



Government of India
Ministry of Skill Development and Entrepreneurship
Directorate General of Training
Regional Directorate of Skill Development and Entrepreneurship
Guindy, Chennai – 600032, Tamil Nadu



Dr M JAYAPRAKASAN, ISDS
Regional Director

<https://rdsdetamilnadu.dgt.gov.in>

Phone : 044 - 2250 1460

Email: rdsde-tn-msde@gov.in

File No: RD-TN/PMSET/08/01

Date: 11/08/2026

To

The Managing Director / Chief Executive Officer / Director
Leading Industries /Corporates

Subject: Invitation to participate as Lead Industry Partner (LIP) for transformation of NSTI Chennai into a National Centre of Excellence under PM-SETU - reg.

Sir/Madam,

I am pleased to inform you that the Directorate General of Training (DGT), Ministry of Skill Development & Entrepreneurship, Government of India, has published an **Open Tender on the Central Public Procurement (CPP) Portal on 10 August 2026** for **selection of a Lead Industry Partner (LIP) for National Skill Training Institute (NSTI), Chennai under Component II** of the Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs (PM-SETU) Scheme.

PM-SETU and NSTI Chennai

PM-SETU is a major Government of India initiative aimed at strengthening the quality, relevance and industry alignment of the vocational training ecosystem. Under Component II, selected National Skill Training Institutes are envisaged for capacity augmentation and development as premier institutions with stronger industry participation in governance, technology adoption and training delivery.

Established in 1962, **NSTI Chennai is one of the premier national-level skill training institutions under DGT. Located at Guindy** in Chennai's major industrial ecosystem, the Institute has a 37.44-acre campus with substantial workshops, laboratories, classrooms and training infrastructure. It has established capabilities in CNC, CAD/CAM, welding, automotive technology, hydraulics, pneumatics, electronics, process control, metrology, tool & die and production technology.

Proposed National Centre of Excellence in Advanced Manufacturing

NSTI Chennai is proposed to be transformed into a **National Centre of Excellence (NCoE) in Advanced Manufacturing**. The proposed NCoE provides scope for industry to help shape future capabilities in areas such as:

- Automotive and EV Technologies, including battery systems, vehicle electronics and diagnostics
- Precision Machining, Additive Manufacturing and Rapid Prototyping
- Industry 4.0, Industrial IoT, PLC, SCADA, robotics and automation
- Digital Twin and smart factory simulation
- Microelectronics and Semiconductor Skilling
- VLSI Design, OSAT and Semiconductor Packaging Technology
- Advanced and Robotic Welding, Predictive Maintenance, industrial analytics and AI-based maintenance

The above areas are indicative, and the Lead Industry Partner may propose other relevant advanced manufacturing and emerging technology domains in accordance with the RFP and PM -SETU framework.

Why this partnership is strategically relevant to Industry

The estimated project cost for transformation of NSTI Chennai is **₹220 crore**. Against a **minimum LIP contribution of ₹44 crore (20%)**, the Central Government contribution is capped at ₹176 crore, comprising ₹160 crore towards capital expenditure and ₹16 crore towards operational expenditure.

Importantly, **the Lead Industry Partner is not envisaged merely as a financial contributor.** The LIP will have an opportunity to take a **strategic leadership role in shaping the transformation of a national-level Government skill institution.** The **Chairperson of the Institute Management Committee (IMC) will be nominated from the Lead Industry Partner,** with the industry-led IMC playing a substantive role in institutional planning and implementation within the approved PM-SETU framework.

For the selected industry, the partnership provides an opportunity to shape a future-ready talent pipeline, influence advanced training and technology priorities, strengthen apprenticeship and recruitment pathways, support workforce upskilling, and leverage substantial Government investment together with NSTI Chennai's existing infrastructure to create a long-term industry-aligned skill and technology ecosystem.

In effect, the selected LIP will have an opportunity to become the strategic industry partner in a ₹220 crore institutional transformation initiative, combining Government investment and infrastructure with industry's technology, expertise and understanding of future workforce requirements.

Invitation to Participate

Considering your organisation's leadership, technological capabilities and contribution to India's industrial ecosystem, **I cordially invite your organisation to examine this strategic opportunity and the RFP, and consider participating as the Lead Industry Partner, either independently or through an eligible consortium,** in accordance with the terms and conditions of the tender.

Your senior leadership/technical team is also welcome to visit NSTI Chennai on any convenient working day, with prior intimation, to understand the existing facilities, laboratories and workshops and assess the potential for developing the proposed National Centre of Excellence.

Tender Particulars

Tender Title	Selection of Lead Industry Partner for NSTI Chennai under PM- SETU
Tender ID	2026_DGT_921280_1
Tender Reference No.	NSTICHN/TN/PMSETU-II/2026
Published Date	10 August 2026
Bid Submission Start	17 August 2026 at 9:00 AM
Pre-bid Meeting	22 August 2026 at 11:00 AM, NSTI Chennai (physical and online mode)
Bid Submission Closing	25 September 2026 at 6:00 PM

Official Documents and Tender Portal

- [PM-SETU Component-II Scheme Guidelines](#)
- [NSTI Chennai - Proposed NCoE in Advanced Manufacturing](#)
- [RFP - Selection of Lead Industry Partner for NSTI Chennai](#)
- [CPP eProcurement Portal](#)

The tender may be located on the CPP Portal using Tender ID: 2026_DGT_921280_1 or Tender Reference No.: NSTICHN/TN/PMSETU-II/2026. Prospective bidders are requested to refer to the published RFP and PM-SETU Scheme Guidelines for complete eligibility, scope, evaluation methodology and other tender conditions.

I look forward to your organisation's participation in this important national initiative and to the possibility of working together to develop NSTI Chennai as a future-ready National Centre of Excellence in Advanced Manufacturing, bringing together Government investment and institutional infrastructure with industry's technology, expertise and strategic leadership.

Yours faithfully,



(Dr. M. Jayaprakashan)
Regional Director
Mobile : 98404 01002