

## A STUDY ON THE STATUS OF ENTREPRENEURS IN THE URBAN AREAS OF JORHAT DISTRICT OF ASSAM UNDER PRIME MINISTER ROZGAR YOJANA

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### Abstract

Unemployment is a major contributing factor for high incidence of poverty. In present days, there are a huge number of educated unemployed persons registered in the employment exchange office of the state. In order to tackle the situation, entrepreneurship assumes greater importance and may be considered as over of the alternative career option among the youth. Considering the importance of entrepreneurship, the Government has been implementing various schemes like SJSRY, PMRY etc. to promote entrepreneurship in the country. Since long years, various government and non-government organizations at National and State level has also come up to conduct entrepreneurship development programmes. However, in spite of all efforts of these organizations, our youths are not willing to start their career in entrepreneurship. It is because they are facing various problems. The present study is an attempt to study whether the PMRY scheme is effective or not for the growth of entrepreneurship in the urban areas of Jorhat district of Assam.

### Introduction

It has been observed that the entrepreneurial activities in the Jorhat district are very poor. According to 2001 census total number of population in the district was 999221 and as per 2011 the number has increased to 1092256. It has also been found from the live register of employment exchange that total number of educated Job seekers in the district up to 31<sup>st</sup> March 2014 was 40357.

Prime Minister's Rozgar Yojana (PMRY) for providing self-employment to educated unemployed youth has been in operation since October 2, 1993. The Scheme aimed at assisting the eligible youth in setting up self-employment ventures in industry, service and business sectors.

A large number of schemes sponsored by the Government have been floated for the people. It is thus necessary to find how effective these schemes are and whether the schemes are servicing for the growth of Entrepreneurship. It is also necessary to find out whether people are coming forward to take advantage of these schemes. The problems of unemployment to a great extent can be resolved if the benefits of the scheme are duly recognized.

### Methodology

The Study is based on Primary and Secondary data. The Primary data covers beneficiaries under Prime Minister's Rozgar Yojana (PMRY) of the Municipality area of Jorhat Town for the period of 2005 to 2008 as the scheme was closed down in 2008.

The beneficiaries under PMRY scheme of the Municipality area of Jorhat town for the period of 2005 to 2008 is the population for the study as shown in Table – 1.1.

**Table – 1.1: List of the Beneficiaries under PMRY Scheme of Jorhat Municipality Area**

| Wards      | Industry                |                | Business                |                | Service                 |                | Farming                 |                | Total                   |                |
|------------|-------------------------|----------------|-------------------------|----------------|-------------------------|----------------|-------------------------|----------------|-------------------------|----------------|
|            | Total Entrep-<br>reneur | Size of Sample | Total Entrep-<br>reneur | Size of Sample | Total Entrep-<br>reneur | Size of Sample | Total Entrep-<br>reneur | Size of Sample | Total Entrep-<br>reneur | Size of Sample |
| Ward No. 1 | 03                      | 03             | 25                      | 10             | 04                      | 02             | ---                     | ---            | 32                      | 15             |
| Ward No. 2 | 01                      | 01             | 14                      | 06             | 09                      | 04             | ---                     | ---            | 24                      | 11             |
| Ward No. 3 | 01                      | 01             | 03                      | 02             | ---                     | ---            | ---                     | ---            | 04                      | 03             |
| Ward No. 4 | 01                      | 01             | 07                      | 03             | 02                      | 01             | ---                     | ---            | 10                      | 05             |
| Ward No. 5 | 02                      | 02             | 16                      | 07             | 05                      | 02             | ---                     | ---            | 23                      | 11             |
| Ward No. 6 | 01                      | 01             | 05                      | 02             | 02                      | 01             | ---                     | ---            | 08                      | 04             |
| Ward No. 7 | 02                      | 02             | 09                      | 04             | ---                     | ---            | ---                     | ---            | 11                      | 06             |
| Ward No. 8 | 01                      | 01             | 04                      | 02             | 02                      | 01             | ---                     | ---            | 07                      | 04             |
| Ward No. 9 | 01                      | 01             | 05                      | 02             | 04                      | 02             | ---                     | ---            | 10                      | 05             |

|              |           |           |            |            |           |           |           |           |            |            |
|--------------|-----------|-----------|------------|------------|-----------|-----------|-----------|-----------|------------|------------|
| Ward No. 10  | 01        | 01        | 04         | 02         | 04        | 02        | 01        | 01        | 10         | 06         |
| Ward No. 11  | 01        | 01        | 05         | 02         | 04        | 02        | 01        | 01        | 11         | 06         |
| Ward No. 12  | 03        | 03        | 08         | 03         | 05        | 02        | ---       | ---       | 16         | 08         |
| Ward No. 13  | 01        | 01        | 17         | 08         | 02        | 01        | 01        | 01        | 21         | 11         |
| Ward No. 14  | 02        | 02        | 15         | 07         | 05        | 02        | 03        | 03        | 25         | 14         |
| Ward No. 15  | 02        | 02        | 24         | 11         | 07        | 03        | 05        | 05        | 38         | 21         |
| Ward No. 16  | 02        | 02        | 06         | 03         | 07        | 03        | 04        | 04        | 19         | 12         |
| Ward No. 17  | 02        | 02        | 28         | 13         | 05        | 02        | ---       | ---       | 35         | 17         |
| Ward No. 18  | 01        | 01        | 09         | 03         | 02        | 01        | 01        | 01        | 13         | 06         |
| Ward No. 19  | 02        | 02        | 24         | 10         | 07        | 03        | ---       | ---       | 33         | 15         |
| <b>Total</b> | <b>30</b> | <b>30</b> | <b>228</b> | <b>100</b> | <b>76</b> | <b>34</b> | <b>16</b> | <b>16</b> | <b>350</b> | <b>180</b> |

Source: DICC Jorhat, 2005 to 2008.

Beneficiaries according to activities in which they are engaged product wise were classified into four categories which are Industry, Business, Service and Farm.

Thus total number of beneficiaries taken for the study is as follows -

| Sector   | Sample | Method           |
|----------|--------|------------------|
| Industry | 30     | Census Method    |
| Service  | 34     | Purposive Sample |
| Farm     | 16     | Census Method    |
| Business | 100    | Purposive Sample |

**Analysis of Data Base and Profile of Beneficiaries:** Data were collected personally through field work. Out of 350 beneficiaries of PMRY scheme for the period 2005-2008, 180 beneficiaries were collected personally from 19 wards of Jorhat town (which is 51.43% of total population).

The profile of beneficiaries of the Jorhat town headquarter of Jorhat District under PMRY scheme for the period 2005-08 is presented in Table - 1.2.

It may be observed from the Table-1.2 that 44.44% of the beneficiaries are in the age group of 25-30 years, and 27.78% of the beneficiaries are in the age group of 30-35 years, i.e., they are young in age. It is also observed from the Table-1.2 that there is not a single beneficiary in the age group below 20 years and there are 20 numbers of beneficiaries in the age group 20-25 years, 17 numbers of beneficiaries in the age group of 35-40 years and 13 numbers of beneficiaries in the age group above 40 years.

Among the beneficiaries 66.67% are general category followed by 13.89% SC and 13.89% of OBC/MOBC. There are 5.55% beneficiaries found under ST category.

Their educational qualification ranges from below matric to post graduation. However, the majority (55.57%) are in graduate level, 27.78% are either HSLC or HSSLC passed and only 16.67% are post graduates.

72.22% of beneficiaries belonged to Business families, followed by 15% service holder families, 11.11% Industry families and 1.67% Agricultural families.

Male beneficiaries are 66.67% and it is followed by 33.33% of Female beneficiaries. Again majority of them are unmarried (61.11%).

Before becoming beneficiaries majority 43.33% of them were unemployed followed by self employed 33.33%, 9.44% engaged in family business, 6.67% casual worker, 5.55% House wife and 1.68% engaged in agriculture. There is not a single beneficiary who was student.

**Table – 1.2: Profile of Beneficiaries under PMRY Scheme in Jorhat Town for the Period 2005-2008**

| Variables           | Break Up | Percentage |
|---------------------|----------|------------|
| <b>Age (Years):</b> |          |            |
| Below 20            | Nil      | Nil        |
| 20 – 25             | 20       | 11.11%     |
| 25 – 30             | 80       | 44.44%     |

|                                       |            |            |
|---------------------------------------|------------|------------|
| 30 – 35                               | 50         | 27.78%     |
| 35 – 40                               | 17         | 9.44%      |
| Above 40                              | 13         | 7.23%      |
|                                       | <b>180</b> | <b>100</b> |
| <b>Category:</b>                      |            |            |
| General                               | 120        | 66.67%     |
| SC                                    | 25         | 13.89%     |
| ST                                    | 10         | 5.55%      |
| OBC/MOBC                              | 25         | 13.89%     |
|                                       | <b>180</b> | <b>100</b> |
| <b>Educational Level:</b>             |            |            |
| Below Matric                          | Nil        | Nil        |
| HSLC to HSSLC                         | 50         | 27.78%     |
| Graduate                              | 100        | 55.55%     |
| ITI                                   | ---        | ---        |
| BE                                    | ---        | ---        |
| Post Graduate                         | 30         | 16.67%     |
|                                       | <b>180</b> | <b>100</b> |
| <b>Family Occupation:</b>             |            |            |
| Agriculture                           | 03         | 1.67%      |
| Industry                              | 20         | 11.11%     |
| Business                              | 130        | 72.22%     |
| Service                               | 27         | 15.00%     |
|                                       | <b>180</b> | <b>100</b> |
| <b>Gender:</b>                        |            |            |
| Male                                  | 120        | 66.67%     |
| Female                                | 60         | 33.33%     |
|                                       | <b>180</b> | <b>100</b> |
| <b>Marital Status:</b>                |            |            |
| Married                               | 70         | 38.89%     |
| Unmarried                             | 110        | 61.11%     |
|                                       | <b>180</b> | <b>100</b> |
| <b>Status Prior to Beneficiaries:</b> |            |            |
| Unemployed                            | 78         | 43.33%     |
| Student                               | ---        | ---        |
| Casual Worker                         | 12         | 6.67%      |
| Self Employed                         | 60         | 33.33%     |
| House Wife                            | 10         | 5.55%      |
| Family Business                       | 17         | 9.44%      |
| Agriculture                           | 3          | 1.68%      |
|                                       | <b>180</b> | <b>100</b> |

Source: Field Survey.

#### Type of Activity in Which the Beneficiaries are Engaged

The beneficiaries are engaged in Industry, Business, Service and farming activities. Out of 180 beneficiaries contracted personally 30 (16.67%) are engaged in Industrial enterprises, 100 (55.56%) in business activities, 34(18.87%) in service enterprise and 16(8.90%) in farm related activities. Business ventures stand first, followed by service enterprises, Industrial enterprises and farm related activities.

There are 30 beneficiaries who are engaged in Industrial activities, example, Silver ornament manufacturing, Readymade Garment Manufacturing, School/College bag manufacturing, Handloom, Steel Furniture etc. In fact, there are as many as 12 different types of industrial activities in which the beneficiaries are engaged. The type of Industrial activity undertaken and the number of units set up can be seen from Table – 1.3.

**Table – 1.3: Beneficiaries According to Activities on Which they are Engaged Product: Industry**

| S. No        | Organization                     | No. of units | Percentage |
|--------------|----------------------------------|--------------|------------|
| 1.           | Silver Ornament Manufacturing    | 02           | 6.67%      |
| 2.           | Readymade Garment Manufacturing  | 10           | 33.33%     |
| 3.           | School/College bag Manufacturing | 02           | 6.67%      |
| 4.           | Handloom                         | 02           | 6.67%      |
| 5.           | Steel Furniture                  | 04           | 13.33%     |
| 6.           | Weaving                          | 02           | 6.67%      |
| 7.           | Bakery                           | 02           | 6.67%      |
| 8.           | Dal-Mug and Bhujia Factory       | 02           | 6.67%      |
| 9.           | Chow Chow Manufacturer           | 01           | 3.33%      |
| 10.          | Distil Water Plant               | 01           | 3.33%      |
| 11.          | Cement Craft                     | 01           | 3.33%      |
| 12.          | Engineering Works                | 01           | 3.33%      |
| <b>Total</b> |                                  | <b>30</b>    | <b>100</b> |

**Source:** Field Survey.

As per Table – 1.3 the highest number of 10(33.33%) enterprises are in Readymade Garment Manufacturing. This grouped is followed by 4(13.33%) in Steel Furniture 2(6.67%) in Silver Ornament manufacturing school/college bag manufacturing, handloom, weaving, bakery, Dal-Mug and Bhujia factory, and 1(3.33%) in chow manufacturer, Distil water plant, cement craft and engineering works. Thus traditional activities predominate, though there are also unit making Distil water plant, cement craft, engineering works etc.

**Table – 1.4: Beneficiaries According to Activities on Which they are Engaged Product: Business**

| S. No        | Organization                               | No. of units | Percentage |
|--------------|--|--------------|------------|
| 1.           | Grocery                                    | 32           | 32%        |
| 2.           | Stationery                                 | 20           | 20%        |
| 3.           | Cloth Store                                | 04           | 4%         |
| 4.           | Book Stall                                 | 03           | 3%         |
| 5.           | Uniform House                              | 02           | 2%         |
| 6.           | Sales and Service of Watch                 | 01           | 1%         |
| 7.           | Hotel                                      | 02           | 2%         |
| 8.           | Dressed & cutting Boiler Stock and Selling | 01           | 1%         |
| 9.           | Stone, Bricks, Sand, Cement Selling        | 02           | 2%         |
| 10.          | Automobile spare parts selling             | 01           | 1%         |
| 11.          | Pharmacy                                   | 03           | 3%         |
| 12.          | Shoe Store                                 | 02           | 2%         |
| 13.          | Cosmetics                                  | 04           | 4%         |
| 14.          | Ladies Corner                              | 04           | 4%         |
| 15.          | Sweet Corner                               | 02           | 2%         |
| 16.          | Electronics goods selling                  | 02           | 2%         |
| 17.          | Restaurant                                 | 03           | 3%         |
| 18.          | Mosquito net cloth store                   | 02           | 2%         |
| 19.          | Tea packing                                | 01           | 1%         |
| 20.          | Pan Shop                                   | 01           | 1%         |
| 21.          | Electrical goods selling                   | 04           | 4%         |
| 22.          | Two/Three wheeler spare parts selling      | 02           | 2%         |
| 23.          | Dry Fruit selling                          | 01           | 1%         |
| 24.          | Fast Food                                  | 01           | 1%         |
| <b>Total</b> |  | <b>100</b>   | <b>100</b> |

**Source:** Field Survey.

As per Table - 1.4 there are 100(55.56%) beneficiaries who are engaged in business activities which includes Grocery to Fast Food selling. About 32% of the business activities are grocery, followed by Stationery (20%), Cloth store 4%, Book Stall (3%), Uniform House (2%), Sales and Service of watch (1%), Stone, Bricks, Sand, Cement Selling (2%), Automobile Spare parts Selling (1%), Pharmacy (3%), Shoe Store (2%), Cosmetics (4%), Ladies Corner (4%), Sweet Corner (2%), Electronics

goods selling (2%), Restaurant (3%), Mosquito Net Cloth Store (2%), Tea Packing (1%), Pan Shop (1%), Electrical goods selling (4%), Two/Three wheeler spare parts selling (2%), Dry Fruit Selling (1%), Fast Food (1%). Business activities are mostly traditional.

**Table – 1.5: Beneficiaries According to Activities on Which they are Engaged Product: Service**

| S. No | Organization                | No. of units | Percentage |
|-------|-----------------------------|--------------|------------|
| 1.    | Xerox                       | 05           | 14.70%     |
| 2.    | Tent House                  | 05           | 14.70%     |
| 3.    | DTP Centre                  | 04           | 11.78%     |
| 4.    | Tailoring                   | 05           | 14.78%     |
| 5.    | Cutting and Knitting        | 02           | 5.88%      |
| 6.    | Beauty Parlour              | 04           | 11.78%     |
| 7.    | Internet Cafe               | 01           | 2.94%      |
| 8.    | CD Parlour                  | 01           | 2.94%      |
| 9.    | Video Recording             | 01           | 2.94%      |
| 10.   | Computer Hardware           | 01           | 2.94%      |
| 11.   | Computer Institute          | 01           | 2.94%      |
| 12.   | Cycle Repairing             | 01           | 2.94%      |
| 13.   | Car Repairing               | 01           | 2.94%      |
| 14.   | Fine Art                    | 01           | 2.94%      |
| 15.   | Refrigerator & AC Repairing | 01           | 2.94%      |
|       | <b>Total</b>                | <b>34</b>    | <b>100</b> |

Source: Field Survey.

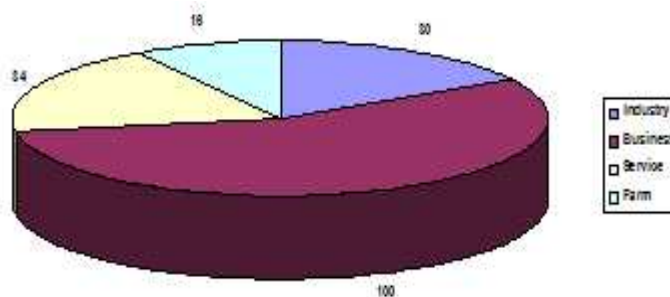
As per Table - 1.5 there are 34(18.87%) beneficiaries who are engaged in service activities, such as Xerox, Tent House, DTP centre, Tailoring etc. In this group of activities 14.70% account for Xerox, Tent House, Tailoring, followed by DTP centre 11.78%, cutting and knitting (5.88%), Beauty parlour (11.78%), Internet Cafe (2.94%) CD parlour (2.94%), Video Recording (2.94%), Computer hardware (2.94%), Computer Institute (2.94%), Cycle Repairing (2.94%), Car Repairing (2.94%), Fine Art (2.94%), Refrigerator and AC Repairing (2.94%).

**Table – 1.6: Beneficiaries according to activities on which they are engaged Product: Farm**

| S. No | Organization   | No. of units | Percentage |
|-------|----------------|--------------|------------|
| 1.    | Dairy          | 05           | 31.25%     |
| 2.    | Boiler Farm    | 09           | 56.25%     |
| 3.    | Piggery        | 01           | 6.25%      |
| 4.    | Flower Nursery | 01           | 6.25%      |
|       | <b>Total</b>   | <b>16</b>    | <b>100</b> |

Source: Field Survey.

In addition to Industry, Service and Business activities, as per Table-1.5, there are 16 beneficiaries (8.90%) who are engaged in Dairy Farm, Boiler farm, Piggery farm and flower Nursery. Out of 16 beneficiaries 5 are engaged in Dairy Farm, 9 in Boiler Farm, 1 in Piggery Farm and 1 in Flower Nursery.



**Fig. 1.6: Pie Diagram Showing the Surveyed Beneficiaries According to Activities on Which they are Engaged under PMRY Category of Project Selected Gender Wise**

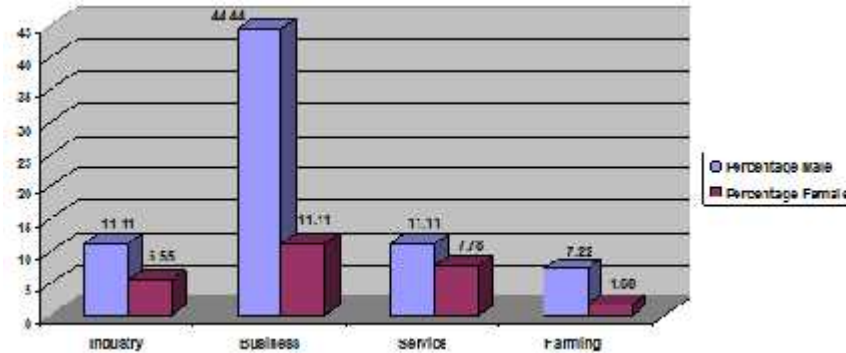
With a view to ascertain gender wise preference of projects, efforts were made to find out the activities selected by them.

**Table – 1.7: Gender Wise Distribution of Beneficiaries by Category of Project Selected**

| Category of Projects | Beneficiaries |           | Percentage   |              |
|----------------------|---------------|-----------|--------------|--------------|
|                      | Male          | Female    | Male         | Female       |
| Industry             | 20            | 10        | 11.11        | 5.55         |
| Business             | 80            | 20        | 44.44        | 11.11        |
| Service              | 20            | 14        | 11.11        | 7.78         |
| Farming              | 13            | 03        | 7.22         | 1.68         |
|                      | <b>133</b>    | <b>47</b> | <b>73.88</b> | <b>26.12</b> |

Source: Field Survey.

As per Table-1.7 in case of Industry, Business, Service and Farming male beneficiaries are higher than the Female beneficiaries. One the whole Male participations is 73.88% where as Female beneficiaries comprise of only 26.12%.



**Fig. 1.7: Bar Diagram Showing Gender Wise Distribution of Surveyed Entrepreneurs under PMRY**

**Table – 1.8: Ward Wise Distribution of Beneficiaries by Category of Projects Selected**

| Wards        | Industry  | Business   | Service   | Farming   | Total      |
|--------------|-----------|------------|-----------|-----------|------------|
| Ward No. 1   | 03        | 10         | 02        | ---       | 15         |
| Ward No. 2   | 01        | 06         | 04        | ---       | 11         |
| Ward No. 3   | 01        | 02         | ---       | ---       | 03         |
| Ward No. 4   | 01        | 03         | 01        | ---       | 05         |
| Ward No. 5   | 02        | 07         | 02        | ---       | 11         |
| Ward No. 6   | 01        | 02         | 01        | ---       | 04         |
| Ward No. 7   | 02        | 04         | ---       | ---       | 06         |
| Ward No. 8   | 01        | 02         | 01        | ---       | 04         |
| Ward No. 9   | 01        | 02         | 02        | ---       | 05         |
| Ward No. 10  | 01        | 02         | 02        | 01        | 06         |
| Ward No. 11  | 01        | 02         | 02        | 01        | 06         |
| Ward No. 12  | 03        | 03         | 02        | ---       | 08         |
| Ward No. 13  | 01        | 08         | 01        | 01        | 11         |
| Ward No. 14  | 02        | 07         | 02        | 03        | 14         |
| Ward No. 15  | 02        | 11         | 03        | 05        | 21         |
| Ward No. 16  | 02        | 03         | 03        | 04        | 12         |
| Ward No. 17  | 02        | 13         | 02        | ---       | 17         |
| Ward No. 18  | 01        | 03         | 01        | 01        | 06         |
| Ward No. 19  | 02        | 10         | 03        | ---       | 15         |
| <b>Total</b> | <b>30</b> | <b>100</b> | <b>34</b> | <b>16</b> | <b>180</b> |

Source: Field Survey.

Table-1.8 Shows ward wise distribution of beneficiaries by category of project selected. The distribution of beneficiaries among the 19 numbers of wards is more or less in equal numbers. However, in ward No. 15 there is the maximum number, totalling 21, followed by ward No. 15(21), ward No. 17(17), ward No. 19 and 1(15 each), ward No. 14(14), ward No. 16 (12), ward No. 2, 5, 13 (11 each).



The least number of beneficiaries is in ward No. 3 numbering 3 only. It is interesting to note that beneficiaries have come up more in the Industry group in ward number 1 and 12 numbering 3 each followed by ward 5,7,14,15,16,17,19 numbering 2 each respectively.

In the business group the highest number of beneficiaries in ward 17, totalling 13, followed by ward number 15 totalling 11, ward No. 1 and 19 totalling 10 each.

In the service group the maximum number is in ward No. 2 numbering 4, followed by ward No. 15, 16 and 19 totalling 3 each respectively.

Total number of beneficiaries engaged in farming is 16. In the farm group the maximum number is in ward No. 15 totalling 5, followed by ward No. 16(4) and ward No. 14(3).

It was further noted that all the beneficiaries have taken up as individual employment ventures rather than a venture under a group. Thrift and credit Society was not apparent in the period under study.

Out of 180 beneficiaries 70 percent of them were capable of recruiting employees in their enterprises and the concept of wage employment was apparent.

The study reveals that at the time of selection of beneficiaries PMRY was not as par to the guidelines of the schemes. As per Guideline of PMRY the income beneficiaries along with the spouse or the income of parents of the beneficiaries shall not exceed Rs. 40,000 per annum. But from the field study it has been found that the family income of most of them are more than Rs. 40,000 per annum. The study reveals that at the time of selection of beneficiaries the family income of each beneficiary has not been considered.

As per guideline of PMRY, preference should be given to weaker sections including women, but in the study maximum numbers of beneficiaries are found where Socio-Economic condition is good and a few numbers are women beneficiaries.

Under PMRY scheme, preference will be given to those who have been trained for any trade in Government recognized/approved institutions for duration of at least six months. In the study no such beneficiaries have 6 months of training.

Though, the PMRY scheme provides chances to partnership firms as well as SHG's but from the field survey no such beneficiary was found in the area under study.

### **Conclusion**

Thus the answer to the question that arises, whether there can be entrepreneurship through the different government sponsored programmes and yojanas, which are to bring about entrepreneurial development to a great extent depends on following the guidelines of the schemes in true spirit and proper follow up measures taken.

Thus the answer to the question "Whether they can be entrepreneurship development through the government sponsored programme?" The operation of government sponsored programmes need to be as per the guidelines laid down. Otherwise entrepreneurship development shall not take in the proper direction.