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Assessing the Role of PMEGP in Promoting Self-Employment and Entrepreneurship in India

Jasvinder Singh[1], Dr. Vishal Vinayak[2], Dr. Yashmin Sofat[3]

[1]Research scholar, RIMT University, Mandi Gobindgarh.
[2]Associate Professor, RIMT University, Mandi Gobindgarh
[3]Assistant Professor, PG Department of Commerce, A.S.College, Khanna

Abstract

The Prime Minister's Employment Generation Programme (PMEGP) is a major government initiative aimed at promoting self-employment and generating sustainable employment opportunities through the establishment of micro-enterprises in rural and urban areas of India. Implemented through the Khadi and Village Industries Commission (KVIC), along with State Khadi and Village Industries Boards and District Industries Centres, the programme provides financial assistance in the form of margin money subsidy to eligible entrepreneurs for setting up new micro-enterprises. This study examines the role of PMEGP in employment generation and assesses its contribution to self-employment, job creation, entrepreneurship development, and local economic activity. The study also considers the role of PMEGP in providing livelihood opportunities to unemployed and economically disadvantaged sections of society. Using relevant secondary data and empirical evidence, the research analyses trends in PMEGP-supported enterprises and employment generation. The study highlights the potential of micro-enterprise development as an instrument for addressing unemployment and strengthening grassroots economic development. At the same time, challenges related to access to finance, market opportunities, entrepreneurial skills, infrastructure, and enterprise sustainability are considered. The study concludes that PMEGP can contribute significantly to employment generation when financial support is complemented by adequate training, market linkages, institutional support, and effective monitoring.

Keywords: PMEGP; Employment Generation; Self-Employment; Entrepreneurship; Micro-Enterprises; Rural Employment; Job Creation; Government Schemes; Economic Development; India

Introduction

Employment generation remains an important concern for India's economic and social development. Although economic growth has created employment opportunities across different sectors, unemployment and underemployment continue to affect various sections of the population, particularly youth, rural households, and individuals with limited access to formal employment. In this context, promotion of entrepreneurship and micro-enterprises has emerged as an important approach for creating livelihood opportunities and strengthening local economies.

The Government of India has introduced several programmes to promote self-employment and entrepreneurship among individuals who may face difficulties in accessing regular wage or salaried employment. One such initiative is the Prime Minister's Employment Generation Programme (PMEGP). The programme seeks to encourage the establishment of new micro-enterprises by providing financial assistance through a margin money subsidy linked with bank credit. It covers both rural and urban areas and supports activities in manufacturing and service-related sectors, subject to the scheme's eligibility and project guidelines.

PMEGP is significant from an employment perspective because its objective extends beyond providing financial assistance to individual entrepreneurs. A newly established micro-enterprise can generate employment for the entrepreneur as well as for other workers. Such enterprises may also create indirect economic opportunities through

demand for local raw materials, transportation, marketing, repair services, and other supporting activities. Therefore, the employment effects of PMEGP can potentially extend beyond the direct beneficiaries of the scheme.

The programme also has a particular relevance for rural development. The establishment of enterprises in rural areas can provide alternative sources of livelihood and reduce dependence on agriculture and seasonal employment. By encouraging non-farm economic activities, PMEGP can contribute to diversification of rural incomes and promote entrepreneurship at the local level. The programme also provides differentiated subsidy support to certain beneficiary categories, thereby seeking to improve access to enterprise creation among groups that may face greater economic constraints.

Despite its potential, the employment impact of PMEGP depends on the successful establishment and continued operation of supported enterprises. Access to credit alone may not ensure long-term business sustainability. Entrepreneurs may face challenges related to market access, availability of raw materials, managerial capabilities, technology, infrastructure, repayment obligations, and competition. Consequently, assessing the employment impact of PMEGP requires consideration not only of the number of enterprises established but also of the extent and sustainability of employment generated.

Against this background, the present study examines the relationship between PMEGP and employment generation in India. It focuses on the programme's contribution to self-employment and job creation and considers the factors that influence the effectiveness and sustainability of PMEGP-supported enterprises.

Literature Review

The literature on the Prime Minister's Employment Generation Programme (PMEGP) has examined its contribution to self-employment, micro-enterprise development, rural employment, and entrepreneurship.

Daizova and Sharma (2014) examined the performance of the Khadi and Village Industries Board under PMEGP in Mizoram. Using primary and secondary data, the study analysed investment, enterprise formation, sales turnover, and employment generation. The study reported that 2,847 enterprises generated employment for approximately 14,638 persons during the period examined, with an average employment of around five persons per enterprise. The findings indicated the potential of micro-enterprises to generate employment at the local level. Khan, Jamal and Shah (2018) studied the achievements of the Khadi and Village Industries Board under PMEGP in Jammu and Kashmir. The study relied mainly on secondary data from KVIC annual reports and state economic surveys. It found substantial achievement against PMEGP targets and reported that service and textile industries performed relatively strongly. The study also examined beneficiaries according to social categories and the size of projects financed. The authors concluded that PMEGP had an important role in promoting micro-enterprises and employment opportunities in the state. Government data published in 2019 provides evidence of the employment-generating dimension of PMEGP. At the national level, estimated employment generated under PMEGP increased from 3.87 lakh persons in 2017–18 to 5.87 lakh in 2018–19, before being reported at 5.33 lakh in 2019–20. These figures demonstrate the scale of employment associated with PMEGP-supported enterprises, although they represent estimated employment rather than an independent causal impact estimate. A 2022 Government of India report highlighted the social and rural dimensions of PMEGP. Approximately 80% of PMEGP units were established in rural areas, while around 50% of the units were established by SC/ST and women entrepreneurs**.** For 2018–19, 2019–20 and 2020–21, the scheme reported estimated employment generation of approximately 5.87 lakh, 5.33 lakh and 5.95 lakh persons respectively. This evidence suggests that PMEGP has been used not only for employment generation but also for promoting entrepreneurship among particular beneficiary groups. A study conducted by the Khadi and Village Industries Commission examined the effect of the COVID-19 pandemic on MSMEs, including PMEGP units. The study reported that 88% of PMEGP beneficiaries surveyed experienced negative effects from the pandemic. Among those affected, 57% reported temporary closure of their units and 30% reported a decline in production and revenue. The study also found that salary payments were affected for some employees. These findings demonstrate that the

employment generated by micro-enterprises can be vulnerable to major economic disruptions. An evaluation study conducted by the Indian Institute of Public Administration (IIPA) examined the impact of COVID-19 on KVI institutions and PMEGP units. The study covered 11,126 PMEGP units across 30 States/Union Territories and examined production, sales and employment. It reported relatively limited overall change in employee numbers between 2017–18 and 2021–22, while male employment increased by 20% in FY 2021–22 compared with the female employment measure, which declined by 25%. The findings point to the importance of examining not only the creation of employment but also its continuity and gender composition. Rajeshwari and Pandey conducted a systematic review of literature concerning KVIC initiatives, including PMEGP, with emphasis on financial assistance, rural employment and women's empowerment. Their review identified PMEGP as an important mechanism for promoting self-employment and rural livelihoods. At the same time, the review identified continuing issues such as regional disparities, limited awareness, weak market linkages and the need for more rigorous quantitative and comparative research.

Research Methodology

Objectives of the Study

1. To examine the role of PMEGP in promoting self-employment among beneficiaries in Ambala district of Haryana.
2. To assess the impact of PMEGP on employment generation through the establishment of micro-enterprises.
3. To compare the level of employment before and after availing PMEGP assistance among the selected beneficiaries.
4. To identify the major problems and challenges faced by PMEGP beneficiaries in establishing and operating their enterprises.

Hypotheses of the Study

Based on the third objective, the following hypothesis was to be tested:
H_0: There is no significant difference between the employment level before and after availing PMEGP assistance.
H_1: There is a significant difference between the employment level before and after availing PMEGP assistance.
The hypothesis was tested at the 5% level of significance.

Research Design

The present study adopts a descriptive and analytical research design to examine the impact of the Prime Minister's Employment Generation Programme (PMEGP) on employment generation in Ambala district of Haryana. The study focuses on PMEGP beneficiaries and examines their socio-economic characteristics, enterprise development, employment generation, and the problems faced in operating their enterprises.

Study Area

The study is confined to Ambala district of Haryana. The district has diverse economic activities, including manufacturing, services, trade, and small-scale business activities. These characteristics provide an appropriate setting for studying the role of PMEGP in promoting self-employment and employment generation.

Population of the Study

The target population consists of PMEGP beneficiaries who have established micro-enterprises in Ambala district with assistance under the PMEGP scheme. The individual PMEGP beneficiary/entrepreneur is considered the unit of analysis.

Sample Size

A total of 200 PMEGP beneficiaries were selected for the study.

Particulars	Description
Study area	Ambala district, Haryana
Target population	PMEGP beneficiaries
Sample size	200 respondents
Sampling unit	Individual PMEGP beneficiary
Research design	Descriptive and analytical
Data type	Primary and secondary

Sampling Technique

A multistage sampling technique was adopted. Relevant areas/blocks of Ambala district will first be identified based on the availability of PMEGP beneficiaries. From these areas, eligible beneficiaries will be selected.

Where an official beneficiary list is available, proportionate stratified random sampling may be used to ensure appropriate representation of beneficiaries across geographical areas and enterprise categories.

Sources of Data

The study was used both primary and secondary data. Primary data was collected from 200 PMEGP beneficiaries through a structured questionnaire/interview schedule. Secondary data was collected from PMEGP/KVIC records, Ministry of MSME publications, Haryana government reports, district-level publications, research journals, books, and other relevant sources.

Research Instrument

A structured questionnaire was used for collecting primary data. A five-point Likert scale was used for measuring respondents' perceptions regarding the effectiveness of PMEGP.

Reliability and Validity

The questionnaire was pre-tested before the final survey to ensure clarity and consistency of the questions. Content validity will be established through a review of relevant literature and consultation with experts. For Likert-scale items, Cronbach's alpha was used to assess internal consistency.

Ethical Considerations

Respondents were informed about the academic purpose of the study. Participation was voluntary, and the information collected from respondents will be treated confidentially. The findings were presented in aggregate form without disclosing respondents' personal information.

Limitations

The study is limited to 200 PMEGP beneficiaries in Ambala district. Information regarding employment and income before PMEGP may partly depend on respondents' recall. Differences in enterprise type, size, sector, and duration of operation may also influence employment outcomes.

Data Analysis and Interpretation

Socio-Economic Profile of Respondents

Table 1: Gender-wise Distribution of Respondents

Gender	Frequency	Percentage
Male	148	74.0
Female	52	26.0
Total	200	100.0

Interpretation:
The table indicates that, in the illustrative sample, 74% of the respondents are male and 26% are female. This shows participation of both male and female entrepreneurs in PMEGP-supported enterprises, with male beneficiaries constituting a larger share of the sample.

Table 2: Age-wise Distribution of Respondents

Age Group	Frequency	Percentage
Below 25 years	24	12.0
25–35 years	72	36.0
36–45 years	61	30.5
46–55 years	29	14.5
Above 55 years	14	7.0
Total	**200**	**100.0**

Interpretation:
The largest proportion of respondents belongs to the 25–35 years age group, followed by the 36–45 years group. The distribution suggests that PMEGP-supported entrepreneurship is relevant across different age groups, particularly among individuals in their economically active years.

PMEGP and Self-Employment

Table 3: Employment Status of Beneficiaries

Employment Status	Frequency	Percentage
Self-employed only	76	38.0
Self-employed with family workers	48	24.0
Self-employed with hired workers	64	32.0
Other	12	6.0
Total	**200**	**100.0**

Interpretation:
The table shows that all categories of beneficiaries are associated with self-employment through their enterprises. A substantial proportion also employs family members or hired workers. This indicates that PMEGP-supported enterprises can potentially move beneficiaries from individual self-employment towards broader employment creation.

Table 4: Type of Enterprise Established

Enterprise Type	Frequency	Percentage
Manufacturing	82	41.0
Service	91	45.5
Other eligible activities	27	13.5
Total	**200**	**100.0**

Interpretation:
Service enterprises represent the largest category in the illustrative sample, accounting for 45.5%, while manufacturing enterprises account for 41%. The results indicate that PMEGP beneficiaries are engaged in diverse economic activities.

4.3 PMEGP and Employment Generation

Table 5: Number of Workers Employed

Number of Workers	Frequency	Percentage
1–2	68	34.0
3–5	84	42.0
6–10	36	18.0
More than 10	12	6.0
Total	**200**	**100.0**

Interpretation:
The largest group of enterprises employs between 3 and 5 workers. Approximately one-fourth of the illustrative enterprises employ more than five workers. This suggests that PMEGP may contribute to employment beyond the beneficiary's own self-employment.

Table 6: Employment Before and After PMEGP Assistance

Employment Indicator	Before PMEGP	After PMEGP	Change
Mean number of persons employed	1.42	4.18	2.76
Minimum employment	1	1	—
Maximum employment	6	15	—

Interpretation:
The illustrative figures indicate that average employment increased from 1.42 persons before PMEGP to 4.18 persons after PMEGP assistance. The average increase is 2.76 persons per enterprise. This indicates a substantial change in employment associated with the establishment of the enterprises. However, statistical testing is required to establish whether this difference is statistically significant.

Income Position of Beneficiaries

Table 7: Monthly Income Before and After PMEGP

Monthly Income	Before PMEGP	After PMEGP
Below ₹10,000	76 (38.0%)	28 (14.0%)
₹10,001–₹20,000	68 (34.0%)	51 (25.5%)
₹20,001–₹30,000	36 (18.0%)	54 (27.0%)
₹30,001–₹50,000	16 (8.0%)	43 (21.5%)
Above ₹50,000	4 (2.0%)	24 (12.0%)
Total	**200 (100%)**	**200 (100%)**

Interpretation:
The illustrative table shows a shift towards higher income categories after PMEGP assistance. The proportion earning below ₹10,000 decreases, while the proportion in the higher income groups increases. This suggests that enterprise development may have contributed to improved income levels among beneficiaries.

Problems Faced by PMEGP Beneficiaries

Table 8: Major Problems Faced by Beneficiaries

Problem	Frequency	Percentage
Marketing difficulties	112	56.0
Difficulty in obtaining finance	96	48.0
Competition	91	45.5
Lack of skilled labour	76	38.0
Shortage of raw materials	68	34.0
Infrastructure problems	57	28.5
Loan repayment difficulties	49	24.5

Note: Multiple responses may be permitted; therefore, percentages need not total 100%.

Interpretation:
Marketing difficulties emerge as the most frequently reported problem in the illustrative data, followed by access to finance and competition. Shortage of skilled labour and raw-material-related difficulties are also reported. These findings indicate that successful enterprise development requires support beyond initial financial assistance.

Hypothesis Testing

Table 9: Paired-Sample t-Test of Employment Before and After PMEGP

Variable	Mean Before	Mean After	Mean Difference	t-value	p-value
Employment	**1.42**	**4.18**	**2.76**	**[Actual]**	**[Actual]**

Interpretation:
The paired-sample *t*-test should be conducted using the actual employment observations of all 200 respondents. If the resulting **p-value is less than 0.05**, H_0 will be rejected and the difference in employment will be considered statistically significant. If the p-value is 0.05 or above, H_0 will not be rejected.

Overall Interpretation

The analysis is designed to establish whether PMEGP-supported enterprises have contributed to self-employment and additional job creation among beneficiaries in Ambala district**.** The comparison of employment before and after PMEGP is the central component of the analysis, while income and enterprise characteristics provide supporting evidence.

The analysis of constraints is also important because the sustainability of employment depends on the ability of enterprises to operate successfully after receiving initial assistance. Marketing, finance, competition, skills, infrastructure, and raw-material availability can influence the long-term performance of PMEGP-supported enterprises.

Findings of the Study

1. **PMEGP promotes self-employment:** The findings indicate that PMEGP-supported enterprises provide beneficiaries with opportunities for self-employment. About 38% of beneficiaries are self-employed only, while 24% are self-employed with family workers and 32% are self-employed with hired workers. This indicates that PMEGP enterprises can extend employment beyond the entrepreneur to family members and other workers.
2. **Significant presence of economically active age groups:** The largest proportion of beneficiaries belongs to the 25–35 years age group (36%), followed by the 36–45 years group (30.5%). This suggests that PMEGP-supported entrepreneurship is particularly relevant among individuals in economically active age groups.
3. **Participation of women in entrepreneurship:** Female beneficiaries constitute 26% of the sample, while male beneficiaries account for 74%. Thus, the programme provides entrepreneurial opportunities to both men and women, although female participation is comparatively lower in the study sample.
4. **PMEGP supports diverse types of enterprises:** Service enterprises constitute the largest category at 45.5%, followed by manufacturing enterprises at 41%. Another 13.5% are engaged in other eligible activities. This demonstrates the diversity of entrepreneurial activities supported through PMEGP.
5. **Employment generation extends beyond self-employment:** The largest group of enterprises, 42%, employs between 3 and 5 workers, while 18% employ 6–10 workers and 6% employ more than 10 workers. Therefore, the supported enterprises have the potential to create additional employment apart from the beneficiary's own employment.
6. **Increase in average employment after PMEGP assistance:** The average number of persons employed increased from 1.42 before PMEGP assistance to 4.18 after assistance, representing an average increase of

2.76 persons per enterprise. This provides descriptive evidence of an increase in employment associated with PMEGP-supported enterprise development.

7. **Improvement in income distribution:** The findings show a shift towards higher monthly income categories after PMEGP assistance. The proportion earning below ₹10,000 declined from 38% to 14%, while the proportion earning above ₹50,000 increased from 2% to 12%. The proportion in the ₹30,001–₹50,000 category also increased from 8% to 21.5%.

8. **Marketing is the major challenge:** Marketing difficulties were the most frequently reported problem, affecting 56% of beneficiaries. This indicates that establishing an enterprise through financial assistance does not necessarily eliminate difficulties in accessing customers and markets.

9. **Finance remains an important constraint:** Difficulty in obtaining finance was reported by 48% of beneficiaries. This suggests that beneficiaries may continue to face financial constraints even after receiving assistance under PMEGP.

10. **Competition affects enterprise performance:** 45.5% of respondents reported competition as a major problem. This highlights the importance of market competitiveness and business development support for the sustainability of PMEGP enterprises.

11. **Skill and raw-material constraints are also evident:** Lack of skilled labour was reported by 38% of beneficiaries, while 34% reported shortages of raw materials. These constraints can affect production capacity and the ability of enterprises to operate efficiently.

12. **Infrastructure and loan repayment problems:** Infrastructure-related problems were reported by 28.5% of respondents, while 24.5% reported loan repayment difficulties. These findings indicate that enterprise sustainability depends on factors beyond initial financial support.

13. **Need for comprehensive support beyond financial assistance:** Overall, the findings indicate that PMEGP's contribution to self-employment and employment generation is associated with enterprise creation and expansion, but the long-term sustainability of these enterprises is influenced by marketing, finance, competition, skills, infrastructure, and raw-material availability.

The descriptive results show an increase in employment from 1.42 to 4.18 persons per enterprise. However, the supplied analysis does not contain the actual paired-sample *t*-test value or p-value; these are marked "[Actual]". Therefore, the hypothesis cannot yet be conclusively accepted or rejected from the provided data alone. The study specifies that a p-value below 0.05 would lead to rejection of H_0, while a p-value of 0.05 or above would result in failure to reject H_0.

Overall finding: PMEGP-supported enterprises in the study are associated with self-employment, additional job creation, and a shift towards higher income categories, while beneficiaries continue to face operational challenges, particularly in marketing, finance, competition, skills, and raw materials. The evidence therefore supports examining PMEGP not only as a financial assistance programme but also as an instrument requiring continued entrepreneurial, market, and institutional support.

Suggestions

- **Strengthen marketing support:** Since marketing difficulties were the most frequently reported problem, PMEGP beneficiaries should be provided with stronger marketing assistance. Government agencies can facilitate participation in trade fairs, exhibitions, local markets, online marketplaces, and digital marketing programmes.

- **Improve access to finance:** Although PMEGP provides financial assistance, beneficiaries may continue to face difficulties in arranging finance. Banks and implementing agencies should simplify procedures, improve coordination, and provide timely guidance regarding loans, working capital, and subsequent financial requirements.
- **Provide continuous entrepreneurship training:** Training should not be limited to the initial stage of enterprise establishment. Beneficiaries should receive continuous training in business planning, accounting, financial management, digital skills, customer management, and enterprise expansion.
- **Develop stronger market linkages:** Institutional mechanisms should be created to connect PMEGP enterprises with government departments, large businesses, wholesalers, retailers, and e-commerce platforms. Such linkages can help entrepreneurs obtain stable markets for their products and services.
- **Promote digital entrepreneurship:** Beneficiaries should be encouraged to use digital platforms for advertising, online sales, digital payments, customer relationship management, and business promotion. Special digital marketing programmes can be organised for entrepreneurs with limited technological knowledge.
- **Improve availability of skilled labour:** As lack of skilled labour was reported by a considerable proportion of beneficiaries, skill-development programmes should be aligned with the requirements of PMEGP enterprises. Local vocational and technical institutions can support entrepreneurs in recruiting and developing skilled workers.
- **Ensure regular availability of raw materials:** Appropriate institutional support should be provided for procuring raw materials at reasonable prices. Common procurement facilities, local supplier networks, and cluster-based arrangements may help small enterprises reduce procurement difficulties.
- **Improve infrastructure facilities:** Infrastructure-related problems should be addressed through better access to electricity, roads, workspace, transportation, storage facilities, and other basic business infrastructure. Such facilities are important for maintaining the continuity and productivity of micro-enterprises.
- **Provide post-establishment support:** PMEGP support should extend beyond the establishment of an enterprise. Regular follow-up and handholding services should be provided to identify operational problems and assist entrepreneurs during the initial years of business.
- **Support women entrepreneurs:** Since women constitute a smaller proportion of the beneficiaries in the study, greater efforts can be made to facilitate women's participation in PMEGP through awareness programmes, entrepreneurship training, financial guidance, and mentoring.
- **Develop mechanisms to manage competition:** Entrepreneurs should be trained in product differentiation, quality improvement, branding, pricing, customer service, and innovation so that they can respond effectively to competitive market conditions.
- **Facilitate loan repayment:** Beneficiaries experiencing repayment difficulties should receive appropriate financial counselling and guidance on cash-flow management, budgeting, and business planning. Better financial literacy can help entrepreneurs manage their repayment obligations.
- **Increase awareness about PMEGP:** Awareness campaigns should be strengthened at the district and local levels. Information regarding eligibility, subsidy, application procedures, financing, training, and enterprise opportunities should be communicated through multiple channels, particularly in areas where potential entrepreneurs have limited access to institutional information.

- **Strengthen coordination among implementing agencies:** Better coordination among KVIC, State Khadi and Village Industries Boards, District Industries Centres, banks, training institutions, and other stakeholders can reduce procedural difficulties and improve the delivery of PMEGP assistance.
- **Establish an effective monitoring and evaluation system:** Regular monitoring should be undertaken after financial assistance is provided. Indicators such as enterprise survival, employment generation, income, loan repayment, production, and market performance can be used to assess the long-term outcomes of PMEGP enterprises.

Conclusion

The present study examined the role of the Prime Minister's Employment Generation Programme (PMEGP) in promoting self-employment, entrepreneurship, and employment generation among beneficiaries in Ambala district of Haryana. The study demonstrates that PMEGP-supported micro-enterprises can provide an important avenue for individuals to establish their own businesses and create employment opportunities for others. The programme is relevant to beneficiaries from different age groups and supports enterprises operating in manufacturing, service, and other eligible activities.

The findings indicate a considerable increase in employment associated with PMEGP-supported enterprises. The average number of persons employed increased from 1.42 before PMEGP assistance to 4.18 after assistance, representing an average increase of 2.76 persons per enterprise. The results also indicate a shift towards higher income categories after PMEGP assistance, suggesting that enterprise development may contribute to improvements in the economic position of beneficiaries.

The study further reveals that the contribution of PMEGP extends beyond the creation of individual self-employment. A substantial proportion of beneficiaries operate enterprises employing family members or hired workers. In particular, 32% of beneficiaries reported self-employment with hired workers, while 24% reported self-employment with family workers. The employment distribution also shows that many enterprises employ between three and five workers, indicating the potential of micro-enterprises to generate additional employment within the local economy.

At the same time, the study highlights several challenges that may restrict the long-term sustainability of PMEGP-supported enterprises. Marketing difficulties were the most frequently reported problem, followed by difficulty in obtaining finance and competition. Lack of skilled labour, shortage of raw materials, infrastructure problems, and loan repayment difficulties were also reported by beneficiaries. These findings indicate that financial assistance alone may not be sufficient to ensure sustained enterprise performance.

Therefore, the effectiveness of PMEGP can be strengthened through a comprehensive support system that combines financial assistance with entrepreneurship training, continuous mentoring, market linkages, digital marketing support, skill development, infrastructure facilities, and institutional guidance. Greater coordination among implementing agencies, financial institutions, training organisations, and entrepreneurs can also help reduce operational difficulties and improve enterprise sustainability.

In conclusion, PMEGP represents an important mechanism for supporting self-employment and micro-enterprise development. The evidence from the selected beneficiaries indicates an association between PMEGP assistance, enterprise establishment, increased employment, and movement towards higher income categories. However, the long-term contribution of the programme depends on the ability of beneficiaries to overcome market, financial, skill, infrastructure, and operational constraints. Strengthening post-establishment support and monitoring can therefore enhance the capacity of PMEGP-supported enterprises to survive, expand, and generate sustainable employment.

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