

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA
UNSTARRED QUESTION No. 5928
ANSWERED ON 30.03.2026

MODERNISATION OF ITIs

5928. SMT. SHAMBHAVI:
SHRI RAJESH VERMA:
DR. D. PURANDESWARI:
SHRI ARUN BHARTI:

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

- (a) whether the Government has launched new schemes to modernise Government Industrial Training Institutes (ITIs) and strengthen the skill development ecosystem, particularly in Bihar and Andhra Pradesh, if so, the details thereof and if not, reasons therefor;
- (b) whether the Government proposes to upgrade ITIs through industry-aligned training, infrastructure development and hub-and-spoke institutional models particularly in Samastipur, Khagaria, Jamui and Rajahmundry Lok Sabha Constituencies, if so, the details thereof and if not, the reasons therefor;
- (c) whether new entrepreneurship promotion initiatives have been proposed for students and young professionals, if so, the details thereof and if not, the reasons therefor;
- (d) the total budget allocation made for skill development and entrepreneurship programmes; and
- (e) the expected impact of these measures on employability, industry readiness and youth empowerment in the country, State/UT-wise?

ANSWER

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

(SHRI JAYANT CHAUDHARY)

(a) & (b) The Government has launched 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 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. 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).

The Government of Bihar has identified two (2) clusters for pilot phase under the PM-SETU scheme, with Hub ITIs located in the districts of Patna and Darbhanga. Similarly, the State of Andhra Pradesh has identified one (1) cluster for pilot phase under the scheme, with the Hub ITI located in the district of Visakhapatnam. However, the Hub-and-Spoke ITI clusters would be finalized for financial assistance on the basis of the response of industry partners for the proposed clusters along with approval of SIP by NSC.

(c) The Ministry of Skill Development and Entrepreneurship (MSDE) has taken various initiatives to promote entrepreneurship in the country. During the year 2025, multiple entrepreneurship focused initiatives were implemented with the objective of promoting self-employment, enterprise creation and sustainable livelihoods, particularly among youth, women, SHGs and aspiring micro entrepreneurs. These initiatives were aligned with the Skill India Mission under Pradhan Mantri Kaushal Vikas Yojana (PMKVY 4.0), Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan (PM JANMAN), Dharti Aaba Janjatiya Gram Utkarsh Abhiyan (DAJGUA), and PM Surya Ghar Muft Bijli Yojana.

The Ministry through its autonomous organizations, namely, National Institute for Entrepreneurship and Small Business Development (NIESBUD) and Indian Institute of Entrepreneurship (IIE) has implemented various Entrepreneurship Development Programmes (EDPs) and Entrepreneurship and Skill Development Programmes (ESDPs) under various schemes to promote entrepreneurship amongst all sections of the society. These EDPs and ESDPs are designed to impart entrepreneurial, financial and managerial skills and also to offer post-training support through mentorship, handholding, and access to credit/finance, market linkages and incubation facilities.

Under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 4.0, the emphasis is on empowering trained candidates to pursue diverse career pathways by providing appropriate orientation, with a strong focus on entrepreneurship and livelihood creation through On-the-Job Training (OJT) embedded industry-relevant skill courses. Additionally, as part of the ITI syllabus under the Craftsmen Training Scheme (CTS), 15 hours of entrepreneurship content are embedded in the first year and 12 hours in the second year within the Employability Skills module for all courses.

Also, Skill India Digital Hub (SIDH) platform has been launched as a one-stop platform that integrates skilling, education, employment, and entrepreneurship ecosystems to provide a lifelong array of services targeting a wide range of stakeholders. Details of the trained candidates are available on SIDH portal for connecting with potential employers. Through SIDH, candidates can have access to jobs, apprenticeship opportunities and other facilities, including loans for entrepreneurship.

Further PM-SETU scheme proposes the upgradation of ITIs through industry-led Special Purpose Vehicles (SPVs), which will lead to implementation 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 scheme guidelines.

(d) The total Budget Estimate (BE) allocation for Skill Development and Entrepreneurship programmes under MSDE for FY 2025-26 is Rs. 5,749.90 Crore. This comprises under the Central Sector Scheme, the Skill India Programme with a BE of Rs. 2,700.00 Crore; and under Centrally Sponsored Schemes, the Strengthening of Infrastructure for Institutional Training (SIIT) with a BE of Rs. 49.90 Crore, and the PM-SETU scheme with a BE of Rs. 3,000.00 Crore.

(e) The impact of the Government's skill development interventions is evidenced by independent third-party evaluations conducted by the Arun Jaitley National Institute of Financial Management (AJNIFM), an autonomous institution of the Ministry of Finance, Government of India.

The key takeaways from the evaluation is summarised below:

- I. Under PMKVY 4.0, the combined share of employed and self-employed Short-Term Training (STT) respondents increased from 26.6% prior to training to 45.4% after PMKVY training, reflecting an 18.8 percentage point increase in employment outcomes. Income-related improvements were also measurable, with 41.4% of STT candidates and 48.9% of RPL candidates reporting an increase in income following training and certification. PMKVY 4.0 has significantly expanded access to formal skill training and generated measurable improvements in skill confidence, employment participation, and income outcomes for a substantial proportion of beneficiaries.
- II. The Jan Shikshan Sansthan (JSS) Scheme has demonstrated strong livelihood outcomes, with 33.94 lakh individuals enrolled, of whom 32 lakh were trained and 31.52 lakh certified, reflecting an overall success rate of 99 percent. Women constituted 82 percent of total participants and 73 percent of beneficiaries belonged to marginalised sections, including SC/ST (36%) and OBC (37%). The livelihood impact has been particularly noteworthy: 90 percent of alumni utilised acquired skills for income generation; 82 percent became economically engaged within six months of training; 60 percent of previously non-earning individuals started to earn post-training; and the average monthly income of beneficiaries recorded a four-fold increase.
- III. Under the Pradhan Mantri National Apprenticeship Promotion Scheme (PMNAPS-2), the scheme engaged 34.69 lakh apprentices against a cumulative target of 46 lakh, translating into an overall achievement of approximately 75 percent. Cumulative DBT disbursement exceeded Rs. 1,094 crore, with annual disbursement rising from Rs. 327.2 crore in FY 2023-24 to Rs. 500.16 crore in FY 2024-25, reflecting growing institutional capacity and financial transparency. The ITI Tracer Study published by MSDE further indicates that 63.5% of total ITI pass-outs secured employment, of which 6.7% opted for self-employment.

Further, the Government has taken various steps to strengthen industry linkage and placement outcomes. The courses under PMKVY 4.0 are designed by industry-led bodies addressing the requirement of emerging sectors. Training has been imparted in future ready job-roles addressing the requirement of Industry 4.0, emerging sectors like Drone, Artificial Intelligence (AI), Robotics, Mechatronics, etc. District Skill Development Plans (DSDPs) are prepared by District Skill Committees (DSCs) to analyze skill gaps and map industry demand at the district level, ensuring that PMKVY training courses are aligned with local employment needs.

Further, to enable the opportunities for employment, Skill India Digital Hub (SIDH) platform has been launched as a one-stop platform that integrates skilling, education, employment, and entrepreneurship ecosystems to provide a lifelong array of services targeting a wide range of stakeholders. The details of the trained candidates are available on SIDH portal for connecting with potential employers. Additionally, OJT has been made an inherent component of the PMKVY. To ensure active interaction between employers and candidates, Kaushal Mahotsavs are organized across the country.
