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PERFORMANCE EVALUATION OF UNEMPLOYED YOUTH EMPLOYMENT GENERATION PROGRAMMEIN TAMIL NADU

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Abstract

The unemployment rate is accelerating throughout the world. Increasing the unemployment rate is a very big headache for the government. According to the CMIE report for December 2022, the number of jobless persons in India is 8.3 percent. The unemployment rate in urban areas is 10.09 percent, whereas, in rural areas, it is 7.44 percent. Governments, both at the central level and state level, have initiated so many skill development programs and entrepreneurial development programs to create opportunities for job creation and start-ups. Tamil Nadu government initiated an Unemployed youth employment generation program to utilize the local resources then and there and provide employment opportunities to the people located in different regions. This paper deals with the enterprises started through UYEGP and the subsidies released to the units. Trend percentage and correlation were used to analyze the data, and inferences and suggestions were made on that basis.

Keywords: Unemployment, Jobless, start-ups

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INTRODUCTION

As on March 2023, the Unemployment rate in urban areas of Tamil Nadu is 2.05 percent, and in rural areas is 4.51 percent. Tamil Nadu governments introduced many skill development programs and entrepreneurial development programs. The unemployed youth employment generation program also motivates the urban and rural unemployed to start ventures in their respective places. The unemployed with a minimum qualification of eighth standard and age of 18 years can start either manufacturing activities with a capital of 10 lakhs or service activities with a capital of 5 lakhs, or business activities with money of 1 lakh. They can avail of 25 percent of the subsidy given by the government subject to the project cost of 1.25 lakh. The maximum age for availing these concessions under UYEGP is 35 for general category and 45 for other category people.

OBJECTIVES

1. To know the progress of units started under UYEGP during the study period.
2. To assess the performance of the study units concerning subsidies availed by them.
3. To analyze the relationship between the subsidies released and units started under the scheme during the study period.

METHODOLOGY

The data for analysis was extracted from the Micro, Small, and Medium Enterprises Department, Tamil Nadu, from 2011-12 to 2020-21. To know the provisions relating to UYEGP, the authors reviewed the information given in notifications given by the government. Trend percentage and correlation are used to study the trend and progress of the enterprises started under this program.

ANALYSIS AND INTERPRETATION

The number of enterprises started under UYEGP program during the study period and its trend percentage is given in Table 1.

Table 1: Number of Enterprises started under UYEGP and Trend Percentage

Financial Year	No's	Trend Percentage
2011-12	4759	100
2012-13	4804	101
2013-14	4657	97
2014-15	3465	74
2015-16	5822	168
2016-17	5368	92
2017-18	4707	88
2018-19	4298	91
2019-20	3397	79
2020-21	3591	106

Source: MSME Department, TamilNadu

It can be interpreted from Table 1 that the number of units started under the Unemployed Youth Employment generation program shows a fluctuating trend. The number of units started in the year 2012-13 is more than the base year by 1 percent, and in the year 2015-16, it is more than the base year by 68 percent, and in the year 2020-21, it is more than the base year by 6 percent. In the remaining years of the study period, the started units under UYEGP are less than the base year.

Table 2: Subsidy Amount Released under UYEGP and Trend Percentage

Financial Year	Subsidy Released (Rs.in lakhs)	Trend Percentage
2011-12	1319.86	100
2012-13	1466.31	111
2013-14	1499.53	102
2014-15	1817.67	121
2015-16	3463.18	191
2016-17	3375.00	97

2017-18	3000.00	89
2018-19	2756.60	92
2019-20	2610.79	95
2020-21	3300.00	126

Source: MSME Department, TamilNadu

It can be interpreted from Table 1 that the subsidy released under the Unemployed Youth Employment generation program shows an increasing trend for the first five years of the study period, then for the subsequent four years, the subsidy released is less than the base year and shows a fluctuating trend and the last year of the study period again it is increased by 26 percent of the base year.

The average number of units started under UYEGP in 32 districts of TamilNaduduring the study period, and the correlation between the number of units started in the districts of TamilNadu and subsidy disbursed to the units are given in Table 3.

Table 3: Mean and Standard Deviation of Units Started and Subsidy Disbursed under UYEGP

	Mean	Std. Deviation	Correlation
Number	1183.7500	376.68794	
Subsidy	584.3175	265.88013	0.936

Source: Computed

It can be inferred from Table 3 that the average number of units started during the study period is 1,183 units, and the average subsidy released is 584. To know the degree of relationship between the number of units started and the subsidy released, correlation is applied, and it found that there lies a high degree of positive correlation (+0.936) between the number of units established in 32 districts and the subsidy released to the units at 1 percent levels of significance.

SUGGESTIONS

1. The government may increase the number of days for attending the Entrepreneurial Development Program to enhance their knowledge and skills relating to venture.
2. The institutions involved in entrepreneurial development may analyze the problems of entrepreneurs in getting the subsidy in time.

CONCLUSION

The unemployed youth employment generation program is a novel program introduced by the Tamil Nadu government to remove regional imbalances and to utilize the indigenous resources available in the respective places where the unemployed start their units. The government, banks, and apex bodies involved in giving entrepreneurial training may conduct periodical review meetings with entrepreneurs who started businesses under this scheme might provide improvement in their venture in offering products and services to the society, which eventually help to improve overall economic development and eradicate unemployment in the future.

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