

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
RAJYA SABHA
UNSTARRED QUESTION NO. 3794
ANSWERED ON 25.03.2026

STATUS OF PM-SETU PILOT PROJECT

3794. SHRI RAJINDER GUPTA:

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

- (a) the current status of PM-SETU pilot project approved in financial Year 2025-26, including number of hub and spoke centres sanctioned, constructed and operational;
- (b) States and UTs where pilot project has been implemented, along with details of districts and centres covered;
- (c) number of beneficiaries trained under the pilot project, State-wise/UT-wise, district-wise and course-wise;
- (d) funds allocated, released and utilised for pilot project, along with reasons for any underutilisation of funds; and
- (e) key learnings and challenges identified from the pilot project and steps being considered for scaling up PM-SETU nationally in subsequent years, including any proposed modifications based on pilot outcomes?

ANSWER

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

(SHRI JAYANT CHAUDHARY)

(a) to (c) The Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs (PM SETU) scheme aims to enhance the overall quality and relevance of vocational training in the country. The Scheme has a total outlay of Rs. 60,000 crore (Central Share – Rs. 30,000 crore, State Share – Rs. 20,000 crore and Industry Share – Rs. 10,000 crore).

The selection of ITIs under 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 in collaboration with industry partners. Ministry of Skill Development and Entrepreneurship (MSDE) has constituted National Steering Committee (NSC) chaired by Secretary, MSDE, an apex body to provide the overall vision for the scheme, facilitate broad policy direction, finalize operational guidelines, monitor, and conduct course correction. 32 States/UTs have constituted their State Steering Committee (SSC) led by Chief Secretary of the State/UT, an apex body at the State/UT level for guiding and overseeing the implementation of scheme. 19 States/UTs have floated their proposal for inviting the interest of industry. For selection of the industry partner to form Special Purpose Vehicle (SPV), a Strategic Investment Plan (SIP) by industry is required to be submitted in response to the Request for Proposal (RFP).

For selection of the industry partner to form Special Purpose Vehicle (SPV), a Strategic Investment Plan (SIP) by industry is required to be submitted in response to the Request for Proposal (RFP). Suitable proposals are forwarded to the National Steering Committee (NSC) for review and approval. At present, proposals regarding upgradation of ITIs is yet to be received from State Steering Committee for consideration or approval of National Steering Committee (NSC).

(d) Release of funds for Upgradation of ITIs is contingent upon the formation of SPV. MSDE is carrying out necessary consultations to support and handhold States/UTs across various aspects of scheme roll-out.

So far, an amount of Rs. 7.50 Crore has been released to the States/UTs towards engagement of Project Management Consultants under PM-SETU. Release of funds for Upgradation of ITIs is contingent upon the formation of SPV. MSDE is carrying out necessary consultations to support and handhold States/UTs across various aspects of scheme roll-out.

(e) The benefits of the scheme are proposed to be achieved through a State-led selection process, active industry participation, and a structured implementation framework. Consultations have been held with industry associations and individual industry players, and multiple handholding workshops have been conducted with States/UTs. States/UTs have sought clarifications and support in relation to the preparation of RFPs, SIPs, and related templates.

To address these challenges, the Government has taken proactive steps, including issuance of a model RFP document, detailed templates, and organization of regional capacity-building workshops to enable timely and quality preparation of proposals and SIPs.
