

An Analysis of the Effectiveness of the Swavalamban Self-Employment Scheme in Tripura.

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Abstract

The *Swavalamban* Self-Employment Scheme, initiated in Tripura in 2001, is designed to foster entrepreneurship by offering financial support to unemployed individuals and Self-Help Groups (SHGs). This initiative provides loans and subsidies to stimulate self-employment activities across diverse sectors. This research assesses the effectiveness of the scheme, with particular emphasis on its effects on beneficiaries, trends in financial disbursement, and the obstacles encountered by marginalized groups. The findings indicate that, although the *Swavalamban* Scheme has played a crucial role in enhancing self-employment opportunities in Tripura, it is imperative to address underlying systemic inequalities. To achieve a more equitable and sustainable development of entrepreneurship in the state, improvements in financial inclusion, policy adjustments, and more effective implementation strategies are necessary.

Keywords: *Swavalamban*, subsidies, entrepreneurship.

1. INTRODUCTION

Tripura's economy is driven by agriculture, agro-based industries, handicrafts, and growing sectors like IT and pharmaceuticals. Unemployment remains a challenge due to limited industrialization, skill gaps, and dependence on government jobs. MSMEs play a crucial role, contributing to GDP, though they face obstacles like limited access to capital, infrastructure issues, and marketing challenges, despite government support. Self-employment in Tripura is promoted through a range of government initiatives, such as the *Swavalamban* Scheme. This program facilitates job creation by offering financial assistance, training opportunities, and infrastructure support to individuals. The overarching goal of these initiatives is to mitigate unemployment, especially in rural regions, by fostering entrepreneurship and the development of small-scale enterprises..

The *Swavalamban* Scheme is a self-employment generation initiative by the Tripura government, aiming to empower unemployed youth and self-help groups (SHGs) to become entrepreneurs. Launched in 2001 and expanded in 2005-06, the scheme offers financial assistance with a subsidy of 30% of the project cost (35% for women), up to a maximum of ₹1 lakh per project. Eligible individuals aged 18 to 50 can apply, with no income or educational qualifications required. The scheme covers various sectors, including agriculture, manufacturing, and services. The scheme is primarily overseen by the Industries and Commerce Department of the Government of Tripura, in partnership with financial institutions and banks. Additionally, other departments, including the Rural Development and Urban Development Departments, and many participate in specific aspects of the scheme to enhance its implementation across various sectors. This initiative reflects the state's commitment to promoting self-employment, entrepreneurship, and economic development, especially among disadvantaged populations.

2. LITERATURE REVIEW:

The latest nationwide assessment conducted by the National Sample Survey Organization (NSSO) in its 66th round regarding employment and unemployment reveals that during the period of 2010-2011, the literacy rates were recorded at 650 and 850 per thousand in rural and urban areas, respectively. Additionally, the survey indicates that over five crore young individuals across the country, most of whom have completed secondary education or higher, are encountering a contemporary iteration of the longstanding issue of unemployment. Researchers examining the employment and unemployment landscape assert that the figure of over five crore pertains solely to job seekers registered with employment exchanges, suggesting that the actual number is likely to be even greater. Furthermore, the unemployment rate among educated females was significantly

higher than that of their male counterparts, with this disparity being particularly pronounced in rural regions among those holding graduate degrees or higher.

Singh and Singh (2007) conduct an assessment of the PMRY program specifically within the context of Manipur, categorizing the analysis by district (nine in total) to examine the entrepreneurs who have gained from this initiative. Utilizing parametric tests, including the chi-square and F tests, they discover that the annual growth in the achievement of target disbursements related to the implementation of PMRY in four districts of Manipur is significantly negative.

Suryavanshi (2010) contends that the scarcity of educational resources in rural regions does not hinder entrepreneurial growth. Rather, it is the drive and skills that individuals possess that are pivotal, as demonstrated by the cases of 15 borrowers from various professional backgrounds who gained from the REGP in the Kohlapur District of Maharashtra. To substantiate these findings, interviews were carried out with representatives from the District Industries Centre (DIC), Khadi and Village Industries Commission (KVIC), and several banking institutions.

S. Kumar (2013) investigates the role of the Prime Minister's Employment Generation Programme (PMEGP) in fostering self-employment within Uttar Pradesh. The study is based on data gathered from 102 beneficiaries who received funding for their projects through this initiative. The findings indicate that entrepreneurs regard PMEGP as a significant financial resource that enhances the self-employment sector to a greater extent than traditional salaried positions.

Choudhury and Ghosh (2015) examine the effectiveness of the Prime Minister's Employment Generation Programme (PMEGP) within village industries across India, with a specific focus on Jharkhand. Their analysis is based on various metrics, including the number of projects initiated, production levels, sales figures, employment rates, and income generated. The correlation analysis reveals a strong interrelationship among all variables; however, in Jharkhand, the relationships between projects initiated and production, as well as production and sales, are particularly robust. Conversely, the correlations between projects initiated and employment, as well as employment and earnings, are weaker, which may be attributed to the influence of naxalism. In a separate study,

Tripathi and Koley (2015) assess the performance of West Bengal in comparison to other Indian states regarding the financing of projects, distribution of margin money, and employment creation under the PMEGP scheme. Notably, West Bengal contributed to 14 percent of the total employment generated and accounted for nine percent of the projects financed nationwide.

Kaur and Kaur (2017) evaluate the relative contributions of various types of banks, including public sector banks, regional rural banks (RRBs), and cooperatives, in the implementation of the Prime Minister's Employment Generation Programme (PMEGP) across India. To conduct this assessment, they collected and analyzed secondary data from a range of sources, including annual reports from the Khadi and Village Industries Commission (KVIC), as well as information from websites, academic journals, and newspapers. The analysis encompasses various metrics such as the number of projects initiated, margin money disbursed, production levels, sales figures, employment generated, earnings, awareness camps, workshops, exhibitions, entrepreneurship development program (EDP) training participants, meetings with bankers, and monitoring committee sessions. The findings indicate a decline in certain areas, prompting recommendations for the government to enhance outreach efforts to raise awareness about the scheme.

Khan M. and Rao S. (2017) undertook a longitudinal investigation aimed at evaluating the economic viability and sustainability of enterprises established under the PMEGP initiative. The primary objective of this research is to monitor the performance of these enterprises over time and assess their long-term potential for financial stability and continuity. This study likely employs a longitudinal methodology, which entails the collection of data from the same group of PMEGP beneficiaries over an extended timeframe. The findings of this research may offer valuable insights into the financial performance of PMEGP enterprises, including their capacity to generate profits, manage operational costs, and achieve financial sustainability. Furthermore, the study may illuminate the degree to which PMEGP enterprises exhibit resilience and longevity, thereby indicating their potential for enduring success beyond the initial implementation stages. Additionally, the

results may highlight specific factors or strategies that enhance the economic viability and sustainability of PMEGP enterprises.

The above literature reviews of the PMEGP self employment Scheme highlights its role in promoting financial inclusion and providing social security to the unorganized sector. Key findings suggest that while the scheme has made progress, challenges such as low awareness and participation remain. The current research examines the effectiveness of the *Swavalamban* self-employment initiative.

4. RESEARCH QUESTION

- I. What is CAGR of no of beneficiary, sanction, sponsored and disbursed amount under *Swavalamban* scheme.
- II. Is no of beneficiary depending on sanction, sponsored and disbursed amount under *Swavalamban* scheme.

5. OBJECTIVE OF THE RESEARCH

- I. To known the CAGR (%) of no of beneficiary, sanction, sponsored and disbursed amount under *Swavalamban* scheme.
- II. To know the relation of no of beneficiary among the amount sanctioned, sponsored and disbursed under *Swavalamban* scheme.

3. SIGNIFICANT OF THE RESEARCH

The Significant of the research concerning the *Swavalamban* Self-Employment Scheme in Tripura is rooted in its assessment of the scheme's influence on economic empowerment and financial inclusion within the region. By investigating the ways in which the scheme has facilitated self-employment opportunities, the study aims to deliver valuable insights regarding its efficacy, identify obstacles encountered by beneficiaries, and propose strategies to enhance access to financial resources for marginalized populations. This investigation has the potential to inform policy development that fosters sustainable livelihoods, especially in rural and underprivileged areas of Tripura.

4. Research Problems

The *Swavalamban* Self-Employment Scheme in Tripura faces several research challenges, including insufficient awareness and participation among potential beneficiaries, difficulties in obtaining financial assistance, and the efficacy of skill development initiatives. Furthermore, it is essential to examine the sustainability of enterprises created through the scheme and assess its long-term socio-economic effects. Additionally, the presence of regional disparities and the uneven distribution of benefits throughout Tripura necessitate a more in-depth analysis to enhance the scheme's effectiveness and outreach.

5. RESEARCH METHODOLOGY

A research study in any discipline constitutes an exploration of uncharted territories grounded in established knowledge. Such an investigation necessitates the application of a suitable methodology. Research explains a novel addition to the current status of knowledge, facilitating its progression. It involves the quest for truth through various methodologies, including study, observation, comparison, and experimentation. In essence, research is the systematic and objective exploration aimed at discovering solutions to specific problems. This section on methodology provides a comprehensive overview of the research techniques and methods employed throughout the study, detailing the systematic approach taken to gather, analyze, and present data.

The source of data for the present study is secondary data. The present study is confined to the period from 2005-06 to 2018-19 covering fourteen years for secondary data analysis. This data has been sourced from a variety of esteemed journals, articles, documents, records, and governmental directives related to the Administration of the District Rural Development Agency, as well as other publications derived from original datasets. The study employs descriptive, analytical, and empirical methodologies for data analysis. Additionally, the researcher has utilized MS-EXCLE 10 and SPSS software to facilitate the analysis process.

6. DATA ANALYSIS AND FINDINGS

Analysis: I

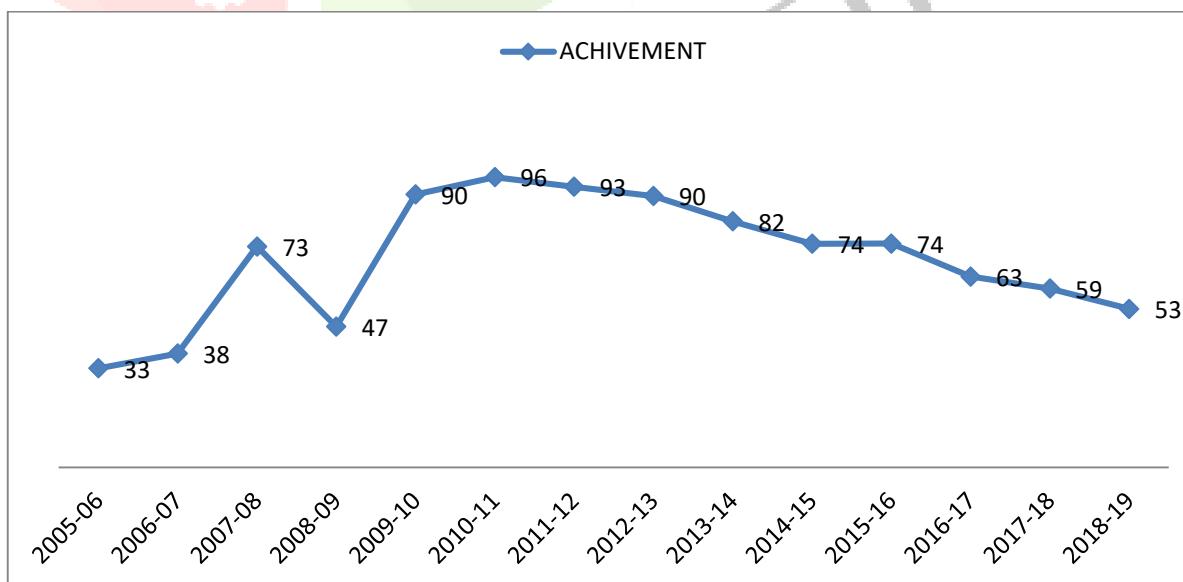
Table: 1

YEAR	TARGET	SP		SC		DB	
		NO	AMOUNT	NO	AMOUNT	NO	AMOUNT
2005-06	500	300	533.05	194	172.4	164	145.3
2006-07	1000	1373	1999.51	499	572.75	377	353.56
2007-08	600	1067	1635.62	448	522.04	439	426.68
2008-09	1000	1034	1589.33	595	853.24	466	569.68
2009-10	1000	1887	3259.38	1119	1708.99	904	1062.02
2010-11	1500	2681	5394.53	1660	2919.62	1442	2117.07
2011-12	2000	3428	6670.74	2075	3757.56	1859	2910.04
2012-13	2000	3916	8311.17	2022	3918.42	1798	3102.62
2013-14	2500	4681	10708.2	2332	4867.09	2038	3927.58
2014-15	3000	5232	14157	2508	5685.64	2223	4490.2
2015-16	3500	5729	15856.7	2963	6970.83	2594	5502.9
2016-17	4000	6250	18639.3	3071	7756.67	2529	5913.32
2017-18	4000	6657	21371.4	2960	8279.44	2370	6542.71
2018-19	4000	7311	26415.4	2535	8056.9	2100	6422.65
TOTAL	30600	51546	136541.2	24981	56041.59	21303	43486.33
CAGR (%)	15	24	30	19	29	19	29

Source: Department of Industries and Commerce, Government Of Tripura.

Interpretation: The data presented in Table 1 demonstrates that the Compound Annual Growth Rate (CAGR) of the number of beneficiaries who have effectively benefited from the scheme stands at 19%, which surpasses the number of targeted beneficiaries. This outcome reflects positively on the *Swavalamban* scheme.

Analysis: II



Interpretation: The worm chart illustrates the achievement percentages of the *Swavalamban* scheme. Notably, the scheme reached its peak performance in the fiscal year 2010-11, attaining an impressive 96%. Conversely, the lowest achievement percentage was recorded in the year 2005-06, which stood at 30%.

Analysis: III

Regression Analysis

The research examined the number of beneficiaries who gained advantages from the *Swavalamban* schemes as a dependent variable, while independent variables such as sanctioned, sponsored, and disbursed amounts associated with the *Swavalamban* scheme were analyzed in relation to it at a 5% significance level. The significance was assessed using ANOVA (0.00), an F value of (115.069), and variance (R2) metrics, which indicated that the variables pertaining to the number of beneficiaries are of extremely significance.

Ho: There is no relation between the no of beneficiary with sanctioned, sponsored and disbursed amount under *Swavalamban* scheme

H1: There is relation between the no of beneficiary with sanctioned, sponsored and disbursed amount under *Swavalamban* scheme

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.986 ^a	.972	.963	167.74839
a. Predictors: (Constant), Disbursed, Sponsored, Sanctioned				

ANOVA ^a					
Model		Sum of Squares	df	Mean Square	F
1	Regression	9713963.986	3	3237987.995	115.069
	Residual	281395.229	10	28139.523	
	Total	9995359.214	13		

a. Dependent Variable: Achievement

b. Predictors: (Constant), Disbursed, Sponsored, Sanctioned

8. CONCLUSIONS AND RECOMMENDATIONS

The *Swavalamban* Self Employment Scheme, initiated by the Government of Tripura, has made notable progress in promoting self-sufficiency and entrepreneurial activities among the state's populace. This program has proven especially advantageous for youth, women, and marginalized groups by offering essential financial resources, skill enhancement opportunities, and mentorship for launching their own enterprises. By encouraging self-employment, the initiative has played a role in alleviating unemployment and stimulating the local economy in Tripura. Beneficiaries of the scheme have gained access to financial aid, training initiatives, and various resources that have enabled them to establish and maintain their businesses. This has resulted in the emergence of numerous small enterprises, thereby enhancing the economic autonomy of individuals in both rural and urban settings.

Nonetheless, despite its achievements, the scheme encounters several challenges, including insufficient awareness, bureaucratic obstacles, and a demand for more comprehensive post-assistance support. Addressing these issues would be crucial in maximizing the scheme's effectiveness and ensuring a more enduring influence on economic growth and self-employment throughout the state.

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