



Entrepreneurship Development through PMKVY: A Pathway to Reducing Unemployment among School Dropouts in Changlang and Papum Pare Districts of Arunachal Pradesh

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Abstract: Youth unemployment remains one of the most pressing socio-economic challenges in India, particularly in geographically remote and economically underdeveloped regions such as Arunachal Pradesh. School dropouts constitute a vulnerable segment of the youth population because they often lack the educational qualifications, technical competencies and financial resources required to secure stable employment. Recognizing this challenge, the Government of India launched the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) by the ministry of Skill Development and Entrepreneurship (MSDE) to provide industry-relevant skill training, certification and opportunities for wage and self-employment. The present study examines the role of PMKVY in promoting entrepreneurship among school dropouts in Changlang and Papum Pare districts of Arunachal Pradesh. It explores how vocational training has enabled beneficiaries to acquire practical skills, develop entrepreneurial aspirations, generate self-employment opportunities and improve their socio-economic conditions. The study adopts a descriptive and analytical research design using both primary and secondary data. Primary information is collected from PMKVY trainees through structured questionnaires and interviews while secondary data are obtained from government reports, published articles, books and official documents. The findings indicate that PMKVY has significantly contributed to enhancing technical skills, self-confidence, entrepreneurial awareness and income-generating capacities among school dropout trainees. Many beneficiaries have established micro-enterprises in sectors such as tailoring, weaving, beauty and wellness, automobile servicing, food processing and handicrafts. However, the study also identifies several challenges, including inadequate access to finance, weak post-training support, limited market linkages, infrastructural deficiencies and insufficient entrepreneurial mentoring. Strengthening institutional support, financial inclusion, and continuous capacity-building initiatives can substantially improve the effectiveness of PMKVY in fostering sustainable entrepreneurship and reducing unemployment among school dropouts in Arunachal Pradesh.

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Introduction

India possesses one of the largest youth populations in the world, presenting tremendous opportunities for economic growth and national development. However, the demographic advantage can become a socio-economic burden if young people remain unemployed or underemployed. One of the major contributors to youth unemployment is the increasing number of school dropouts who discontinue

formal education due to poverty, family responsibilities, geographical isolation, inadequate educational infrastructure, poor academic performance or personal circumstances. Without formal educational qualifications, these individuals often face difficulties in obtaining secure employment, making them vulnerable to poverty, social exclusion and economic insecurity. The situation is particularly significant in Arunachal Pradesh where difficult terrain, scattered settlements, limited industrial development and inadequate educational facilities continue to affect educational attainment and employment opportunities. Changlang and Papumpare districts represent two contrasting socio-economic settings within the state. While Papumpare benefits from relatively better infrastructure due to its proximity to the state capital, Changlang continues to face greater developmental challenges owing to its remote location and limited industrial base. Despite these differences both districts experience unemployment among school dropout youth, emphasizing the need for effective skill development interventions.

Recognizing the importance of transforming India's youth into a skilled workforce, the Government of India launched the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) under the Skill India Mission in 2015. The programme seeks to provide industry-relevant vocational training, certification and placement support while encouraging entrepreneurship and self-employment. PMKVY aims to bridge the gap between education and employability by equipping individuals with practical skills demanded by various industries and local markets.

Entrepreneurship has emerged as an effective strategy for addressing unemployment, particularly in regions where wage employment opportunities remain limited. Rather than depending solely on government or private sector jobs, entrepreneurship enables individuals to establish their own enterprises, generate income, create employment opportunities for others and contribute to local economic development. Skill development programmes such as PMKVY serve as catalysts by imparting technical competencies, business knowledge, communication skills, financial literacy and entrepreneurial confidence.

In Arunachal Pradesh, entrepreneurship possesses immense potential because of the state's abundant natural resources, rich biodiversity, traditional crafts, indigenous weaving, eco-tourism opportunities, horticulture, agriculture, bamboo products, food processing and cultural heritage. Many PMKVY trainees have acquired vocational skills in tailoring beauty and wellness, electrical work, hospitality, automobile repair, handloom, handicrafts and computer applications. These acquired skills enable trainees not only to seek employment but also to establish micro-enterprises based on local resources and market demands.

School dropout youth represent a particularly important target group for entrepreneurship development because vocational training provides them with a second opportunity to participate productively in the economy. PMKVY helps these individuals overcome educational disadvantages by focusing on practical competencies rather than formal academic qualifications. Through structured training programmes, entrepreneurship awareness sessions and industry exposure, beneficiaries develop the confidence and capabilities required to initiate small businesses and become economically self-reliant.

The entrepreneurial transformation of school dropout youth extends beyond economic benefits. Entrepreneurship promotes self-confidence, decision-making abilities, innovation, leadership, financial independence and social recognition. Individuals who were previously unemployed often become productive contributors to their families and communities. Successful entrepreneurs also create additional employment opportunities, thereby generating multiplier effects that contribute to regional economic development and poverty reduction.

Despite these positive outcomes, entrepreneurship development through PMKVY continues to face several challenges in Arunachal Pradesh. Many trainees experience difficulties in obtaining startup capital, accessing institutional credit, identifying markets, procuring equipment, maintaining business sustainability and receiving post-training mentoring. Limited industrial development, transportation constraints, poor digital connectivity, and inadequate entrepreneurial ecosystems further restrict business growth in remote districts such as Changlang. These issues highlight the need for integrated policy interventions that extend beyond skill training alone.

The present study examines the effectiveness of PMKVY in promoting entrepreneurship among school dropout youth in Changlang and Papumpare districts. It evaluates the programme's contribution to reducing unemployment through self-employment, identifies existing challenges and proposes policy

measures for strengthening entrepreneurship development. By focusing on two socio-economically diverse districts, the study provides valuable insights into the role of vocational skill development in enhancing livelihoods and fostering inclusive economic growth in Arunachal Pradesh.

Review of Literature

Skill development has increasingly been recognized as a crucial instrument for improving employability, reducing poverty and promoting inclusive economic development. Human Capital Theory suggests that investments in education and vocational training enhance productivity, increase earning potential and improve labour market outcomes. Becker (1964) argued that skill acquisition strengthens individuals' productive capacities, making them more competitive in the labour market. In the context of developing economies, vocational education serves as an important mechanism for integrating disadvantaged populations into productive economic activities.

Schumpeter (1934) viewed entrepreneurship as the engine of economic development, emphasizing innovation, creativity and enterprise creation as essential drivers of growth. According to his theory, entrepreneurs introduce new products, services, production methods and market opportunities that stimulate economic transformation. Contemporary entrepreneurship studies further highlight the importance of entrepreneurial competencies, institutional support and access to finance in facilitating successful enterprise development.

The Government of India has introduced several initiatives under the Skill India Mission to enhance employability among youth. PMKVY represents one of the flagship programmes aimed at providing short-term vocational training aligned with industry standards. Existing studies suggest that PMKVY has improved technical competencies, employability and certification among participants. However, the extent to which these skills translate into sustainable entrepreneurship varies across regions depending on local economic conditions, institutional support and market opportunities.

Research on vocational education consistently demonstrates that practical skill acquisition significantly improves employment prospects for economically disadvantaged populations. Studies also indicate that entrepreneurship training encourages self-employment by enhancing business planning, financial management, communication and problem-solving abilities. These competencies are particularly valuable in regions where formal employment opportunities remain scarce.

Studies focusing on India's North Eastern Region emphasize the importance of entrepreneurship for regional development. The region possesses considerable potential in sectors such as agriculture, horticulture, bamboo products, eco-tourism, weaving, handicrafts, food processing and traditional knowledge-based industries. Nevertheless, entrepreneurial growth continues to be constrained by infrastructural limitations, inadequate access to finance, poor transportation and limited market connectivity.

Existing literature specifically addressing PMKVY in Arunachal Pradesh remains limited. Most available studies examine overall skill development outcomes without focusing exclusively on entrepreneurship among school dropout youth. Furthermore, district-level empirical evidence from Changlang and Papumpare remains inadequate. The present study seeks to bridge this research gap by examining how PMKVY contributes to entrepreneurship development and unemployment reduction among school dropouts in these two districts.

Statement of the Problem

School dropout youth constitute one of the most economically vulnerable sections of society. Their limited educational qualifications significantly reduce opportunities for formal employment, increasing their dependence on irregular wage labour, seasonal work or prolonged unemployment. In Arunachal Pradesh, geographical isolation, limited industrialization, infrastructural constraints and inadequate employment opportunities further aggravate this problem.

PMKVY was introduced to enhance employability through vocational skill development and entrepreneurship promotion. Although the programme has trained thousands of youth, limited evidence exists regarding its effectiveness in transforming school dropout beneficiaries into successful entrepreneurs, particularly in Changlang and Papum Pare districts. Questions remain regarding the sustainability of self-employment, the adequacy of post-training support, access to financial assistance, business survival and long-term livelihood improvements.

Therefore, the present study seeks to evaluate whether PMKVY has effectively promoted entrepreneurship as a sustainable pathway for reducing unemployment among school dropouts in the selected districts and to identify policy interventions that can strengthen entrepreneurial outcomes.

Research Objectives

The present study is guided by the following objectives:

- To examine the role of the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) in promoting entrepreneurship among school dropouts in Changlang and Papum Pare districts.
- To assess the contribution of PMKVY in reducing unemployment through self-employment and micro-enterprise development.
- To identify the socio-economic changes experienced by school dropout trainees after undergoing PMKVY training.
- To examine the major challenges faced by PMKVY-trained entrepreneurs in establishing and sustaining their businesses.
- To suggest policy measures for strengthening entrepreneurship development and improving employment outcomes under PMKVY.

Research Questions

The study seeks to answer the following research questions:

- How has PMKVY influenced entrepreneurship development among school dropouts in Changlang and Papum Pare districts?
- To what extent has PMKVY reduced unemployment through self-employment opportunities?
- What socio-economic benefits have trainees experienced after completing PMKVY training?
- What are the major barriers faced by PMKVY beneficiaries in starting and expanding their enterprises?
- What policy interventions can enhance the effectiveness of PMKVY in promoting sustainable entrepreneurship?

Research Methodology

The study adopts a **mixed-method research approach**, integrating both quantitative and qualitative techniques to provide a comprehensive understanding of entrepreneurship development through PMKVY. A **descriptive and analytical research design** has been adopted. The descriptive component explains the socio-economic characteristics of the respondents and the outcomes of PMKVY training, while the analytical component evaluates the programme's effectiveness in fostering entrepreneurship and reducing unemployment.

Study Area

The research is conducted in **Changlang** and **Papum Pare** districts of Arunachal Pradesh. These districts were selected because they represent diverse socio-economic and geographical conditions. Papum Pare, being relatively urbanized and close to the state capital, offers comparatively better infrastructure and market access whereas Changlang is characterized by remote settlements, limited industrial activities and greater dependence on agriculture and traditional livelihoods. The comparison enables a better understanding of how local conditions influence entrepreneurial outcomes.

Sources of Data

The study is based on both **primary** and **secondary** data.

- **Primary data** are collected through structured questionnaires, interview schedules and personal interactions with PMKVY trainees who had discontinued formal education before completing higher secondary or graduation. Interviews with training providers and local stakeholders further enrich the analysis.
- **Secondary data** are collected from government publications, Ministry of Skill Development and Entrepreneurship reports, National Skill Development Corporation documents, PMKVY guidelines, census reports, journal articles, books, dissertations, newspapers and other relevant academic sources.

Data Analysis

The collected data are analyzed using descriptive statistical tools such as percentages, frequency distributions, charts and tables. Qualitative responses obtained through interviews are analysed thematically to identify recurring patterns, perceptions and challenges faced by entrepreneurs.

Entrepreneurship Development through PMKVY

Entrepreneurship is increasingly recognized as an important strategy for addressing unemployment, particularly in regions where government and private sector employment opportunities are limited. Rather than relying solely on salaried employment, entrepreneurship enables individuals to create their own livelihoods while generating employment opportunities for others. PMKVY has incorporated entrepreneurship promotion as an integral component of skill development. Besides technical training, the programme emphasizes communication skills, personality development, workplace ethics, financial literacy, digital awareness and entrepreneurial orientation. These components collectively prepare trainees for independent economic activities.

For school dropouts, PMKVY serves as a second opportunity to rebuild their careers. Many individuals discontinue formal education because of financial hardships, family responsibilities, poor academic performance or lack of educational facilities. Consequently, they often experience low self-esteem and limited employment prospects. PMKVY addresses these challenges by providing practical, market-oriented skills without requiring high educational qualifications. In Changlang and Papumpare districts, trainees have acquired vocational skills in sectors such as tailoring, beauty and wellness, weaving, hospitality, food processing and handicrafts. These sectors require relatively modest investments and are well suited to local market demands.

An important contribution of PMKVY is the development of **entrepreneurial confidence**. Training enables participants to identify business opportunities within their communities. Instead of searching exclusively for government jobs, trainees begin exploring possibilities for self-employment by utilizing locally available resources. For example, trained tailors establish small tailoring units, beauty therapists open beauty salons, and weaving trainees produce traditional garments for local and regional markets. These enterprises not only generate income for the entrepreneurs themselves but also create additional employment opportunities for family members and local youths.

Entrepreneurship also contributes to preserving indigenous skills and traditional knowledge. In Arunachal Pradesh, weaving, bamboo crafts, wood carving, cane products, traditional food processing and handicrafts possess considerable commercial potential. PMKVY-trained entrepreneurs can modernize these traditional occupations by introducing improved production techniques, better product design, attractive packaging, digital marketing and online sales platforms.

Women beneficiaries have particularly benefited from entrepreneurship-oriented training. Many women who were previously financially dependent have become economically independent by establishing tailoring centres, beauty parlours, weaving units, catering services and handicraft businesses. Increased income enhances their decision-making power within households while contributing to improved family welfare, children's education and healthcare.

PMKVY also encourages entrepreneurial thinking by developing problem-solving abilities, leadership qualities, communication skills, teamwork and customer management. These competencies are essential for sustaining business enterprises in competitive markets.

However, entrepreneurship development requires continuous institutional support beyond the training period. Many trainees possess technical skills but lack sufficient knowledge regarding business registration, taxation, digital payments, bookkeeping, marketing strategies, customer acquisition and financial management. Consequently, some enterprises struggle during the initial stages despite the trainees' technical competence.

Therefore, PMKVY should function not merely as a vocational training programme but as a comprehensive entrepreneurship ecosystem that integrates skill development, financial assistance, incubation support, mentoring, digital literacy, market access and continuous follow-up. Such an integrated approach can significantly improve business survival rates and contribute more effectively to unemployment reduction among school dropout youth in Arunachal Pradesh.

Findings and Discussion

The findings of the study indicate that the **Pradhan Mantri Kaushal Vikas Yojana (PMKVY)** has played a significant role in enhancing the entrepreneurial capabilities of school dropouts in Changlang and Papumpare districts of Arunachal Pradesh. The programme has enabled many beneficiaries to acquire vocational skills, improve their confidence and explore self-employment opportunities. However, the extent of entrepreneurial success varies depending on access to finance, local market conditions, institutional support and individual motivation.

- **PMKVY as a Second Opportunity for School Dropouts**

A major finding of the study is that PMKVY has provided school dropouts with a meaningful second chance to rebuild their careers. Many respondents reported that they had discontinued formal education due to financial constraints, family responsibilities, academic difficulties or limited access to educational institutions. Prior to joining PMKVY, several participants experienced prolonged unemployment or depended on irregular daily wage labour. The vocational training programme enabled these individuals to acquire practical skills that improved their employability and expanded their livelihood options. Unlike formal education, PMKVY focuses on competency-based learning, allowing trainees to develop marketable skills regardless of their educational background. Consequently, many respondents perceived the programme as an opportunity to regain confidence and participate productively in the economy.

- **Development of Entrepreneurial Skills**

The study reveals that PMKVY contributed significantly to the development of entrepreneurial competencies among trainees. Besides technical knowledge, respondents reported improvements in communication skills, customer interaction, teamwork, problem-solving abilities, time management and financial awareness. Many trainees stated that entrepreneurship sessions conducted during the training motivated them to consider self-employment rather than waiting indefinitely for government jobs. Exposure to successful entrepreneurs, practical demonstrations and business-oriented discussions encouraged participants to identify local business opportunities. Several respondents explained that before receiving training they lacked confidence in starting a business. After completing the programme, they developed the courage to establish small enterprises independently or with family support. This transformation demonstrates that entrepreneurship development involves both technical competence and psychological empowerment.

- **Growth of Self-Employment Opportunities**

One of the most significant outcomes observed during the study is the increase in self-employment among PMKVY beneficiaries. Many trainees established micro-enterprises shortly after completing their training.

Common entrepreneurial activities included:

- Tailoring and garment stitching
- Traditional weaving and textile production
- Solar installation and maintenance,
- Computer service centers
- Food processing and bakery units
- Handicrafts and bamboo products

These enterprises generally required modest capital investment and relied heavily on locally available resources. Respondents emphasized that self-employment provided greater flexibility and independence compared to irregular wage employment. Although many businesses initially operated on a small scale, they gradually expanded through customer referrals and community support. Some entrepreneurs employed family members or hired assistants, thereby generating additional employment within their communities.

- **Improvement in Income and Living Standards**

The findings indicate that entrepreneurship has positively influenced household income among PMKVY beneficiaries. Most respondents reported earning higher and more stable incomes after establishing their businesses than they had earned through casual labour or unemployment. Increased

earnings enabled beneficiaries to meet household expenses, support children's education, improve housing conditions, purchase productive assets and contribute to family savings. Some trainees reinvested their profits to expand their enterprises by purchasing additional equipment or diversifying their products and services. Others reported improved financial independence, reducing their dependence on parents or relatives. However, income levels varied considerably depending on business type, market demand, location, customer base and entrepreneurial experience. Enterprises located near urban centres such as Papumpare generally generated higher earnings than those operating in remote villages of Changlang due to better market accessibility.

- **Women's Entrepreneurship and Economic Empowerment**

The study demonstrates that PMKVY has contributed significantly to women's entrepreneurship. Women trainees who received training in tailoring, beauty and wellness, weaving, handicrafts and food processing successfully established home-based enterprises. These businesses allowed women to balance household responsibilities while earning independent incomes. Several respondents stated that entrepreneurship enhanced their confidence, decision-making ability and social recognition within their families and communities. Financial independence increased their participation in household decisions concerning education, healthcare and family expenditure. Furthermore, women entrepreneurs became role models for other young women, encouraging greater participation in vocational training and self-employment initiatives.

- **Entrepreneurship and Local Economic Development**

Entrepreneurship generated through PMKVY extends beyond individual income generation and contributes to local economic development. Many enterprises utilize locally available raw materials, traditional skills and indigenous knowledge. Weaving units promote traditional textiles, handicraft businesses preserve indigenous craftsmanship and food processing enterprises add value to local agricultural products. The establishment of small enterprises stimulates local markets by increasing production, creating employment opportunities, encouraging consumption and promoting economic circulation within rural communities. Some entrepreneurs also collaborate with local suppliers, transport providers and retailers, thereby strengthening local value chains.

- **Psychological Transformation among Trainees**

An important finding of the study relates to the psychological impact of entrepreneurship development. Many respondents reported significant improvements in:

- Self-confidence
- Motivation
- Leadership qualities
- Communication skills
- Social interaction
- Decision-making ability
- Risk-taking capacity
- Future aspirations

Several trainees explained that before joining PMKVY they lacked confidence because they had discontinued their education. Entrepreneurship training helped them overcome feelings of inferiority by demonstrating that practical skills can also create respectable careers. Respondents expressed greater optimism regarding their future and showed stronger willingness to pursue business expansion rather than seeking only government employment.

- **Major Challenges Faced by PMKVY Entrepreneurs**

Despite these positive outcomes, respondents identified several challenges that hinder entrepreneurial success.

Lack of Financial Support

The majority of entrepreneurs experienced difficulties obtaining bank loans due to inadequate collateral, complicated documentation, limited financial literacy and delays in loan approval. Many trainees relied on personal savings or financial assistance from family members, restricting business expansion.

Limited Market Access

Entrepreneurs in remote villages faced transportation difficulties, poor road connectivity and limited customer bases. Traditional products often remained confined to local markets because entrepreneurs lacked access to larger regional and online markets.

Weak Post-Training Support

Several respondents indicated that institutional support declined after completion of the training programme. Although trainees acquired technical skills, many required continued guidance regarding business registration, taxation, marketing, bookkeeping, digital payments, licensing and enterprise management. Regular follow-up visits and mentoring were largely absent.

Inadequate Infrastructure

Frequent electricity interruptions, poor internet connectivity, inadequate workshop facilities and transportation challenges increased operational costs and reduced business efficiency. These infrastructural limitations were particularly severe in remote areas of Changlang district.

Competition from External Markets

Local entrepreneurs faced increasing competition from cheaper mass-produced products available through online platforms and urban markets. Traditional products often struggled to compete because of limited branding, packaging and marketing strategies.

Discussion

The findings demonstrate that PMKVY has made a meaningful contribution to entrepreneurship development among school dropouts in Changlang and Papumpare districts. The programme has enhanced employability by equipping trainees with market-relevant vocational skills while encouraging self-employment as an alternative to wage employment.

The results support Human Capital Theory, which argues that investments in skills improve productivity and economic opportunities. The findings also align with Schumpeter's theory of entrepreneurship by illustrating how trained individuals utilize acquired knowledge to establish innovative micro-enterprises that stimulate local economic activity.

However, entrepreneurship development cannot be achieved through vocational training alone. Sustainable enterprise creation requires an enabling ecosystem comprising financial inclusion, incubation support, business mentoring, market connectivity, digital literacy, infrastructure development and continuous institutional assistance.

The study therefore concludes that PMKVY should evolve from a skill-training programme into a comprehensive entrepreneurship development framework capable of supporting beneficiaries throughout the entire entrepreneurial journey—from skill acquisition to enterprise establishment, growth and long-term sustainability. Such an integrated approach would substantially strengthen the programme's contribution to reducing unemployment among school dropouts in Arunachal Pradesh.

Policy Recommendations

The findings of the study indicate that PMKVY has made a positive contribution towards entrepreneurship development among school dropouts in Changlang and Papum Pare districts. However, the programme's long-term impact can be enhanced through stronger institutional support and policy interventions. The following recommendations are proposed:

- **Strengthen Entrepreneurship Training**

Although PMKVY provides vocational skills, entrepreneurship education should be expanded. Modules on business planning, financial management, digital marketing, customer relationship management, taxation, bookkeeping, legal compliance and business ethics should receive greater emphasis. Practical exposure through internships, field visits and interaction with successful entrepreneurs should also be incorporated.

- **Improve Access to Finance**

One of the greatest barriers identified by respondents is the lack of startup capital. Government agencies, banks and financial institutions should simplify loan procedures for PMKVY graduates. Special credit schemes with low interest rates, flexible repayment schedules and reduced collateral requirements should be introduced for first-generation entrepreneurs. Financial literacy programmes should also be organized to help trainees understand banking procedures, credit management, insurance and investment planning.

- **Establish District-Level Entrepreneurship Incubation Centres**

Entrepreneurship incubation centres should be established in Changlang and Papum Pare to provide continuous mentoring and technical assistance. These centres can assist trainees in preparing business plans, obtaining licences and registrations, improving product design, accessing digital technologies and identifying market opportunities. They can also facilitate networking among entrepreneurs, investors and government agencies.

- **Promote Women's Entrepreneurship**

Special initiatives should be introduced to encourage women entrepreneurs by providing targeted financial assistance, childcare support during training, flexible training schedules, women-only business networks and leadership development programmes. Women's Self-Help Groups (SHGs) may also be linked with PMKVY-trained entrepreneurs to promote collective enterprises.

- **Develop a Comprehensive Entrepreneurship Ecosystem**

PMKVY should evolve into a comprehensive entrepreneurship development ecosystem integrating skill training, financial assistance, incubation, mentorship, digital support, market access, innovation and continuous monitoring. Such an integrated model would substantially improve business sustainability and employment generation.

Conclusion

Entrepreneurship has emerged as one of the most effective strategies for addressing unemployment among school dropout youth, particularly in geographically remote and economically less developed regions such as Arunachal Pradesh. The findings of the present study demonstrate that the **Pradhan Mantri Kaushal Vikas Yojana (PMKVY)** has made a significant contribution towards enhancing vocational skills, entrepreneurial confidence and self-employment opportunities among school dropouts in Changlang and Papum Pare districts. The programme has enabled trainees to acquire practical competencies that increase their employability while encouraging them to establish micro-enterprises based on local resources and market opportunities. Entrepreneurship has improved household income, strengthened financial independence, enhanced self-confidence and contributed to the socio-economic empowerment of beneficiaries, particularly women. The establishment of small enterprises has also stimulated local economic activities, preserved indigenous skills and generated additional employment opportunities within communities. Despite these achievements, the study identifies several structural challenges that continue to limit entrepreneurial success. Limited access to finance, inadequate post-training mentoring, poor infrastructure, weak market linkages, insufficient business management skills and lack of institutional support hinder enterprise sustainability. These constraints indicate that vocational training alone cannot ensure successful entrepreneurship.

The study concludes that PMKVY should be viewed not merely as a skill development programme but as a comprehensive entrepreneurship development initiative. Sustainable entrepreneurship requires continuous support throughout the entrepreneurial journey from skill acquisition and business planning to enterprise establishment, expansion and long-term growth. For Arunachal Pradesh, entrepreneurship represents an important pathway towards inclusive economic development because of the state's rich natural resources, traditional crafts, tourism potential and indigenous knowledge systems. By strengthening financial inclusion, entrepreneurial mentoring, incubation support, digital literacy, infrastructure and market connectivity, PMKVY can become a more effective instrument for reducing unemployment among school dropouts and promoting sustainable livelihoods. Ultimately, entrepreneurship development through PMKVY has the potential to transform unemployed youth into productive entrepreneurs, employment creators and contributors to regional economic development. Such transformation not only enhances individual well-being but also supports broader national objectives of inclusive growth, self-reliance and sustainable development.

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