

GOVERNMENT OF INDIA  
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 600**  
ANSWERED ON 04.02.2026

**IMPLEMENTATION OF PM-SETU FOR STARTUP AND ENTREPRENEURIAL SUPPORT**

600#. SHRI MITHLES KUMAR:

SHRI RYAGA KRISHNAIAH:

SHRI KESRI DEVSINH JHALA:

SHRI LAHAR SINGH SIROYA:

SHRI UJJWAL DEORAONIKAM:

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

- (a) the objectives and key components of the Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs (PM-SETU) scheme to strengthen the startup and entrepreneurship ecosystem, particularly for early-stage enterprises and first-time entrepreneurs;
- (b) the progress made in operationalizing PM-SETU, including institutional arrangements, stakeholder onboarding and coordination with implementing agencies; and
- (c) the manner in which the scheme seeks to integrate skilling, mentorship, credit facilitation and market access for startups and aspiring entrepreneurs?

**ANSWER**

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

(SHRI JAYANT CHAUDHARY)

(a) & (c) 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 key objectives of the scheme are:

- i. To improve the quality of training delivery in Industrial Training Institutes (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.

PM-SETU focuses on improving employability outcomes through industry-led governance, and indirectly supports self-employment and entrepreneurship by enabling learners to acquire industry-relevant skills, gain exposure to real work environments, and access career guidance, placement support, and self-employment support through strengthened institutional systems and industry linkages. The industry-led Special Purpose Vehicles (SPVs) under the Scheme would lead the upgradation and be empowered to propose necessary interventions relating to curriculum redesign, training delivery models, infrastructure upgradation, industry exposure, and placement or self-employment facilitation, in alignment with local industry needs and the Scheme guidelines.

(b) As per the Cabinet approval, the selection of ITIs under PM-SETU will be 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. 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. 25 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. 10 States/UTs have floated their proposal for inviting the interest of industry.

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