

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 1542
TO BE ANSWERED ON 09TH FEBRUARY, 2026**

UPGRADATION OF ITIs

1542. SHRI EATALA RAJENDER :

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether the plan to upgrade Industrial Training Institutes (ITIs) by the Government is a pivotal step toward enhancing the skill-sets of our future workforce and implementing a new scheme to support the skilling of 20 lakh youth during the next five years ensuring that young population is equipped for the challenges of tomorrow; and
- (b) if so, the details thereof along with the funds sanctioned and utilized in the country, State/UT-wise, particularly in Telangana till date?

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SUSHRI SHOBHA KARANDLAJE)**

(a) to (b): 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 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. These ITIs will be upgraded with 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.**

As per the Cabinet approval 20 lakh youth are proposed to be trained over a five-year period through new demand-driven courses, revamped existing trades, industry-aligned training, thereby equipping young people for the challenges of tomorrow's industry and job markets.

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.

The selection of ITIs under the 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 of identified ITI cluster in collaboration with industry partners.

At present, no proposal has been forwarded by the State/UT Governments. Funds shall be disbursed once the proposals are received from the State/UT Governments, including Telangana for upgradation of ITIs as per the scheme guidelines.
