilot Project**

While endorsing the above project, in principle, the Ministry of Rural Development, GoI, has initially approved a pilot project to train and place 30,000 rural BPL youth in apparel industry. Based on the experience of the pilot, the project would be scaled up, subsequently.

For the Pilot Project, IL&FS has already developed multi-media based training content , identified training centers and training partners and is in the process of procurement of machinery.

The first batch of the training centers will be operationalised in July 2007.