

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA
UNSTARRED QUESTION NO. 1308
ANSWERED ON 08.12.2025

COORDINATION WITH PUNJAB SKILL DEVELOPMENT MISSION

1308. SHRI MALVINDER SINGH KANG:

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

- (a) whether it is a fact that the Government has taken specific initiatives to upgrade Government ITIs into Centres of Excellence in Punjab under the national schemes, if so, the details thereof;
- (b) the details of progress made in establishing industry-led Special Purpose Vehicles (SPVs) for this transformation;
- (c) the steps taken by the Government to integrate the revised National Apprenticeship Promotion Scheme with regional industry demands in Punjab and the manner in which this integration has influenced apprenticeship engagement and employment outcomes;
- (d) whether it is a fact that Punjab has participated in the Entrepreneurship Skill Development Programme (ESDP), especially for marginalized groups such as SC/ST, women and differently-abled person; and
- (e) the measures taken by the Government in coordination with Punjab's Skill Development Mission to promote innovative financing mechanisms such as the Skill Impact Bond and restructured Model Skill Loan Scheme for enabling youth entrepreneurship?

ANSWER

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

(SHRI JAYANT CHAUDHARY)

(a) Yes Sir, The Cabinet has approved the Pradhan Mantri Skilling and Employability through Upgraded ITIs (PM SETU) scheme to enhance the overall quality and relevance of vocational training in the country. 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 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. As per Cabinet approval, the scheme is proposed to be implemented pan-India, including in the state of Punjab, based on proposals received from States/UTs.

(b) The guidelines for roll-out of scheme have been issued after approval of National Steering Committee under PM-SETU scheme. As per the guidelines, States/UT are required to form the State Steering Committee and float Expression of Interest/ Request for proposal for receiving proposals from Industry Partners. As on date, as per the communication received 11 States/UTs (Andhra Pradesh, Assam, Chandigarh, Delhi, Karnataka, Ladakh, Madhya

Pradesh, Meghalaya, Sikkim, Telangana, Uttar Pradesh) have notified their State Steering Committee. However, no industry proposal has yet been forwarded by SSC for approval of National Steering Committee.

(c) The National Apprenticeship Promotion Scheme (NAPS) aims to promote apprenticeship training throughout the country, including Punjab. The scheme is currently in its second phase (NAPS-2). The steps taken to integrate with regional industry demands are as follow:

- i. The Apprentices Act (amended in 2014) allows industries to run their own programs as "Optional Trades," utilizing their available facilities to provide training that meets specific local skill demands. There are currently 260+ designated trades and 750+ optional trades available to cater to the requirements of local industries.
- ii. Under NAPS-2, the Government provides partial stipend support (25% of the minimum stipend, up to ₹1,500 per month) paid directly to apprentices via Direct Benefit Transfer (DBT).
- iii. This flexibility and financial support have influenced engagement significantly. The total apprenticeship engagement in the State of Punjab under NAPS-2 is 57,885 (up to 31st October 2025).

(d) Yes, Sir. The Government has participated in initiatives to create an inclusive entrepreneurial ecosystem. The Ministry of Skill Development and Entrepreneurship (MSDE), through the National Institute for Entrepreneurship and Small Business Development (NIESBUD), is implementing the Entrepreneurship-based Skill Development Programme (ESDP) on Solar Entrepreneurship under the PM–Surya Ghar Muft Bijli Yojana in Punjab.

This programme targets marginalized groups including SC/ST communities, women, and Persons with Disabilities (PwD), providing mentorship, handholding, and market linkages. The participation details for Punjab are as follows:

Project Period	Total No. of Participants Trained	No. of Women Participants Trained	No. of SC Participants Trained	No. of ST Participants Trained	No. of PwD Participants Trained
2024 – 25 to November 2025	1757	190	489	2	3

Note –The above programme has both entrepreneurship and skilling components related to solar technologies.

(e) The Government has introduced innovative financing mechanisms such as the Skill Impact Bond and the Model Skill Loans to enable youth skilling and entrepreneurship. However, there is currently no specific coordination with the Punjab Skill Development Mission regarding these initiatives.

The details of the central schemes aimed at enabling access to finance are as follows:

- **Restructured Model Skill Loan Scheme:** This scheme is anchored by the Ministry of Skill Development & Entrepreneurship to enable access to unsecured, collateral-free skill loans from financial institutions for candidates undergoing demand-led skill courses. The scheme has been restructured to facilitate easier access to finance. As of August 31, 2025, a total of 31 lending institutions are registered under the scheme, including 12 NBFCs and 2 Private Sector Banks which registered following the recent modifications.
- **Skill Impact Bond:** This is an innovative outcomes-based financing tool that utilizes private sector capital and expertise. It focuses on job placement and retention rather than merely on training and certification. The bond is dedicated to benefiting 50,000 young Indians, with a target of 60% women beneficiaries, through skills training and job placement.