

India Launches the PM Internship Scheme: Enhancing Youth Employability

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Summary

With the objective of providing opportunities to youth in the age group of 21 to 24 years who possess basic graduate degrees or industrial training institute training, the Indian government has launched the Prime Minister Internship Scheme designed to benefit 10 million youth over five years. Interns, over a 12-month period, will acquire practical skills by working in real-world business settings. The stipend provided will help the interns meet their basic expenses during the internship. This experience will enhance their employability, paving the way for future job opportunities.

Focusing on bridging the gap between education and employment, the Indian government has launched the largest known Internship initiative called the '[PM Internship Scheme](#)'. The scheme is designed to cover 10 million youth over the next five years. Under the scheme, the government will provide internships to all students who have completed their education. It will provide financial assistance and a monthly stipend to all selected applicants. The financial assistance under the scheme will be transferred directly to the selected applicant's bank account.

A part of a broader initiative, the scheme is one of five programmes proposed to provide opportunities, over one year, to young individuals in the age group of 21 to 24 years and offers internships in India's top 500 companies. The initiative, part of the Package for Employment and Skilling, was first announced in the Union Budget. The eligibility criteria preclude persons in full-time jobs and children of regular and permanent employees in the central or state governments. The scheme is to help unemployable youth who may have educational credentials but do not have the skills for the jobs that the industry has to offer. The internship will help them break through this challenge and give them exposure to real-world workplaces and their needs, which may make them employable elsewhere. Reservations for the Scheduled Castes, Scheduled Tribes, Other Backward Classes and people with disabilities will apply to the scheme as implemented in government hiring.

Youth educated from institutions like Indian Institutes of Technology or Indian Institutes of Management are excluded from the scheme. However, youth from the Industrial Training Institutes (ITIs) and skill centres can participate in the initiative. The scheme is open to candidates who have completed high school or higher secondary school, hold ITI certificates, diplomas from polytechnic institutes, or possess degrees such as Bachelor of Arts, Bachelor of Science, Bachelor of Commerce, Bachelor of Computer Application, Bachelor of Business Administration, Bachelor of Pharmacy and others. Interns will receive a monthly stipend of ₹4,500 (S\$72) from the government, with an additional ₹500 (S\$8) from companies through their corporate social responsibility (CSR) funds. It also involves a one-time grant of ₹6,000 (S\$96). The scheme will be implemented in two phases, training 10

million youth over five years. Interns will also be eligible to receive insurance coverage under government schemes such as the [Pradhan Mantri Jeevan Jyoti Bima Yojana](#) and [Pradhan Mantri Suraksha Bima Yojana](#). The premium for these insurance policies will be paid by the government. Companies can also provide additional accident insurance coverage for their interns if they choose to.

The criterion for partner companies is based on their average CSR expenditure over the last three years, as identified by the government. Companies not in the initial list of 500 can still participate by obtaining approval from the Ministry of Corporate Affairs, especially if they represent underrepresented sectors or regions. Companies unable to provide internships directly can participate by partnering with companies in their supply chain (suppliers, customers and vendors) or other companies or institutions within their corporate group. The scheme will be rolled out in two distinct phases. Phase 1 targets the skilling of three million youth over a duration of two years. Phase 2 aims to provide training to an additional seven million youth over a span of three years. The scheme, however, does not create any legal or contractual relationship between the government, the company and the selected intern. The offer also does not guarantee future employment with the company or the ministry either during or after the internship. In addition to the internship amount offered by the government, companies can pay additional amounts to the selected applicants, depending on the level of their qualifications and experience.

The scheme is gaining traction among 130 large companies, including major private sector players such as Larsen and Toubro, Reliance Industries, ITC Limited, Adani Group, Tata Consultancy Services, Coca-Cola India, Maruti Suzuki, HDFC Bank, Wipro, HUL Samsung, Hewlett Packard, Jubilant Foods, Mahindra Group and Bajaj Finance, among others. These opportunities are spread across 22 sectors, out of which oil, gas and energy and travel form the major chunk. Other sectors offering opportunities are automotive, banking and financial services, infrastructure, manufacturing and defence. The opportunities are spread across 650 districts in 36 states and Union territories. The scheme seems to have found favour with companies as [over 90,849 internship offers](#) have been registered. This is a manifold increase from the number of about 16,000 offers which had been placed until 7 October 2024.

The scheme seems to be popular with industries grappling with a growing talent shortage as it provides a crucial bridge. By offering on-the-job training, it will prepare the youth to meet the evolving Industry demands, while ensuring that businesses get access to a skilled and agile future workforce, fostering progress and innovation. The scheme is inclusive as students from across the country can apply and partake of its benefits. The scheme will enable youth to gain valuable experience, acquire new skills and build important professional networks. On the other hand, the companies participating in the scheme will provide internships in its forward and backward supply chain and in other companies in their group or otherwise. With a structured application process, financial support and a focus on skill development, this initiative aims to enhance youth employability in India.

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