



# **DAILY EDITORIAL ANALYSIS**

**TOPIC**

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**PRIME MINISTER INTERNSHIP  
SCHEME (PMIS): SCALE WITHOUT  
DESIGN AND EXECUTION**

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## PRIME MINISTER INTERNSHIP SCHEME (PMIS): SCALE WITHOUT DESIGN AND EXECUTION

### Context

- Early pilot data reveals a gap and **structural mismatches** between design, demand and execution of the **Prime Minister's Internship Scheme (PMIS)**.

Overview of PM Internship Scheme (PMIS)	
Announced In	<ul style="list-style-type: none"> <li>Union Budget 2024–25</li> </ul>
Organization	<ul style="list-style-type: none"> <li>Ministry of Corporate Affairs</li> </ul>
Purpose	<ul style="list-style-type: none"> <li>To provide real-life work experience to job seekers in top companies</li> </ul>
Number of Positions	<ul style="list-style-type: none"> <li>1,25,000 positions in 500 top companies</li> </ul>
Eligibility Criteria	<ul style="list-style-type: none"> <li><b>ITI:</b> Matriculation + ITI in relevant trade</li> <li><b>Diploma:</b> Intermediate + AICTE-recognized diploma</li> <li><b>Degree:</b> Bachelor's degree from UGC/AICTE-recognized university</li> </ul>
Exclusions	<ul style="list-style-type: none"> <li>Graduates from IITs, IIMs, NLUs, IISER, NIDs, and IIITs, and having qualifications such as CA, CMA, CS, MBBS, BDS, MBA, any master's or higher degree.</li> <li>Those <b>undergoing any skill, apprenticeship, internship or student training programme</b> under Central Government or State Government schemes.</li> <li>Those who have completed apprenticeship or training under <b>National Apprenticeship Training Scheme (NATS)</b> or <b>National Apprenticeship Promotion Scheme (NAPS)</b> at any point.</li> <li>If the <b>annual income</b> of any of the family members of the candidate <b>exceeds ₹8 lakhs</b>.</li> <li>If any member of the family is a <b>permanent/regular government employee</b>.</li> </ul>
Benefits	<ul style="list-style-type: none"> <li>5,000 monthly stipend ( 4500 by Central Government and 500 by Industry)</li> <li>One-time Grant of 6000 for incidentals</li> <li>Gain real-life work experience</li> <li><b>Insurance coverage</b> for every intern under Pradhan Mantri Jeevan Jyoti Bima Yojana and Pradhan Mantri Suraksha Bima Yojana.</li> </ul>

### Key Features of the PM Internship Scheme (PMIS)

- Target Group:** Open to **young individuals aged 21–24 years**.
  - Special focus on **candidates from low-income households**, ensuring inclusivity and equal opportunity.
- Internship Duration:** Each internship lasts for **12 months**, offering sustained and meaningful engagement with the host organization.
- Scale and Reach:**
  - Pilot phase (FY 2024–25):** 1.25 lakh internships.
  - Five-year goal:** 1 crore internships across India.
- Industry Sectors:** Internship opportunities are offered across **24 key sectors**, including *oil and gas; energy; automotive; banking and financial services; travel and hospitality; IT and manufacturing*, among others.

- **Company Selection Criteria:** Participating companies are drawn from the **top 500 firms** in India (with a **strong emphasis on Tier-II and Tier-III city youth**), selected based on their **Corporate Social Responsibility (CSR) spending** over the **past three years**.
  - ♦ It ensures internships are offered by **ethically responsible and socially committed organizations**.

### Significance of PM Internship Scheme (PMIS)

- **Bridging the Skill Gap:** PMIS addresses the **mismatch between education and industry requirements**.
  - ♦ It enhances **job readiness, innovation, and entrepreneurial capability** among young professionals by allowing interns to apply theoretical learning in practical settings.
- **Empowering the Next Generation:** PMIS is designed as a **nation-building exercise**, as it aims to create a workforce that is **skilled, confident, and future-ready**.
  - ♦ It supports **India's larger vision** of becoming a **global hub for skilled talent** and ensures that **no youth is left behind** due to financial or social barriers.

### Issues & Concerns Highlighted Through Pilot Data

- **Declining Willingness To Participate:** **Candidate acceptance rates dropped by 12.4%** between the *first (late 2024) and second (mid 2025) pilot rounds*, while the **number of offers increased** and **over 70 new companies joined**.
  - ♦ This decline occurred **despite improved outreach**, clearer job descriptions, and better information dissemination.
  - ♦ It signals a growing **awareness of the programme but a declining willingness to participate**, pointing to deeper issues in execution.
- **Uneven State-Level Outcomes:** Pilot data shows **regional disparities**—some states recorded high internship offers but poor take-up rates.
  - ♦ It highlights that **interest and availability do not translate into participation**.
  - ♦ The real bottleneck lies in **conversion**, suggesting flaws in scheme design rather than lack of opportunity.
- **Internship Duration and Alignment Issues:** Many candidates find it **difficult to commit to a 12-month stint**, particularly when **stipends are modest** and **placements are far from home**.
  - ♦ Moreover, the **limited alignment** between candidates' academic backgrounds and available internship roles has reduced interest and engagement.
- **Opportunity Costs for Youth in Smaller Towns:** For participants from smaller towns, **relocation costs** and **loss of local employment opportunities** pose real barriers.
  - ♦ The **economic trade-off** makes participation unattractive, even when the internship promises exposure and experience.
- **Unclear Employment Pathways:** The government has clarified that **it does not guarantee job placements**, while the PMIS is framed as a **skilling and exposure initiative**.
  - ♦ In a labour market where **youth unemployment remains high**, this uncertainty diminishes appeal.
  - ♦ Although companies may offer jobs at their discretion post-internship, the absence of **structured employment outcomes** limits motivation.
- **Financial Underutilisation:** Budgetary trends reinforce the implementation gap.
  - ♦ **₹2,000 crore** was allocated to the PMIS in **FY 2024–25 (Budget Estimates)**, and it was drastically **revised down to ₹380 crore**.
  - ♦ Such **low fund utilisation** indicates poor absorption and weak ground-level execution.
  - ♦ The scheme has failed to achieve the momentum required for nationwide expansion despite substantial fiscal backing.

### Way Forward: Recalibration Over Expansion

- The PMIS remains a promising idea with significant potential for **bridging the skills-employment divide**.
  - ♦ However, **scale cannot substitute for substance**.
- Before nationwide rollout, the government must **recalibrate** the programme by:
  - ♦ **Shortening internship durations** to make them more feasible.
  - ♦ **Aligning roles more closely with candidate skills and interests**.
  - ♦ **Encouraging local or hybrid placements** to reduce relocation barriers.
  - ♦ **Integrating clearer pathways to employment**, even if probabilistic.
- These adjustments can transform PMIS from a symbolic initiative into a genuinely **transformative youth-skilling platform**.

### Policy Recommendation

- A recent report by the **Parliamentary Standing Committee on Finance** called for an **independent and periodic evaluation** of the scheme.
- It recommended **relaxing eligibility norms**, especially for marginalized and economically weaker candidates, and emphasized the need for robust **tracking of internship-to-employment conversions** as a key success metric.
- It urged greater engagement with **small and medium enterprises (SMEs)**, which are currently underrepresented in the scheme.

Source: BS

### Daily Mains Practice Question

[Q] To what extent does the Prime Minister Internship Scheme (PMIS) reflect a mismatch between its ambitious scale and the practical challenges of implementation, and how can policy design be improved to bridge this gap?