

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA
UNSTARRED QUESTION NO. †236
ANSWERED ON 02.02.2026

OBJECTIVES OF PM-SETU SCHEME

†236 SHRI PRAVEEN PATEL:
SHRI LUMBARAM CHOUDHARY:
SHRI BHARTRUHARIMAHTAB:
DR. HEMANT VISHNU SAVARA:
SHRI DILIPSAIKIA:
SMT. KAMLESH JANGDE:
SHRI PRADEEP KUMAR SINGH:
SHRI BHOJRAJ NAG:
SHRI VIJAY BAGHEL:
SHRI GOPAL JEE THAKUR:
SHRI DINESHBHAI MAKWANA:
SHRI JANARDAN MISHRA:
SHRI SURESH KUMAR KASHYAP:
SHRI ANIL FIROJIYA:
SHRI AVIMANYUSETHI:

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

- (a) the objectives and key components of the Prime Minister Skilling and Employability Transformation through Upgraded ITIs (PM-SETU) scheme to strengthen the startup and entrepreneurship ecosystem, especially for early-stage enterprises and first-time entrepreneurs;
- (b) the details of progress made so far in the implementation of PM-SETU in respect of institutional systems, stakeholder participation (onboarding) and coordination with implementing agencies;
- (c) the manner in which the scheme seeks to integrate skilling, mentorship, credit facilitation and market access for startups and aspiring entrepreneurs and the initiatives taken by the Government for skill development of startups and entrepreneurs in Madhya Pradesh and Chhattisgarh;
- (d) whether the Government has any plan to promote the PM-SETU scheme for startups and entrepreneurship in tribal district like Palghar in Maharashtra and if so, the details thereof; and
- (e) the current status of the implementation of said schemes and the details of the progress reported thereunder particularly in Darbhanga district of Bihar?

ANSWER

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

(SHRI JAYANT CHAUDHARY)

(a) to (e) 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 (including early-stage enterprises and first-time entrepreneurs) 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.

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 andoverseeing the implementation of scheme. 10 States/UTs have floated their proposal for inviting the interest of industry.

PM-SETU is primarily a vocational education and training upgradation scheme aimed at strengthening the ITI & NSTI ecosystem through industry-led governance, modern infrastructure and improved training delivery and outcomes. The scheme does not provide any support for startups/early-stage enterprises as a dedicated startup programme.

As per the details received from Government of Maharashtra, three (3) clusters in the districts of Pune, Nagpur and Chhatrapati Sambhajnagar have been identified in Maharashtra in the pilot phase. No proposal for ITI/cluster from Palghardistrict has been received in the pilot phase.

As per the details received from Government of Bihar, two (2) clusters in the districts of Patna and Darbhanga have been identified for pilot phase. Request For Proposal (RFP) is to be issued by State to invite the interest of industry.
