



IMPACT OF PMEGP ON ENTREPRENEURIAL DEVELOPMENT OF TRIBAL BENEFICIARIES – A CASE STUDY OF PALGHAR DISTRICT OF MAHARASHTRA

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Abstract:

The Prime Minister's Employment Generation Programme (PMEGP) has been a pivotal initiative aimed at fostering entrepreneurship and employment generation in India. This study delves into the program's performance and achievements in the context of Palghar district, Maharashtra, a region characterized by unique socio-economic challenges and opportunities. The primary objective of this research is to evaluate the effectiveness of PMEGP in stimulating sustainable entrepreneurship, employment generation, and economic development in the India. Data was gathered through secondary sources. The analysis encompasses a comprehensive examination of PMEGP beneficiaries, their enterprises, employment created, and the socio-economic impact on the region. Key performance indicators, such as the number of projects funded, loan disbursements, and job creation, are critically assessed.

Keywords: *Performance, Achievements, Entrepreneurship, Employment Generation, Challenges, Opportunities*

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Introduction:

Prime Minister's Employment Generation Programme (PMEGP) is one of the schemes introduced by the central government for increasing self-employment among the eligible men and women of the Country. This PMEGP scheme is a central controlled programme administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME), Govt of India. This scheme is started by Khadi & Village Industries Commission (KVIC), Government of India as single nodal agency at National level, at state level, the scheme is to be implemented by State Khadi & Village Industries Boards (KVIBs) in rural areas and by District Industries Centres (DICs) in Urban areas.

Prime Minister Employment Generation, a new credit linked subsidy programme has launched by Government of India by merging the two schemes Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) were operation till 31.03.2008. The basic lacking of this program, reason to modify or need to modify the last program (PMRY). The basic introduction of PMEGP in 10th and 11th five year plan. The maximum cost of the project/unit admissible under manufacturing sector is Rs 25 lakhs. The maximum cost of the project /unit admissible under business/service sector is Rs. 10 lakhs. The basic introduction of the PMEGP, Business activity definition - Tiny, Cottage, Micro, Small,



Medium, Large scale Industry, Scheme ,Location definition Rural / Urban, Co-ordination Department (align department),Fund flow mechanism, Implementation schedule, Subsidy introduction, Selection of Beneficiary or applicant, Government control mechanism, Role of Bank and other department, Negative list of industry, The desirable benefit of scheme for society Employment creation and Limitation for finance as per the Employment limit.

Objective of the Study :

1. To compare the performance of PMEGP in Palghar district of Maharashtra for the period from 2020-2021 to 2024-25.
2. To analyse the impact of margin money on employment generation in Palghar district of

Maharashtra for the period from 2020-2021 to 2024-25.

3. To analyze training provided to the beneficiaries of PMEGP under Entrepreneurship development Programme.

Methodology of the Study:

Collect quantitative data from government reports and PMEGP program data on the number of projects funded, loan disbursements, and job creation. This investigation's planning was aided by the secondary data that is available. The District Credit Plan Annual Book, KVIB, KVIC and MSME Annual Report are just a few of the reputable official sources from which the data was compiled. The study's approach involves gathering information from the KVIC Annual Report for the years 2020-21 through 2024-25.

Source of Data:

Secondary data:

The secondary data was collected from the published Gazettes of Central and State Government organizations. Also from following sources:

- i. General Manager District Industrial Centre
- ii. KVIC and KVIB Centre
- iii. Text books, research journals, published & unpublished records of Government.

Performance of PMEGP promoting entrepreneurship in Palghar district of Maharashtra during last Five years From FY 2020-21 to 2024-25

Table 1

| Palghar District | No of Applications Received | Applications Sanctioned by Bank | Applications Returned by Bank |
|------------------|-----------------------------|---------------------------------|-------------------------------|
| KVIC | 406 | 192 | 143 |
| KVIB | 647 | 214 | 343 |
| DIC | 708 | 317 | 329 |
| TOTAL | 1761 | 723 | 815 |

Source: Ministry of MSME Enterprises Annual Report 2023

In the above table 1 shows the performance of implementing agency KVIC, KVIB and DIC in Palghar district Maharashtra during last Five years From FY 2020-21 to 2024-25. The Table reveals the number of Applications Received, Applications Sanctioned by Bank, and Applications Returned by Bank in Palghar District. Out of total 1761 application received DIC has achieves highest no of 708 application. KVIC shows the least number of application i.e. 406. A total 723 Applications Sanctioned by Bank. Out of total 1761 application received 815 applications were rejected.

Analyse the impact of PMEGP of margin money on employment generation for the Period from 2020-2021 to 2024-25.

Table 2

| Palghar District | MM (In Lakh) | Involve | Disbursement Made by Nodal Branches(In Lakh) |
|------------------|--------------|---------|--|
| KVIC | 2121.89 | | 535.77 |
| KVIB | 2031.98 | | 351.96 |
| DIC | 2830.61 | | 593.01 |
| TOTAL | 6984.48 | | 1480.74 |

Source: Ministry of MSME Enterprises Annual Report 2023

In table 2 show PMEGP margin money subsidy has been involved during last Five years. Margin Money Disbursed to DIC is higher than KVIC and KVIB. is Rs 6984.48 (In Lakh). and is comparatively decreases with 78.80% with Disbursement Made by Nodal Branches in Palghar district of Maharashtra. Margin Money Distributed by KVIC is Rs 535.77. And DIC is Rs 593.01 comparatively higher than KVIB Rs 391.96.

To analyze training provided to the beneficiaries of PMEGP under Entrepreneurship development Programme for the period from 2020-2021 to 2024-25.

Table 3

| EDP Training undergone (In No's) | Online | Offline |
|-----------------------------------|--------|---------|
| KVIC | 233 | 14 |
| KVIB | 122 | 61 |
| DIC | 233 | 14 |
| TOTAL | 588 | 89 |

Source: Ministry of MSME Enterprises Annual Report 2023

In table 3 show training provided to the beneficiaries of PMEGP under Entrepreneurship development Programme for the period from 2020-2021 to 2024-25. Training provided to beneficiaries in the both Online and Offline channel. The no of online training provided 588 is higher than offline training. Most of the beneficiaries are preferred online mode of training.

The Problem and Suggest Policy Implication In PMEGP :

1. The majority of people, according to the report, are not aware of the PMEGP programme. In order to encourage educated unemployed young entrepreneurs to launch their own firms it is advised that the department host more awareness programmes for them.
2. Despite having a high literacy rate, there is little innovation. The issue is exacerbated by a lack of institutional support for skill development.
3. The vast majority of people still use the outdated, traditional forms of agriculture as their primary source of income. Even after taking out a loan, people are still having financial problem In order to help farmers export their products to other districts and states and enhance their profits, it is advised that the State Government do so.
4. The state government should offer training and awareness programmes to support young entrepreneurs and help them improve their capacity



in conjunction with schools, colleges, and universities.

Conclusion:

PMEGP scheme in Palghar District give scope for economic independence to entrepreneurs. As unemployment started rising up entrepreneurship in Palghar District has started to grow and PMEGP has open many opportunities for the people. This scheme in Palghar District has been found to be a successful livelihood tool in reducing unemployment, and social and economic disparities among beneficiaries. Many educated young people have benefited from this system by becoming independent and setting up their own enterprise. It encourage the youth to set up their own business instead of depending on government job. As PMEGP have open many opportunities yet this scheme is still unaware by many individuals. So, to encourage unemployed youth to become entrepreneurs, awareness of the scheme should be raised among all sectors of society. This programme helps rural residents develop their hidden business skills and achieve self-sufficiency. The national income of the nation also rises as rural resident's income levels rise.

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