

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
RAJYA SABHA
STARRED QUESTION NO. *275
ANSWERED ON 18.03.2026

**MODERNISATION OF INDUSTRIAL TRAINING INSTITUTES UNDER THE PM-SETU
INITIATIVE**

*275. SMT. GEETA ALIAS CHANDRAPRABHA:

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

- (a) the criteria adopted for selection of Industrial Training Institutes (ITIs) proposed to be modernised under the PM-SETU initiative and the nature of upgradation planned;
- (b) the arrangements made to strengthen industry participation in curriculum design, training delivery and apprenticeship opportunities to improve job readiness of trainees; and
- (c) whether any monitoring or evaluation mechanism has been put in place to assess improvements in placement outcomes, employability skills and industry acceptance of trainees trained under the initiative?

ANSWER

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

(SHRI JAYANT CHAUDHARY)

- (a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (A) TO (C) OF RAJYA SABHA STARRED QUESTION NO. *275 ANSWERED ON 18.03.2026 ASKED BY SMT. GEETA ALIAS CHANDRAPRABHA REGARDING “MODERNISATION OF INDUSTRIAL TRAINING INSTITUTES UNDER THE PM-SETU INITIATIVE”

(a) The Pradhan Mantri Skilling and Employability through Upgraded ITIs (PM SETU) scheme envisages to enhance the overall quality and relevance of vocational training with upgraded labs, machines, and industry-aligned curriculum in the country.

The key objectives of the scheme are:

- i. To improve the quality of training delivery in ITIs and NSTIs;
- ii. To modernize infrastructure and equipment as per industry standards;
- iii. To introduce industry-aligned long-term and short-term courses, especially in new and emerging sectors;
- iv. To strengthen industry linkage for demand-driven skilling and better employment outcomes; and
- v. To enhance the capacity of National Skill Training Institutes (NSTIs) for training of trainers.

The scheme comprises of two components:

- i. Component I – Upgradation of 1,000 Government ITIs (200 Hub ITIs and 800 Spoke ITIs) in a Hub and Spoke model wherein upgradation includes smart classrooms, modern labs, digital content, and new courses aligned to industry needs.
- ii. Component II – Capacity Augmentation of five NSTIs located in Bhubaneswar, Chennai, Hyderabad, Kanpur, and Ludhiana, including setting-up sector-specific National Centres of Excellence for skilling, with focus on advanced training of trainers with global partnership.

The selection of ITIs under the PM-SETU Scheme is led by the respective State/UT Governments in consultation with industry, ensuring alignment with emerging skill needs and local industrial potential. Accordingly, States/UTs are required to submit proposals for upgradation of identified ITI cluster in collaboration with industry partners.

For the upgradation of ITIs under the hub-and-spoke model, a Special Purpose Vehicle (SPV) shall be established, anchored by a credible Anchor Industry Partner (AIP). The SPV will be responsible for managing the hub-and-spoke clusters and ensuring the delivery of agreed outcome-based training and employment results. The industry partner has flexibility to propose upgradation as per the industry-aligned requirements through Strategic Investment Plan (SIP) under the scheme.

(b) Under the PM-SETU scheme, industry participation in curriculum design, training delivery and apprenticeship opportunities is strengthened through an industry-led governance model. The industry-led Special Purpose Vehicle (SPV) is provided the necessary autonomy to propose modifications in the curriculum by introducing new courses and upgrading existing courses as per industry requirements. The scheme focuses on improving employability outcomes through industry-led governance and aims to enable learners to acquire industry-relevant skills, gain exposure to real work environments, and access career guidance, placement support and self-employment opportunities through strengthened institutional systems and industry linkages.

Upgradation of curricula for ITI training programmes is a continuous process and is generally undertaken every three years. To meet the demands of the modern economy and emerging technologies in the industrial sector, new courses are continuously developed and existing courses are upgraded in consultation with industry, academia and States/UTs. The courses are updated by incorporating new technologies and the latest tools, equipment and machinery in the curricula, keeping in view the requirements of emerging technologies. During the last three years, 14 Craftsmen Training Scheme (CTS) courses, 15 short-term courses and 07 Flexi-MoU courses have been developed and approved by National Council for Vocational Education and Training (NCVET). Additionally, 22 courses have been revised and approved to further align training with industry requirements.

Further, the Directorate General of Training (DGT) under the aegis of the Ministry of Skill Development and Entrepreneurship (MSDE) is implementing the Dual System of Training (DST) to provide trainees with exposure to industrial work environments and familiarize them with the latest technologies and industry practices. This enables industries to train candidates according to their skill requirements while providing trainees with hands-on industry experience aligned with market demand. After successful completion of training under the DST scheme, trainees may be directly employed or engaged as apprentices in organizations.

In addition, 150 hours of mandatory On-the-Job Training (OJT) / group project has been introduced for trainees of ITIs under the Craftsmen Training Scheme (CTS) to further strengthen industry alignment and improve job readiness.

(c) The MSDE has constituted a National Steering Committee (NSC), chaired by the Secretary, MSDE, as the apex body to provide overall vision and policy direction for the PM-SETU scheme. The scheme incorporates a monitoring and evaluation framework with defined performance indicators covering training quality, infrastructure modernization, enrolment, and placement outcomes. Progress is periodically reviewed and monitored by MSDE, State Governments, and implementing agencies, and corrective measures are undertaken as required.

In addition, the Strategic Advisory and Reforms Taskforce for Holistic ITI Transformation (SARTHI) has been constituted under the chairmanship of the Minister of State (Independent Charge), Ministry of Skill Development and Entrepreneurship, to provide advisory inputs on curriculum development and standardization, trade testing and certification reforms, accreditation and regulatory norms for ITIs, strengthening of industry–institute linkages, and facilitation of inter-ministerial and institutional coordination under the Craftsmen Training Scheme (CTS).
