



## International Journal OF Engineering Sciences & Management Research

### EVALUATING PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME (PMEGP) IN RURAL AREA OF KOLHAPUR DISTRICT

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#### ABSTRACT

Prime Minister Employment Generation Programme (PMEGP) is the Mission Mode scheme of Government of India for Promotion of self-employment. The scheme has benefited many people in the country. The study here attempts to understand does the scheme of PMEGP help the rural development through enabling human resources in the area of self-employment. Kolhapur is the district of Maharashtra state in India where Human Resource engaged in Industrial and Farming activities. Rural areas of this district have prosperity due to availability of natural resources in farming activity. The research article is also an attempt to understand whether the shift of human resource development could be achieved through the non-farming activities.

#### INTRODUCTION

Development of region depends upon the utilization of human resources available in that region. Planning is necessary to utilize this Human Resource. The development of a particular region is closely connected with the human resource development, employment generation and self-Employment. If the area is backward in industrial and infrastructural establishment then it is the basic reason behind economic backwardness of the Area. Private sector participation in employment generation is very low most of the people are suffering from employment opportunities. In this connection Prime Minister Employment Generation Programme (PMEGP) is playing an important role to promote self-employment opportunities through micro and small industrial development by encouraging new entrepreneurs. Therefore it is necessary to study the non-farm employment generation activities which are taking place through KVIB (Khadi and Village Industrial Board) and DIC (District Industrial Centre and (PMEGP) are the most important instrument to reduce unemployment and poverty in this region.

Worker Population Ratio National Sample Survey (68th Round) results indicate that the worker population ratio for females in rural sector was 24.8 in 2011-12 and 54.3 for males. In Urban sector, the ratio is 14.7 for females and 54.6 for males. Among the States/UTs, highest worker population ratio for females in the rural sector was in Himachal Pradesh at 52.4% and in the urban sector in Sikkim at 27.3%. In the assessment, it emerged that 59.3% females of the rural workforce were self-employed, 5.6% had regular wage/salaried employment and 35.1% females were casual labors as compared with 54.5%, 10.0% and 35.5% males in the same categories respectively. Urban India had equal proportion (42.8%) of women participation in self-employed and regular. Women Employed in Organized Sector A total of 20.5% women were employed in the organized sector in 2011 with 18.1% working in the public sector and 24.3% in the private. The labor force participation rate for women across all age groups was 25.3 in rural sector and 15.5 in urban sector compared with 55.3 and 56.3 for men in the rural and urban sectors respectively in 2011-12 (NSS 68th Round). The unemployment rate for women in rural area was 2.9 against 2.1 for men whereas it was 6.6 & 3.2 for women & men in urban areas during 2011-12. Average wage/salary received by regular wage/salaried employees in the same period, the average wage/salary received by regular wage/salaried employees of economically active age group was Rs. 428.66 per day for females compared with Rs. 550.23 per day for males in rural areas. For urban areas, it was Rs. 609.7 and Rs. 805.52 per day for females and males respectively. Most of the Union Territories hail to give the maximum wages in each of the categories Labor Force Participation Rate Female participation in labor force has remained lower than male participation as women account for most of the unpaid work, and when women are employed in paid work, they are overrepresented in the informal sector and among the poor. They also face significant wage differentials vis-à-vis their male. (Women & Men in India – 2014 [http://mospi.nic.in/Mospi\\_New/upload/man\\_and\\_women/Chapter%204.pdf](http://mospi.nic.in/Mospi_New/upload/man_and_women/Chapter%204.pdf))



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### OBJECTIVES OF THE STUDY

- 1) To analyze the effects of PEMGP in rural area of Kolhapur District.
- 2) Evaluating the performance of the Programme in generating employment opportunities.

### SCOPE OF THE STUDY

- 1) Geographical scope of the study held on the topic Assessment of Prime Minister Employment Generation Programme (PMEGP) with Special Reference to Rural Area of Kolhapur District which included study of beneficiaries of four tahsils of Kolhapur district namely, Karvir, Bhudargad, Ajara and Shahuwadi.
- 2) The information was collected from the rural entrepreneurs under benefit of the PMEGP Scheme from DIC Kolhapur District.
- 3) Further the aim of study was to analyze the effects of PEMGP in rural areas and assessment of Performance of the scheme in employment generation in rural areas. The study will be very useful to DIC Kolhapur.

### LIMITATIONS OF STUDY

- 1) District Industrial Center of Kolhapur plays a vital role in development of this area, but it has performed multifunctional role for that and it is very time consuming to evaluate performance.
- 2) Industrial sector is also very big in the area and therefore it is difficult to get whole information to evaluate.

### RESEARCH METHODOLOGY

#### A) DATA COLLECTION

For this study researcher has collected information from all the available sources. According to the title of research the researcher has chosen descriptive type of the research as it is suitable. As it is important to know the characteristics of individual or group, descriptive type of research is the helpful tool for the researcher to understand the characteristics.

#### ➤ PRIMARY DATA

A questionnaire is prepared by considering all objective of the study. Area to which survey is to be done is decided as Sample size of 40 beneficiaries of PMEGP is taken by convenient sampling from the area 40 member's different villages from same area for survey. Each sample is interviewed personally by the researcher. The entire questionnaire is filled properly by asking question to the respondents.

#### ➤ SECONDARY DATA

Some of secondary data is obtained from the historical data available in the different books, literatures, census of India 2011 reports; DICs annual reports and Governments web sites using internet etc. Review of the available materials and includes a survey of literature, it consists of study of relevant books, Journals and abstracts of different doctoral research dissertations of the related topic.

#### B) SAMPLE DESIGN

- i) *Sample unit (area)*: Kolhapur District, State - Maharashtra, India.
  - ii) *Sampling Method*: Convenient sampling method
  - iv) *Sample Size*: 40 beneficiaries of PMEGP scheme from Kolhapur district.
- C) *Research Instruments*: Questionnaire was prepared having 15 questions.

### INITIATIVES TAKEN BY GOVERNMENT OF INDIA TO IMPLEMENT PMEGP SCHEME

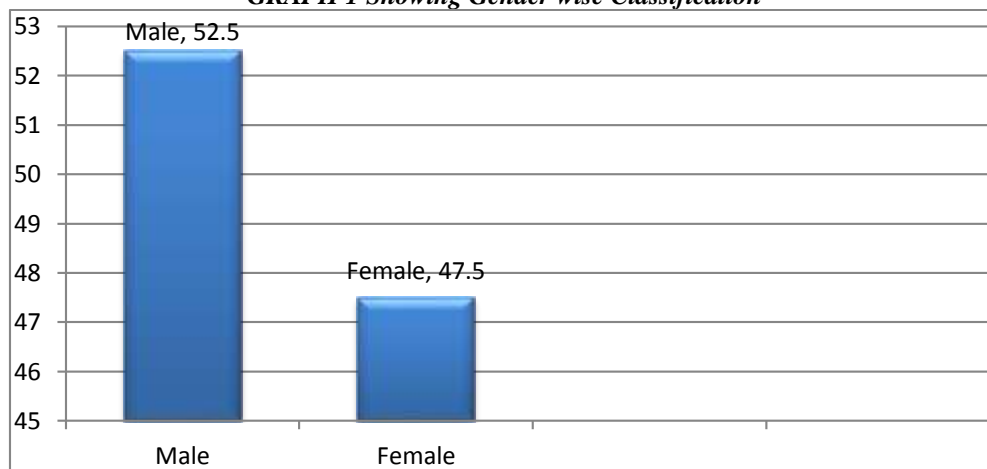
Government of India has approved the introduction of a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) by merging the two schemes that were in operation till 31.03.2008 namely Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP will be a central sector scheme to be administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME). The Scheme will be implemented by Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative control of the Ministry of

MSME as the single nodal agency at the National level. At the State level, the Scheme will be implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centers (DICs) and banks. The Government subsidy under the Scheme will be routed by KVIC/DIC through the identified Banks for eventual distribution to the beneficiaries / entrepreneurs in their Bank accounts. The Implementing Agencies, namely KVIC, KVIBs and DICs will associate reputed Non-Government Organization (NGOs)/reputed autonomous institutions/Self Help Groups (SHGs)/ National Small Industries Corporation (NSIC) / UdyamiMitras empaneled under Rajiv Gandhi UdyamiMitraYojana (RGUMY), Panchayati Raj institutions and other relevant bodies in the implementation of the Scheme, especially in the area of identification of beneficiaries, of area specific viable projects, and providing training in entrepreneurship development. The Scheme will be implemented by Khadi and Village Industries Commission (KVIC), Mumbai, a statutory body created by the Khadi and Village Industries Commission Act, 1956, which will be the single nodal agency at the national level. At the State level, the scheme will be implemented through State Directorates of KVIC, State Khadi and Village Industries Boards (KVIBs) and District Industries Centers in rural areas. In urban areas, the Scheme will be implemented by the State District Industries Centers (DICs) only. KVIC will coordinate with State KVIBs/State DICs and monitor performance in rural and urban areas. KVIC and DICs will also involve NSIC, UdyamiMitras empaneled under Rajiv Gandhi UdyamiMitraYojana (RGUMY), Panchayati Raj Institutions and other NGOs of repute in identification of beneficiaries under PMEGP.

Source: GUIDELINES ON PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP) <http://www.kviconline.gov.in/pmegp/pmegpweb/docs/pdf/PMEGPscheme.pdf>

## PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

*GRAPH 1 Showing Gender wise Classification*



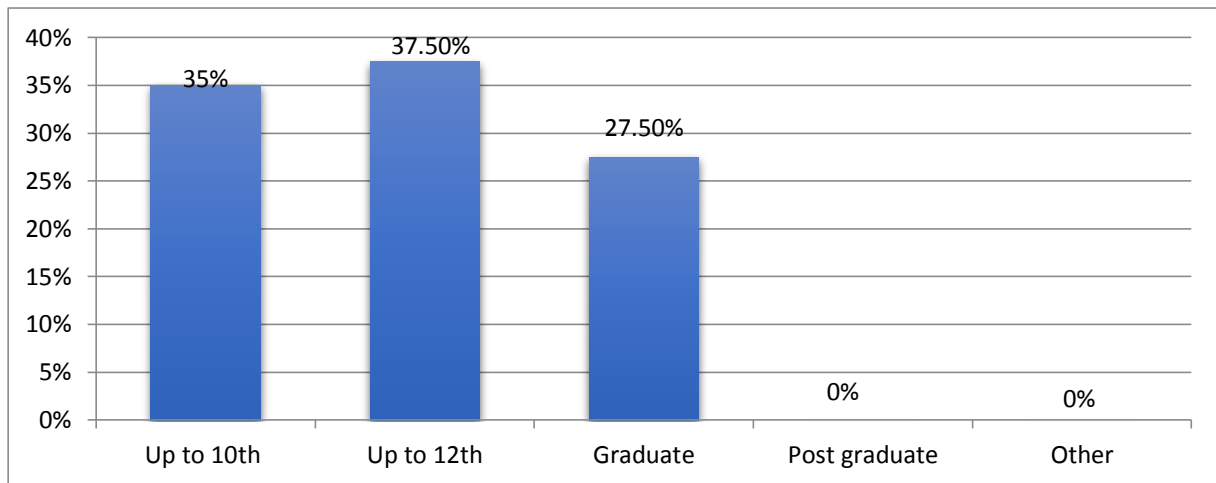
### ANALYSIS

Above graph explains the male and female ratio self-employment. There are 52.5 % are male and 47.5 % are women in the business.

### INTERPRETATION

The data says that there are 52.5 % Men who have taken the benefit of the scheme but at same time the number of women is 47.5% and women empowerment can be achieved through this scheme.

*GRAPH 2 Showing Educations of the Beneficiary*



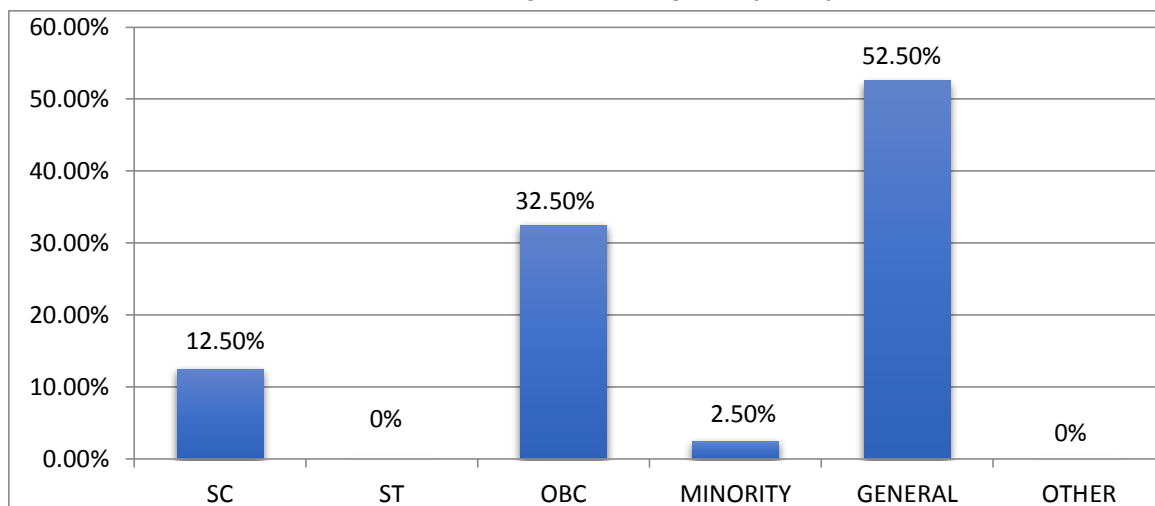
**ANALYSIS**

The above graph says that the 37.5 % beneficiaries having education up to 12<sup>th</sup>, 35 % beneficiaries having up to 10<sup>th</sup>, 27.5 % people having education up to graduation and there is no beneficiaries who has done their post-graduation.

**INTERPRETATION**

The above data says that there are 72.5% people who have having education up to 12<sup>th</sup> and thus this scheme is helpful to those people who are unable to get good jobs because of their low level of education and the other hand the graduate people can also get the opportunity to be self-employed through this scheme and give employment opportunities to other unemployed people in the area.

*GRAPH 3 Showing Social Categories of Beneficiaries*



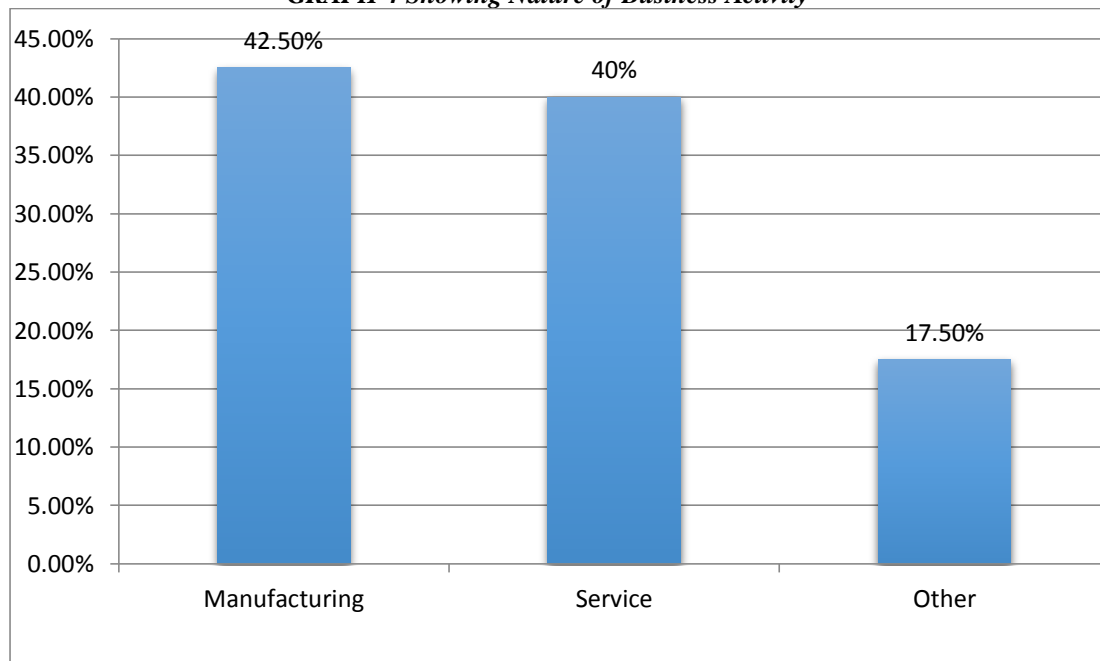
### ANALYSIS

The above graph says that there are 52.5% beneficiaries people who belong to general or open category, 32.5% OBC, 12.5% SC and 2.5% are of Minority. There is no beneficiaries belongs to ST category.

### INTERPRETATION

The majority of the beneficiaries are from general categories and the Schedule cast, OBC and Schedule Tribe people are not obtaining benefits of PMEGP Scheme.

**GRAPH 4 Showing Nature of Business Activity**



### ANALYSIS

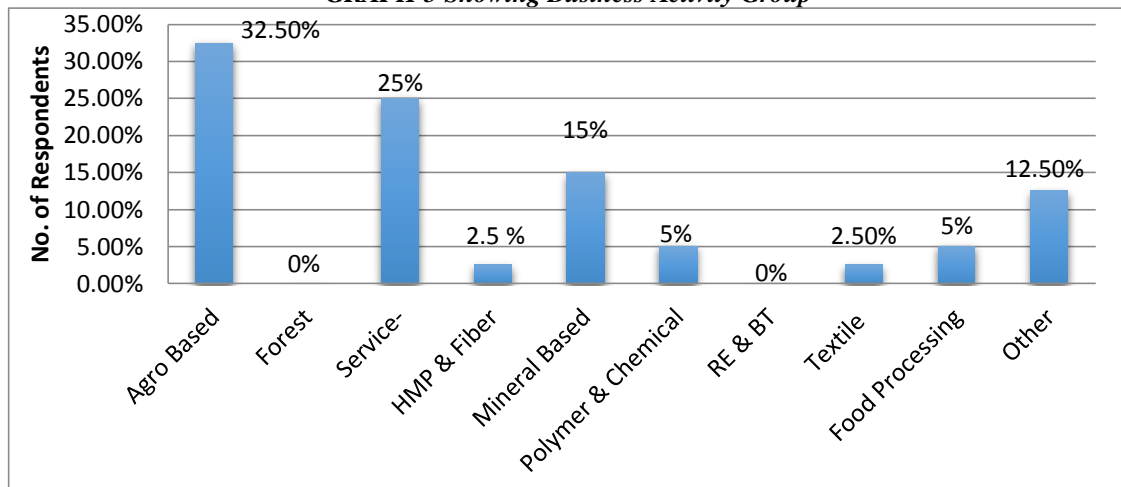
The above graph is about ratio of nature of business 42.5% businesses are of manufacturing 40% businesses of service sector and 17.5% businesses are or Other than this two type.

### INTERPRETATION

Beneficiaries of PMEGP of Kolhapur District are mainly engaged in manufacturing and 40 % beneficiaries are in service industries.



*GRAPH 5 Showing Business Activity Group*



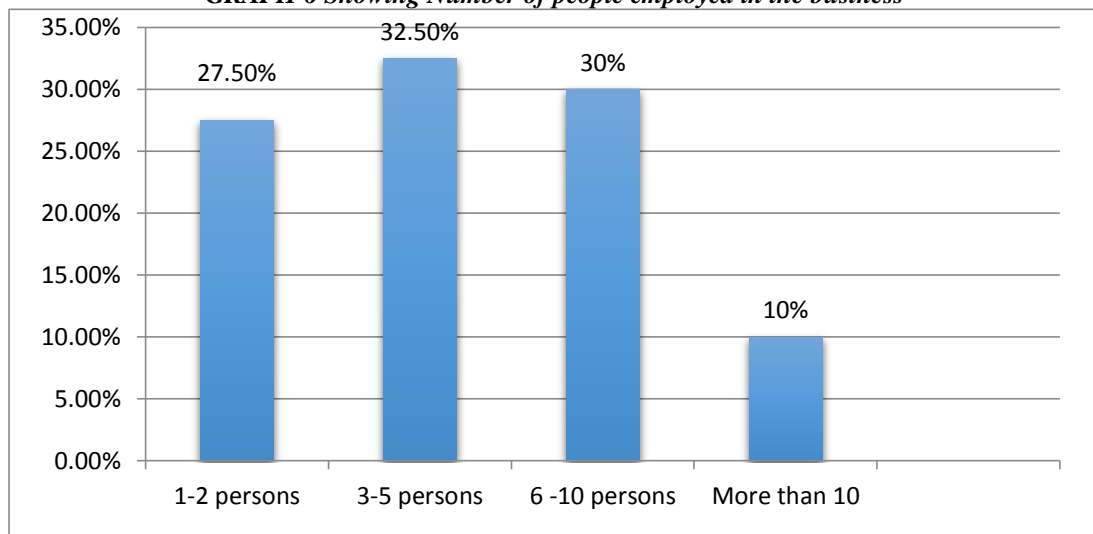
**ANALYSIS**

Above graph says that there are 32.5% beneficiaries who are doing business in agro based product, 15% mineral based, 5% on food processing and 12.5% are in other kind of business.

**INTERPRETATION**

Majority of the beneficiaries are in Agro based business and service sector.

*GRAPH 6 Showing Number of people employed in the business*



**ANALYSIS**

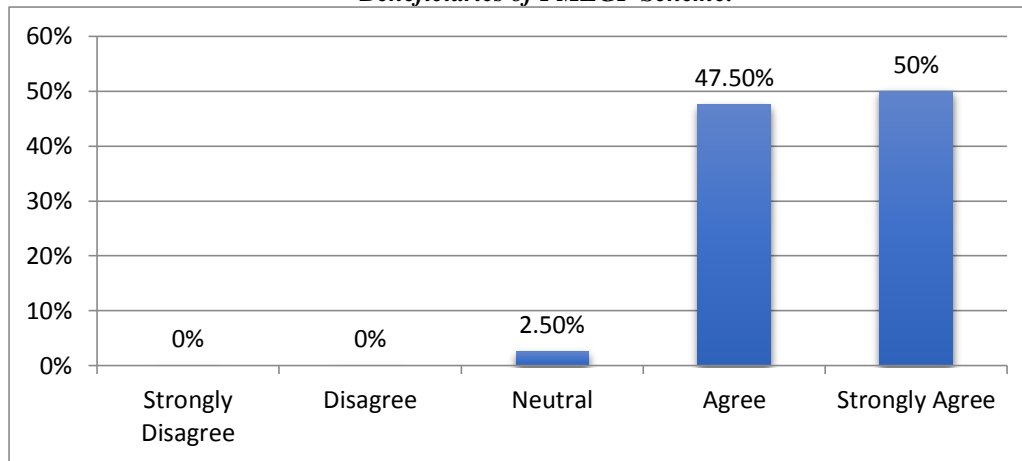
32.5 % businesses are having 3-5 workers, 30% are having 6-10 workers, 27.5 % are having 1-2 workers and 10% business are having more than 10 worker,

**INTERPRETATION**

Majority of the businesses are giving employment to 3 to 5 unemployed in the area and if we calculate average of above chart it is job for 7 unemployed per business one can easily quote the importance of this scheme for employment generation in the area.



**GRAPH 7 Showing Opinions about the Employment Generation from the Business run by the Beneficiaries of PMEGP Scheme.**



### ANALYSIS

The above graph says that there are 47.5 % beneficiaries agree with the said statement, 50 % beneficiaries strongly agree with the statement and only 2.5 % beneficiary remain neutral whereas there is no person who denied the statement.

### INTERPRETATION

The above graph clearly says that the statement made about the employment generation by the entrepreneurs as majority of the beneficiaries enabled to give employment opportunity to the rural unemployed people in the area. As earlier stated that one PMEGP beneficiaries able to give employment to average 7 unemployed people in the area.

### CONCLUSION

The PMEGP scheme plays very vital role in rural people development through entrepreneurship development and thus employment generation in rural areas of Kolhapur District. Socio economic development is also achieved by the help of this scheme.

This scheme is helpful to those who are unemployed and wants some financial aid to grab the available business opportunity. This scheme is helpful to those peoples who believe in self-help and help to others by raising employment opportunity. This scheme is helps to improve the hidden skill of entrepreneurship in rural peoples and to make them self-sufficient. Increase in the income level of rural people increases the national income of country too.

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