

Schemes Implemented by the District Industries Center for development and promotion of entrepreneurs in District Shimla of Himachal Pradesh

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ABSTRACT

Development of entrepreneurs is a key for growth of economy as well as development. Development of entrepreneurs has played a key role in achieving the goals of development in self employment and industrial development. Entrepreneurial activity is increasing throughout the world. Entrepreneurs and entrepreneurship are playing important roles in today's global business environment. Entrepreneurs are the seeds of industrial development and the fruits industrial development are greater employment opportunities to unemployed youth, higher standard of living, increase in per capita income, increased individual saving and increased revenue to the government in the form of income tax, export duties, sales tax and import duties. The Government of India as well as Government of Himachal Pradesh has introduced various schemes to develop entrepreneurship among the people. District Industries Centers (DICs) is the nodal agency for implementation of these schemes. The District industries Centers programme was started in 1978. DICs is also known as implementing arm of the Central and state Government as various schemes and programmes of Central and state Government are carried out through these. This paper aims to study various schemes (mainly PMEGP & MMSY), programmes implemented by DICs for people in Shimla District of Himachal Pradesh and its support to entrepreneurship development among people.

Key words: Entrepreneurs, Entrepreneurship, Schemes implemented by DICs, Himachal Pradesh

INTRODUCTION

Entrepreneur development is a key for growth of economy as well as development. Development of entrepreneurs has played a key role in achieving the goals of development in self employment and industrial development. Entrepreneurial activity is increasing throughout the world. Entrepreneurs and entrepreneurship are playing important roles in today's global business environment. Entrepreneurs are the seeds of industrial development and the fruits industrial development are greater employment opportunities to unemployed youth, higher standard of living, increase in per capita income, increased individual saving and increased revenue to the government in the form of income tax, export duties, sales tax and import duties. The Government of India as well as Government of Himachal Pradesh has introduced various schemes to develop entrepreneurship among the people. District Industries Centers (DICs) is the nodal agency for implementation of these schemes. The District industries Centers programme was started in 1978. The objective of DIC is to provide integrated administrative framework at the district level for promotion of small scale industries in rural areas. DICs provide service and support to small entrepreneurs under a single roof. DICs is also known as implementing arm of the Central and state Government as various schemes and programmes of Central and state Government are carried out through these. District Industries Centre came into being in 1978 through a 100% Centrally Sponsored Schemes and the District Industries Officers were replaced with General Managers, District Industries Centre. In 1984 funding pattern under District Industries Centre Scheme was changed to 50:50 and the Scheme was completely transferred to State in 1994.

Conceptual Background

2.1 Entrepreneur: A person is who taking a risk and starts his own, new small or big businesses are called entrepreneurs.

2.2 Entrepreneurship: Means functions of achieving something new, organizing, coordinating, taking risk and handling economic uncertain.

2.3 Entrepreneurship development: Means all those activities that aim at stimulating the individual for becoming entrepreneur.

LITERATURE REVIEW

Shrikrishna S. and Chandrakant B. (2011) studied various schemes, programmes implemented by Mahila Arthik Vikas Mahamandal (MAVIM) for women in Kolhapur District of Maharashtra. Performance of MAVIM has playing proper way for the

developing of women entrepreneurship. MAVIM has playing vital role in developing entrepreneurship among women as well as improving their standard of living in the society, on behalf of Government. Shiralashtti A.S. (2013) observed that the Government of India and Karnatka together implemented several schemes to encourage women to undertake entrepreneurial activities. Study revealed that large amount of potential women entrepreneurs remain untapped due to lack of awareness. The study suggested increasing the awareness level among women entrepreneurs about benefits of Government schemes and encouraging them to earn self income. Obaji Nkem Okpa and Olugu Mercy Uche (2014) examine the role of government policy in entrepreneurship development and its impact on economic development. Study reveal that entrepreneurial success of any nation is largely depend on the policy behavior of the government. Since almost governments especially in the developing countries are striving to achieve economic development, they are always bringing out supportive policy programmes in different forms, e.g. infrastructural, financial and fiscal among others. Amit (2014) analyse the effect of economic development, financial development and foreign investment on entrepreneurial development measured by production and investment. Author found that investment per MSME is positively influenced by financial development in long run. In short run foreign investment and economic development positively influence investments. The author found that production per MSME was to be positively influenced by economic development and financial development in long run. Kaushik Nikhil and Jain Madhur Raj (2015) studied about the impact of Government schemes on handloom weavers at Maheshwar, M.P. It was revealed from the study that almost one-fourth of weavers were not aware of theses government schemes. Study suggested that an immediate effort about awareness campaign from government of India in this area is required so that satisfactory usage of these schemes to improve the livelihood and enhancement income of the weavers may take place. Kumar Vijay S. (2016) emphasized that the Government should go for appraisal of rural entrepreneurship development schemes and programmes in order to uplift rural areas. Rural entrepreneurs find it difficult to take off due to lack of capital accumulation, risk taking and innovations. He suggested that the rural development programmes should combine infrastructure development, education, health services, investment in agriculture and the promotion of rural non-farm activities in which women and rural population can engage themselves. He further stated that monitoring rural development programmes by supplying right information at the right time, providing timely and adequate credit and continuous motivation of bankers, panchayat, union leaders and voluntary service organizations will lead to the development of rural entrepreneurship. Gandhi Madhan Mhoan P (2016) suggested that Government should understand the importance of entrepreneurial development and should provide a better environment for the entrepreneurs. The author further suggested that banks and financial should be confident of the entrepreneurs and provide better financial assistance to them. Author also suggested the entrepreneurs that they should be able to face stiff competition. So, they should be updated with latest trends, face challenges and make use of the opportunities and become successful.

OBJECTIVES OF THE STUDY

The main objective of the study is the role of DIC's in Entrepreneurship Development among people in Shimla district of Himachal Pradesh.

1. To study the working structure of DICs in Himachal Pradesh.
2. To review various schemes of DICs to promote entrepreneurs.
3. To evaluate the performance of DICs in terms of various schemes.

METHODOLOGY

The data have been collected through reports of District Industrial Center, research papers, articles, various journals, manuals, periodicals and newspapers, books, publications and concerned websites will be used. The performance of DICs in Shimla of Himachal Pradesh has been evaluated in terms of growth, share of male and female and percentage of male and female in business activities as developed by DICs.

Profile of DIC's in Himachal Pradesh

The District Industries Centre is headed by General Manager. They are further assisted by Managers, Industrial Promotion Officers, Economic Investigators, Extension Officers (Industries) at Block Level, ministerial and other staff. In order to provide facilities to entrepreneurs close to their working, Single Window Clearance Agencies are functioning at Parwanoo, Baddi and Nalagarh in Solan District, Poanta Sahib and Kala Amb in Sirmaur district, Gwalthai in Bilaspur District and Sansarpur Terrace and Damtal in Kangra District. The goal of DICs is to establish the social, economic and political justice for people through sustainable development process. Following are the specific objectives of DICs.

1. Promotion of entrepreneurship through self employment to increase potential of entrepreneurs through various training programmes.
2. Creation and improvement of Industrial infrastructure in the state for better industrial growth.
3. Promotion of industrial investment to facilitate generation of employment opportunities in the state.

Schemes Implemented by DIC in Shimla District of Himachal Pradesh

DIC has implemented mainly six schemes. These are i) Pradhan Mantri Employment Generation programme, ii) CM-startup, iii) Mukhya Mantri Swavalamban Yojana, iv) Rural Engineering Based Training Programme v) Industrial Development scheme-2017, vi) State Mission on Food processing. This study mainly focuses on two schemes, PMEGP and MMSY.

Prime Minister's Employment Generation Programme

Government of India introduced 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. At the state level, the scheme is being implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and banks. Under this scheme the rate of subsidy for different categories are as follows:

Table: 1
Subsidies provided to various social categories under PMEGP

Categories of Beneficiaries	Beneficiaries own contribution	Rate of subsidy (Urban)	Rate of subsidy (Rural)
General category	10%	15%	25%
Special (including ST/SC/BC/Minorities/Women/Ex-Servicemen/Physically Handicapped)	5%	25%	35%

The Government of Himachal Pradesh is also providing Interest subsidy @ 5% for three years on loan sanctioned by Financial Institutes. The objectives of PMEGP are given below:

1. To generate continuous and sustainable employment opportunities in Rural and Urban areas of the country.
2. To provide continuous and sustainable employment to a large segment of traditional and prospective artisans, rural and urban unemployed youth in the country through setting up of micro enterprises.
3. To facilitate participation of financial institutions for higher credit flow to micro sectors.

Eligibility

1. Individuals above 18 years of age.
2. VIII Std. Pass required for project above Rs.10.00 lakhs in Manufacturing and above Rs.5.00 lakhs for Service Sector.
3. Self Help Groups and Charitable Trusts.
4. Institutions Registration under Societies Registration Act-1860.
5. Production based Co-operative Societies.

Social Category and gender wise distribution of beneficiaries under PMEGP in district Shimla and its percentage has been given in table 1.

Table: 2

Social Category and Gender wise distribution of beneficiaries under PMEGP in district Shimla

District	Social Category	No. of Males	No. Of Females	Total of Males & Females	% of Males	% of Females	Total % of Males and Females
Shimla	General	80	35	115	69.57%	30.43 %	100 %
	Minority	0	1	1	0 %	100 %	100 %
	Scheduled Caste	78	21	99	78.79 %	21.21 %	100 %
	Scheduled Tribe	2	0	2	100 %	0 %	100 %
	Backward Classes	0	1	1	0 %	100 %	100 %
	Total	160	58	218	73.40 %	26.60 %	100 %

(Source: Table compiled on the basis of data extracted from Internal Reports of PMEGP, District Shimla)

The table 2 shows that under PMEGP total beneficiaries of general categories are 115. Out of these 69.57% are males and 30.43% are females. The total beneficiaries of minority category are only 1. Total beneficiaries of scheduled caste category

were 99. Out of these 78.79% males and 21.21% are females. It is revealed from the table that under Scheduled Tribe category only 2 males are enrolled under this scheme. It is found that 73.40% males are benefited under this scheme, whereas only 26.60% of beneficiaries are female. It is also found that most of beneficiaries are under general and scheduled caste category as compare to minority, scheduled tribe and backward classes. Therefore more stress is required on other social categories i.e. minority, scheduled tribe and backward classes under the ambit of PMEGP. It is also worthwhile to mention that percentage of women beneficiaries as compare to male beneficiaries is also very low. So to bridge the gender gap emphasis should also be given to promote and develop women entrepreneurs under this scheme.

Mukhya Mantri Swavalamban Yojana

With a view to promote self employment opportunities in the state of Himachal Pradesh and in order to provide livelihood to local youth by encouraging local entrepreneurship, the Government of Himachal Pradesh has started a Mukhya Mantri Swavalamban Yojana scheme for incentives, concessions and facilities for eligible Bonafide youth from Himachal. The scheme is applicable to the youth who are of age 18 years or more and up to the age 35 years at the time of filing the application form. Investment subsidy @ 25% of investment in Plant & Machinery upto a maximum investment ceiling of Rs.40.00 lakh in plant & machinery with total project cost not exceeding Rs.50.00 lakh. In case such units are set up by Bonafide Himachali women entrepreneur, the maximum amount of subsidy admissible would be @ 30%. Also, interest subsidy @ 5% for three years on loan up to Rs.40.00 lakhs sanctioned by a Financial Institutions will be provided under the scheme.

Eligibility:

- Bonafide youth of Himachal Pradesh, between 18-35 years.
- The proprietary firms/ Corporate/ Legal entities like Companies/ LLPs/ Partnership Firms wherein 100% equity is held by Eligible Bonafide Himachalis between 18-35 years.
- All proposals to set up manufacturing enterprises and notify service enterprises with the project cost of Rs.50.00 lakhs are eligible for incentives.
- Negative industries notified under Incentive Rules 2004 are not eligible for incentives under this scheme.

Eligible Service Enterprises under MMSY:

1. Printing and publishing services like desktop publishing, flex printing, photo labs, printing presses
2. All type of professional services.
3. Event management including audio services and tent houses.
4. Community kitchens, laundries, banquet halls, theatres, live bands.
5. Tourism enterprises including hotels, restaurants, spa, eco-tourism activities like camping, rafting, tracking etc.
6. Packaging houses, warehouses, cargo and courier services, weigh bridges.
7. Health care facilities including labs, fitness centres sanitary services, x-ray clinics, waste disposable services and hospital services.
8. Computerised designs, graphics, data processing, software development, cyber cafe, call centres, internet communication services.
9. Equipment renting and leasing services including renting of excavators, shuttering, concrete mixture, farm equipment like tractors, pumps, rigs, boring machines etc.

Table: 3

Social Category and Gender wise distribution of beneficiaries under MMSY in district Shimla

District	Social category	No. of Males	No. of Females	No. of Total Males & Females	% of Males	% of Females
Shimla	General	88	06	94	93.62%	6.38%
	Backward Classes	01	00	01	100%	-
	Minority	-	-	-	-	-
	Scheduled Caste	03	02	05	60%	40%
	Scheduled Tribe	-	-	-	-	-
	Total	92	08	100	92%	8%

(Source: Table compiled on the basis of data extracted from Internal Reports of DIC, District Shimla)

The table 3 shows that under MMSY total beneficiaries of general categories are 94. Out of these 88 (93.62%) are males and 06 (6.38%) are females. Total beneficiaries of scheduled caste category were 5. Out of which 03 (60%) are males

and 02 (40%) are females. MMSY scheme is a gender centric scheme implemented by Government of Himachal Pradesh in May 2018. It is revealed from the table that males are more aware about this scheme as compare to females. Therefore awareness campaign from Government of Himachal Pradesh in this area is required so that satisfactory usage of this scheme by women entrepreneurs may take place.

CONCLUSION

District industry centre has implemented mainly six schemes among others. These are Pradhan Mantri Employment Generation programme, CM-startup, Mukhya Mantri Swavlamban Yojana, Rural Engineering Based Training Programme, Industrial Development scheme-2017 and State Mission on Food processing. DIC has been playing a vital role in developing entrepreneurship among women and various social categories as well as improving their standard of living in the society, on behalf of the Government of India and Government of Himachal Pradesh. It is found that most of beneficiaries are under general and scheduled caste category as compare to minority, scheduled tribe and backward classes. Therefore more stress is required on other social categories i.e. minority, scheduled tribe and backward classes under the ambit of various schemes. It is also worthwhile to mention that percentage of women beneficiaries as compare to male beneficiaries is also very low. So to bridge the gender gap emphasis should also be given to promote and develop women entrepreneurs under these schemes. It is suggested that an immediate effort about awareness campaign from government of India and Government of Himachal Pradesh in this area is required so that satisfactory usage of these schemes to improve the livelihood and enhancement income of the people may take place.

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