

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
RAJYA SABHA
UNSTARRED QUESTION NO. 444
ANSWERED ON 03.12.2025

PM-SETU SCHEME

444 Dr. ASHOK KUMAR MITTAL:

Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

- (a) the total cost and funding source for the ₹62,000 crore PM-SETU scheme for ITI upgrades;
- (b) the distribution and timeline for upgrading the over 1,000 ITIs under the scheme, State-wise;
- (c) the mechanisms established to ensure these upgraded ITIs meet global skill demands and deliver certified employment outcomes; and
- (d) the action taken against substandard ITIs (as evidenced by recent de-affiliation orders), and the plan to ensure the future training/certification of affected students?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

(SHRI JAYANT CHAUDHARY)

(a) Sir, The Cabinet has approved the Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs (PM SETU) scheme to enhance the overall quality and relevance of vocational training in the country.

The total estimated outlay of the scheme is ₹60,000 crore, with contributions from the Central Government (₹30,000 crore), State Governments (₹20,000 crore), and Industry Partners (₹10,000 crore) over a five-year period.

(b) The scheme implementation period is for 5 years. During this timeframe, holistic upgradation of over 1,000 ITIs is taken up in Hub and Spoke model. The allocation of ITIs for each State/UT are based on the proposals submitted by the States/UTs, reflecting their interest, readiness, and potential for industry collaboration.

The Budgetary allocation and disbursement of funds will be linked to approval of Strategic Investment Plans (SIPs) submitted by the Anchor Industry Partner (AIP) for each ITI cluster, detailing infrastructure, equipment, course alignment and training outcomes.

(c) Under the scheme, various mechanisms have been envisaged to support ITIs in aligning with emerging global skill demands and strengthening the employability of trainees. These include, inter alia, introduction of industry-designed curricula, enhanced training delivery through modernized and industry-relevant lab, adoption of digital learning content, and capacity building of instructors in collaboration with reputed industry partners. The scheme framework also encourages cluster-based engagement with Anchor Industry Partners (AIPs), providing insights on technology trends, competency requirements, and, potential pathways for international mobility.

(d) ITIs that do not adhere to the prescribed affiliation norms and standards are de-affiliated in accordance with the Standard Operating Procedure. The de-affiliation process is initiated by the State

Directorates, which examine such cases and submit recommendations to DGT through the State Skill Development and Entrepreneurship Committee (SSDEC).

Additionally, DGT de-affiliates units under various trades that have remained vacant for two consecutive years. However, considering the impact of COVID-19, the two-year vacancy criterion was relaxed. Consequently, in January 2025, 21,069 units, comprising 4.49 lakh seats in ITIs across the country, which had remained vacant for the past six academic sessions (2018-19 to 2023-24), were de-affiliated. Under this exercise, all the concerned ITIs were given a prior intimation with an opportunity to submit their representation before the final decision was made.

This measure along with de-affiliation of ITIs which are not complying with the prescribed norms will positively impact the quality of training provided in the ITIs.

Upon de-affiliation, no fresh admissions are permitted; and trainees already enrolled in the previous session are allowed to continue and complete their ongoing training.

Further, during the de-affiliation process, the SSDEC may also restrict admissions for one academic session in ITIs where serious irregularities are observed as allowing fresh admissions may adversely affect the interests of trainees.
