

GOVERNMENT OF INDIA  
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 3853**  
ANSWERED ON 16.03.2026

**PM-SETU PILOT PROJECT IN ANDHRA PRADESH**

3853. SHRI APPALANAIDU KALISETTI:

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

- (a) the current status of the PM-SETU pilot project approved during the Financial year 2025–26, including the number of hubs and spoke centres sanctioned, constructed and made operational;
- (b) the details of the pilot project implemented along with the centres covered, State/UT-wise and district-wise in Andhra Pradesh;
- (c) the number of beneficiaries trained under the pilot project, State/UT, district and course - wise in Andhra Pradesh;
- (d) the details of total funds allocated, released and utilised for the said project during the said period, along with the reasons for any under utilisation of funds;
- (e) the details of any shortfalls or gaps observed during implementation of the said project, including reasons for delays, infrastructure challenges or inadequate enrolment and the corrective measures taken thereon; and
- (f) the details of key learnings and challenges identified from the said project and the steps taken/being taken by the Government to scale up PM-SETU nationally in subsequent years, including any proposed modifications in design or implementation strategy based on pilot outcomes?

**ANSWER**

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

(SHRI JAYANT CHAUDHARY)

(a) to (d) 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 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 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. 15 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).

An amount of Rs. 50 lakhs have been released to the State of Andhra Pradesh 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) & (f) 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 organisation of regional capacity-building workshops to enable timely and quality preparation of proposals and SIPs.

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