

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA
UNSTARRED QUESTION No. 4939
ANSWERED ON 23.03.2026

ITI UPGRADATION UNDER PM SETU

4939. SHRI TEJASVI SURYA:

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

- (a) the details of PM SETU scheme approved by the Union Cabinet in 2025, including its objectives, total outlay of Rs. 60,000 crore and the respective contributions of the Central Government, State Governments and industry;
- (b) the total number of Industrial Training Institutes (ITIs) proposed to be upgraded, along with the current status of implementation and funds released so far, State/UT-wise;
- (c) the details of outcome-based milestones agreed upon with the Asian Development Bank and the World Bank as co-financiers of the scheme along with the mechanism in place by the Government to measure and independently verify results under the said scheme;
- (d) the steps taken by the Government to ensure that ITIs located in educationally and industrially backward districts are prioritised for upgradation under PM SETU, including districts in Karnataka along with the proposed timeline for completion; and
- (e) the specific details of ITIs identified for upgradation in Bengaluru Urban and Bengaluru Rural districts?

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 through Upgraded ITIs (PM-SETU) scheme envisages to enhance the overall quality and relevance of vocational training with upgraded labs, machines, and industry-aligned curriculum in the country.

The key objectives of the scheme are:

- i. To improve the quality of training delivery in 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 is a Centrally Sponsored Scheme with an outlay of ₹60,000 crore (Central Share: ₹30,000 crore, State Share: ₹20,000 crore and Industry Share: ₹10,000 crore), with co-financing to the extent of 50% of Central share by the Asian Development Bank and the World Bank, equally.

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).

Progress under the scheme is monitored through Six (6) Disbursement Linked Indicators (DLIs), which are periodically reviewed through independent third-party verification. Indian Institute of Management Indore has been engaged to carry out this verification.

The DLIs are as follows:

- I. DLI #1: Employment outcomes for graduates of supported ITIs improved.
- II. DLI #2: Access to better quality training programs of supported ITIs increased.
- III. DLI #3: Governance and management of supported ITIs strengthened.
- IV. DLI #4: State governance and leadership for enabling environment for ITI ecosystem strengthened.
- V. DLI #5: Quality of training at NSTIs increased.
- VI. DLI #6: National governance and leadership strengthened.

(e) The State Government of Karnataka has identified two clusters under the PM-SETU Scheme, with Hub ITIs located in the districts of Bengaluru and Kalaburagi. The State of Karnataka has floated Expression of Interest (EOI) for inviting industry proposal. At present, no proposal or Strategic Investment Plan (SIP) from the State is pending for consideration or approval before the National Steering Committee (NSC). The details of the ITIs selected in Bengaluru Urban and Bengaluru Rural are provided in table below:

State	District	Hub/Spoke	Name of ITI
Karnataka	Bengaluru	Hub	Govt. ITI Peenya, Tumkur Road
Karnataka	Bengaluru	Spoke	Govt. ITI, B.T. Center, Tumkur Rd, Bangalore
Karnataka	Bengaluru	Spoke	Govt. ITI, Domlur, Bangalore
Karnataka	Bengaluru	Spoke	Govt. ITI, Hosur Road, Bangalore
Karnataka	Bangalore Rural district	Spoke	Govt. ITI, Devanahalli
