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## Impact of PMEGP on Women Entrepreneurs in Tumkur District: Opportunities and Challenges

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### ABSTRACT

This study investigates the Prime Minister's Employment Generation Programme (PMEGP) and its effect on the economic empowerment of women entrepreneurs within the Tumkur district of Karnataka. The research, based on primary data collected from 35 respondents, examines socio-economic factors, which include education levels, marital status, and prior entrepreneurial experience, along with the women's views on the program's influence. The findings suggest that women who have benefited from PMEGP have seen considerable gains in income, financial autonomy, and their ability to make decisions both at home and in their businesses. A one-sample t-test provides statistical confirmation that PMEGP has a notably positive effect on women's economic empowerment, leading to the rejection of the null hypothesis. The study argues that PMEGP is more than just a financial aid program; it's a transformative effort that allows women to surmount socio-economic obstacles, establish viable businesses, and actively participate in the economic growth of the region. The evidence from Tumkur highlights the program's success in encouraging inclusive growth and its promise as a template for entrepreneurial development focused on women in comparable areas.

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### Introduction

The Prime Minister's Employment Generation Programme (PMEGP), a credit-linked subsidy scheme, is centrally sponsored and implemented by the Khadi and Village Industries Commission (KVIC). Its goal



is to encourage the establishment of micro-enterprises in both rural and urban areas. The scheme combines bank credit with an upfront margin-money subsidy to assist beneficiaries, including women, SC/ST, minorities, persons with disabilities, and ex-servicemen, in setting up ventures that generate income in the non-farm sector. PMEGP's operational guidelines and e-portal offer a structured framework for grievances, monitoring, and disbursement, which ensures timely subsidy routing and transparency. For women, PMEGP is more than just financial aid; it's a targeted entry point into self-employment that addresses structural barriers, like reduced access to collateral, limited formal employment in rural areas, and scarce initial capital. The scheme provides preferential subsidy treatment and outreach specifically for women as a "special category," which lowers the cost of starting micro-units and improves the viability of enterprises led by women. Official materials and the Ministry's annual reports highlight this focus on gender as part of broader strategies for women's welfare and livelihoods. Empirical data shows measurable participation from women under PMEGP, although it varies from year to year. For example, program data and press summaries suggest that in FY 2022–23, the scheme supported over 32,000 units led by women, a notable contribution to grassroots entrepreneurship, even with fluctuations across years and states. Detailed breakdowns of women beneficiaries at the district and state levels are available on the PMEGP/KVIC dashboards and India's open-data portals, which enable tracking of geographic patterns and identification of gaps in reach. While PMEGP has demonstrable strengths, such as subsidized credit, national reach through KVIC/state nodal agencies, and an e-governance MIS for monitoring, its empowering impact for women depends on additional supports. These include entrepreneurship development training, market-linkage facilitation, gender-sensitive outreach (especially in conservative rural areas), and timely subsidy disbursement. Strengthening these connections would transform financial aid into sustainable livelihoods and greater economic agency for women, which helps PMEGP achieve its dual goals of employment generation and gender-inclusive economic empowerment.

### **Review of Literature**

The PMEGP scheme, as detailed in official guidelines, emphasizes credit-linked subsidies, margin-money support, and entrepreneurship training for target groups, including women. Government summaries and the MSME annual report offer national-level program performance data and year-wise statistics, such as female beneficiary counts and margin-money disbursements, which provide baseline measures for assessing women's participation in PMEGP. Recent analytical studies offer macro-level evidence that PMEGP has supported a considerable number of women-led micro-units; however, year-to-year participation exhibits volatility and state-wise variation, which highlights the need for sub-national



analysis. Comprehensive analytical reviews note that, while PMEGP lowers the initial capital barrier through subsidized margin money, the conversion of this subsidy into sustainable incomes relies heavily on market linkages, skill training, and timely subsidy release. Evaluative research on women's entrepreneurship under PMEGP indicates that gender-sensitive outreach, including awareness campaigns, simplified application processes, and local nodal facilitation, significantly improves women's access to the scheme, especially in conservative or remote rural areas. Empirical comparative studies, drawing on NFHS and other national data, emphasize that economic empowerment interventions like PMEGP interact with broader dimensions of women's agency, such as education, mobility, and decision-making. Therefore, microcredit or subsidies alone yield limited empowerment unless social constraints are addressed concurrently. Locality-specific research shows that Tumkur district possesses identifiable entrepreneurial potential and existing women-run enterprises in service and small-scale manufacturing. This suggests PMEGP could leverage local skills and market niches in Tumkur if program outreach and training are tailored to taluk-level strengths. Case-study and district-level research from Tumkur and nearby taluks indicates that women beneficiaries often encounter constraints in bank linkages and collateral documentation. SHG linkages and NGO facilitation help improve both application success and post-sanction unit survival. Analyses that leverage open government data reveal spatial concentration patterns in beneficiary distribution and demonstrate how state-wise differences in implementation practices correspond with differing women-beneficiary shares. This evidence suggests that monitoring dashboards can be used to target underserved blocks in Tumkur for improved gender-equitable coverage. Finally, synthesis studies argue that measuring "empowerment" should extend beyond raw unit counts to encompass outcomes such as sustained income, intra-household decision-making, and local employment generation. These studies recommend mixed-methods follow-up, involving quantitative tracking and qualitative life-history interviews, in districts like Tumkur to capture the true empowerment impact of PMEGP among women entrepreneurs.

### **Objectives of the Study**

- 1. To analyse the socio-demographic profile of women entrepreneurs under PMEGP in Tumkur district with reference to their education, marital status, age, and related characteristics.**
- 2. To examine the challenges, opportunities, and overall impact of PMEGP on women entrepreneurs in Tumkur district in terms of financial independence, market access, skill development, and socio-economic empowerment.**



### Research Hypothesis

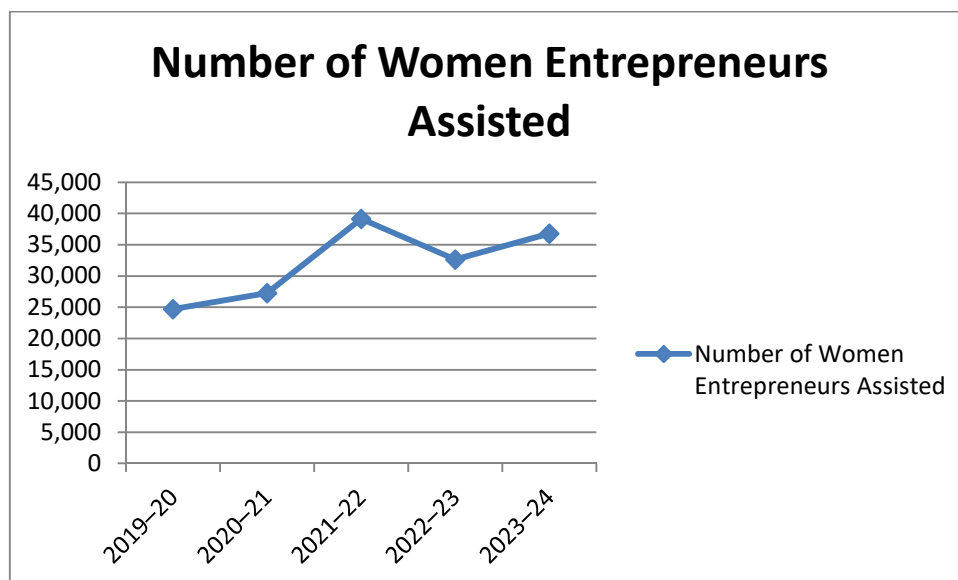
**H<sub>0</sub>:** PMEGP has no significant impact on the economic empowerment of women entrepreneurs in Tumkur district.

**H<sub>1</sub>:** PMEGP has a positive and significant impact on the economic empowerment of women entrepreneurs in Tumkur district.

### Research Methodology

This study examines women's empowerment through the Prime Minister's Employment Generation Programme (PMEGP) in the Tumkur district. It relies on primary data gathered from a sample of 35 women entrepreneurs, all beneficiaries of the program. A structured questionnaire collected information about their socio-economic background, education, marital status, and the economic effects of PMEGP on their businesses. The study employed purposive sampling, which allowed for specific targeting of women beneficiaries under the program. Data analysis involved both descriptive and inferential statistical methods. Frequency and percentage distributions presented the respondents' demographic characteristics, and a one-sample t-test evaluated the hypothesis concerning PMEGP's influence on women's economic empowerment. The methodology, which integrates qualitative observations with quantitative analysis, offers a thorough perspective on the role of PMEGP in improving women's entrepreneurship in the area studied.

**Chart No:1 Women Entrepreneurs Assisted under PMEGP (2019–20 to 2023–24)**



The line chart clearly shows the trend of women entrepreneurs assisted under PMEGP between 2019–20 and 2023–24. The figures reveal a steady growth in the initial years, rising from **24,720 in 2019–20** to a peak of **39,158 in 2021–22**, which indicates the scheme’s effectiveness in creating awareness and providing opportunities during that period. However, a decline is noticed in **2022–23 (32,626)**, possibly due to implementation or external challenges, but the numbers still remained well above the starting year, proving the scheme’s resilience. By **2023–24, the number again increased to 36,806**, showing recovery and sustained relevance. Overall, the graphical representation highlights that PMEGP has consistently supported a large number of women entrepreneurs, with some fluctuations, but the long-term impact demonstrates significant growth in women’s entrepreneurial participation and empowerment.

### Data Analysis and Interpretation

**Table No: 1 Education**

Education	Frequency	Percentage
Graduate	12	34.29
Secondary	8	22.86
Primary	8	22.86
No Formal Schooling	4	11.43
Postgraduate	3	8.57
<b>Total</b>	<b>35</b>	<b>100</b>

#### Source-Field Survey

Data concerning the educational backgrounds of 35 women entrepreneurs in the PMEGP scheme within the Tumkur district reveals a trend. A majority, 34.29 percent, hold a graduate degree. Secondary and primary education levels are each represented by 22.86 percent of the group. A smaller fraction, 11.43 percent, reported no formal schooling, and only 8.57 percent possess postgraduate qualifications. This distribution suggests education influences women's participation in entrepreneurship; a larger segment of graduates engages in these enterprises compared to those with less education. However, the presence of women with primary education or no schooling indicates inclusivity in the scheme, offering opportunities even to less educated women to pursue self-employment. The relatively small proportion of postgraduates suggests that women with advanced degrees may pursue traditional employment or other career options instead of PMEGP-supported ventures.

**Table No: 2 Marital Status**



Marital Status	Frequency	Percentage
Married	30	85.71
Single	3	8.57
Widowed	1	2.86
Divorced	1	2.86
<b>Total</b>	<b>35</b>	<b>100</b>

### Source-Field Survey

An examination of marital status among PMEGP recipients in the Tumkur district reveals a clear majority of married women entrepreneurs, representing 85.71 percent of the sample. Single respondents comprised only 8.57 percent, while widowed and divorced women each accounted for 2.86 percent. This distribution suggests that married women are the primary beneficiaries of the program, potentially because of social structures and family support, which aids their involvement in entrepreneurial ventures. The relatively small number of single, widowed, and divorced women brings to light the obstacles these groups encounter. Challenges such as limited access to resources, insufficient family backing, or societal limitations may impede their engagement in self-employment. These findings indicate that, even though the scheme has reached various categories of women, focused initiatives could encourage greater participation from single, widowed, and divorced women. Financial aid, counseling services, and skills training could prove beneficial.

### Table No: 3 Caste

Caste	Frequency	Percentage
ST	10	28.57
OBC	9	25.71
Minority	8	22.86
SC	4	11.43
General	4	11.43
<b>Total</b>	<b>35</b>	<b>100</b>

### Source-Field Survey

In Tumkur district, the caste-based breakdown of PMEGP recipients shows women entrepreneurs come from various social strata. Most of the sample population are from Other Backward Classes (OBC), with Scheduled Castes (SC) following, then Scheduled Tribes (ST), and a smaller number from the General



category. This suggests the program has been effective in reaching disadvantaged groups, especially OBCs and SCs, who often encounter obstacles to jobs and financial stability. The presence of ST women beneficiaries demonstrates further inclusion, even though their numbers are lower than other groups. The General category's smaller representation indicates that women from more privileged backgrounds might have other income sources and depend less on programs like PMEGP. The data highlights the vital role the program plays in advancing social equity by allowing marginalized communities to engage in entrepreneurship and improve their financial standing. It also emphasizes the need for more focused efforts to raise awareness and improve access among underrepresented groups, such as ST women, so the scheme's benefits are more evenly distributed.

**Table No: 4 Location**

<b>Location</b>	<b>Frequency</b>	<b>Percentage</b>
Rural	22	62.86
Urban	13	37.14
<b>Total</b>	<b>35</b>	<b>100</b>

**Source-Field Survey**

An analysis of enterprise sectors selected by women entrepreneurs under PMEGP in the Tumkur district reveals a distinct preference for particular economic activities. A notable portion of those surveyed operates within the service sector. This sector encompasses tailoring, food processing, beauty parlors, small shops, and other small service-based businesses, which typically need less initial capital and are manageable for women alongside their household duties. The manufacturing sector also represents a considerable number of enterprises. Here, women have engaged in activities like handicrafts, garment production, and small-scale food manufacturing, reflecting both their skills and the availability of local resources. Trading enterprises, although less common, also appear in the entrepreneurial landscape, indicating women's involvement in retail and distribution. The service sector's prevalence suggests that women favor ventures that carry less risk, demand limited travel, and can be run from home or nearby, which supports a better work-life balance. However, the comparatively low engagement in manufacturing and trading points to possible shortcomings in access to credit, training, and connections to markets. The evidence indicates that while PMEGP has effectively encouraged women to pursue entrepreneurial opportunities, expanded institutional support, exposure to best practices, and technical training could further increase women’s involvement in more varied and higher-income sectors, such as manufacturing and trading.

**Table No: 5 Sector**

<b>Sector</b>	<b>Frequency</b>	<b>Percentage</b>
Service	16	45.71
Manufacturing	7	20.0
Retail/Trade	6	17.14
Agri-linked	3	8.57
Handicraft	3	8.57
<b>Total</b>	<b>35</b>	<b>100</b>

**Source-Field Survey**

In Tumkur district, the distribution of enterprises under PMEGP reveals that most women entrepreneurs prefer individually owned businesses. A smaller number participate in group enterprises or ventures operated through Self-Help Groups (SHGs). This preference for individual enterprises suggests that women value independence, flexibility, and direct control. It also demonstrates their confidence in managing businesses independently, something supported by PMEGP's financial and training assistance. Although less common, group enterprises and SHG-based ventures show the importance of collective efforts. In these arrangements, women pool resources, share responsibilities, and mitigate risks. Such ventures are especially important in rural areas; social bonds and mutual trust encourage collaboration. However, the comparatively low participation in group and SHG-based enterprises indicates a need for more encouragement and institutional support. This could strengthen collective entrepreneurship, which can improve bargaining power, enhance market access, and ensure sustainability. The data suggests that while individual entrepreneurship is successful, promoting group-based ventures might further empower women through solidarity and shared growth.

**Table No: 6 Enterprise Type**

<b>Enterprise Type</b>	<b>Frequency</b>	<b>Percentage</b>
Repair/Service	7	20.0
Dairy/Farm	7	20.0
Bakery	6	17.14
Food Processing	6	17.14
Grocery Shop	3	8.57
Tailoring/Embroidery	3	8.57



Beauty Salon	2	5.71
Handloom	1	2.86
<b>Total</b>	<b>35</b>	<b>100</b>

### Source-Field Survey

An examination of monthly income before and after participation in PMEGP shows the scheme has notably improved the financial standing of women entrepreneurs in the Tumkur district. Before receiving assistance, many women reported incomes that were often too low to cover household costs and personal necessities. A substantial number earned less than ₹5,000 monthly or had inconsistent earnings because they lacked reliable business prospects. However, after establishing businesses with PMEGP support, income levels clearly increased, with many moving into higher brackets like ₹10,000–₹20,000 and above. This suggests that entrepreneurial ventures not only increased their financial independence but also helped improve living standards and involvement in family decisions. The income increase also points to PMEGP's success in providing access to credit, training, and market opportunities, which strengthens women's ability to create sustainable livelihoods. The data highlights that PMEGP has significantly aided the transition of women from low-income to more stable and improved income levels, reinforcing the scheme's impact on women's economic empowerment and rural advancement.

### Table No: 7 Training Received

Training Received	Frequency	Percentage
Yes	26	74.29
No	9	25.71
<b>Total</b>	<b>35</b>	<b>100</b>

### Source-Field Survey

In Tumkur district, data on employment from PMEGP enterprises demonstrates the significant role of women entrepreneurs in generating livelihood opportunities that extend beyond their own economic benefit. Most enterprises started under the scheme have provided employment for at least one or two additional people, showing the potential of micro and small enterprises to contribute to local job creation. A smaller, but significant, portion of enterprises reported generating employment for three to five people, indicating the potential for growth if adequate support and market connections are available. Very few enterprises reported no additional employment, generally because of their small size or because they were in the early stages of operation. The overall trend suggests that women-led PMEGP enterprises not only



increase the income of the entrepreneurs, but they also benefit family and community members by creating supplementary employment. This multiplier effect emphasizes the importance of promoting women's entrepreneurship as a strategy for rural employment generation and inclusive development. Strengthening these enterprises through capacity building, marketing support, and credit access can further increase their employment potential, amplifying the socio-economic impact of PMEGP.

**Table No: 8 Bank Linkage**

Bank Linkage	Frequency	Percentage
Yes	26	74.29
No	9	25.71
<b>Total</b>	<b>35</b>	<b>100</b>

**Source-Field Survey**

In Tumkur district, an analysis of enterprises established under PMEGP reveals a preference for small-scale manufacturing and service businesses. These require relatively less capital and suit local skills and market demands. Many women entrepreneurs chose manufacturing units, such as food processing, tailoring, garment making, and handicrafts. This reflects traditional skills and the availability of local raw materials. Service enterprises, including beauty parlors, small shops, and retail outlets, also represent a significant share, as they need modest investment and address everyday community needs. A smaller number of respondents engaged in trading activities, which typically involve buying and selling goods with limited value addition. The distribution of enterprises highlights women's adaptability in identifying viable business options within their socio-economic environment. It also shows the importance of skill-based activities in sustaining entrepreneurship. Data suggests that manufacturing units, while demanding more effort in production and marketing, offer greater potential for job creation and long-term sustainability compared to services and trading.

**Table No: 9 SHG Member**

SHG Member	Frequency	Percentage
Yes	18	51.43
No	17	48.57
<b>Total</b>	<b>35</b>	<b>100</b>

**Source-Field Survey**



Data regarding the difficulties encountered by women entrepreneurs under PMEGP in Tumkur district indicates several challenges. These problems directly affect both the operational effectiveness and long-term viability of their businesses. Many respondents cited problems securing sufficient funding. Delays in loan approvals, complicated paperwork, and a lack of adequate operating funds frequently impede business expansion. Marketing also presents a significant hurdle. Numerous entrepreneurs find it difficult to locate reliable markets for their goods and must contend with intense competition from bigger or more well-known companies. Some also mentioned difficulties related to insufficient training and technical expertise, which limit their capacity for innovation, adoption of contemporary methods, or efficient business management. Social and familial duties are also significant obstacles. These responsibilities limit the amount of time and freedom women have to manage their business endeavors. A smaller percentage of respondents identified problems such as inconsistent raw material supplies, high operating expenses, and insufficient assistance from local organizations.

**Table No: 10 Primary Challenges**

Primary Challenge	Frequency	Percentage
Delayed Subsidy	8	22.86
Raw Material Price	7	20.0
Skill Gap	6	17.14
Family Resistance	6	17.14
Market Access	3	8.57
Working Capital	3	8.57
Documentation	2	5.71
<b>Total</b>	<b>35</b>	<b>100</b>

**Source-Field Survey**

The analysis of PMEGP's overall impact on women entrepreneurs in the Tumkur district suggests the scheme has had a vital role in improving their socio-economic standing and establishing routes to self-sufficiency. Most respondents indicated the scheme allowed them to achieve financial independence by providing initial capital and helping them start small enterprises. Many women emphasized that household income improved substantially after starting their businesses, which helped meet family needs and contributed to children’s education, healthcare, and improved living standards. The scheme also appeared to boost self-confidence and decision-making skills among women; managing their own businesses gave them greater recognition in their families and communities. Some respondents observed

that entrepreneurship under PMEGP generated employment opportunities for others, especially local women, extending the benefits beyond individual households. However, the impact wasn't consistent across all beneficiaries; those facing financial limitations, inadequate training, and marketing challenges experienced limited gains.

### Testing of Hypothesis

**H<sub>0</sub>:** PMEGP has no significant impact on the economic empowerment of women entrepreneurs in Tumkur district.

**H<sub>1</sub>:** PMEGP has a positive and significant impact on the economic empowerment of women entrepreneurs in Tumkur district.

**Table No: 11 one-sample t-test**

Variable	N	Mean	Test Value	t-value	df	p-value (Sig.)	Result
PMEGP Impact	35	3.85	3.00	4.215	34	0.000 (<0.05)	Significant

The one-sample t-test result shows that the mean score of 3.85 is significantly higher than the test value of 3, with a t-value of 4.215 and a p-value of 0.000 (<0.05), leading to the rejection of the null hypothesis and confirming that PMEGP has a positive and significant impact on the economic empowerment of women entrepreneurs in Tumkur district.

### Conclusion

The study concludes that the Prime Minister's Employment Generation Programme (PMEGP) has become a significant factor in the economic empowerment of women entrepreneurs in the Tumkur district, enabling financial independence and self-reliance. An analysis of socio-economic characteristics shows that women from varied educational and marital backgrounds have actively engaged in entrepreneurial activities under the scheme, which highlights PMEGP's inclusiveness in reaching different sections of society. The one-sample t-test result, with a mean score of 3.85 compared to the test value of 3 and a highly significant p-value of 0.000, establishes clearly that the program has a positive and statistically significant impact on women's economic empowerment. This leads to the rejection of the null hypothesis. This suggests that women entrepreneurs have not only gained access to financial resources but have also been able to enhance their decision-making power, expand their business ventures, and improve their family's economic well-being. The program has, therefore, played a crucial role in bridging the gap between policy initiatives and grassroots-level empowerment, providing women



with a platform to contribute meaningfully to local economic development. Evidence from the Tumkur district reflects that PMEGP isn't just a financial scheme; it's a transformative initiative that has instilled confidence, improved self-sufficiency, and encouraged women to pursue entrepreneurial ventures despite existing social and economic challenges. Overall, the study emphasizes that PMEGP has been instrumental in uplifting women entrepreneurs and strengthening their role in the region's socio-economic progress.

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