

National Scheme for Upgradation of Industrial Training Institutes (ITIs) and the establishment of five National Centres of Excellence (NCOEs) for Skilling

May 11, 2025 • vajiramandravi.com



National Scheme for Upgradation of Industrial Training Institutes (ITIs) and the establishment of five National Centres of Excellence (NCOEs) for Skilling Latest News

The Union Cabinet recently approved the National Scheme for Industrial Training Institute (ITI) Upgradation and the Setting up of five (5) National Centres of Excellence for Skilling as a Centrally Sponsored Scheme.

About National Scheme for Upgradation of Industrial Training Institutes (ITIs) and the establishment of five National Centres of Excellence (NCOEs) for Skilling

- It will be implemented as a **Centrally Sponsored Scheme** with an 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**), with **co-financing to the extent of 50% of the Central share** by the **Asian Development Bank and the World Bank**, equally.
- The scheme will focus on **upgradation of 1,000 Government ITIs in hub and spoke arrangement** with industry aligned revamped trades (courses) and **Capacity Augmentation of five (5) National Skill Training Institutes (NSTIs)**, including **setting up of five National Centres of Excellence for Skilling in these institutes**.
- The Scheme aims to **position existing ITIs as government-owned, industry-managed** aspirational institutes of skills, in collaboration with State Governments and industry.
- **Over a five-year period, 20 lakh youth will be skilled through courses** that address the human capital needs of industries.
- The scheme will focus on ensuring alignment between local workforce supply and industry demand, thereby facilitating industries, including MSMEs, in accessing employment-ready workers.
- **A need-based investment provision** has been **kept under the scheme, allowing flexibility in fund allocation** based on the specific infrastructure, capacity, and trade-related requirements of each institution.
- A unique feature of this scheme is the introduction of an **industry-led Special Purpose Vehicle (SPV) model to oversee ITI upgradation**.
- This approach will ensure better industry participation, course alignment, and outcome-driven implementation.
- Under the scheme, **infrastructure upgradation for improved Training of Trainers (ToT) facilities** will be undertaken **in five NSTIs**, namely Bhubaneswar, Chennai, Hyderabad, Kanpur, and Ludhiana.
- Additionally, **pre-service and in-service training** will be provided **to 50,000 trainers**.

National Scheme for Upgradation of Industrial Training Institutes (ITIs) and the establishment of five National Centres of Excellence (NCOEs) for Skilling FAQs

Q1. What is the total outlay for the National Scheme for Upgradation of Industrial Training Institutes (ITIs)?

Ans. ₹60,000 crore

Q2. How many Government ITIs will be upgraded under the National Scheme for Upgradation of Industrial Training Institutes (ITIs)?

Ans. 1,000

Q3. What is the objective of the National Scheme for Upgradation of ITIs?

Ans. To make ITIs government-owned, industry-managed aspirational institutes of skills.

Source: **PIB**

