CHAPTER ~ III

PROFILE OF THE STUDY AREA AND FEATURES OF PMRY

The present chapter provides the informal ion about the profile of the study district - Dindigul and the salient features of Prime Minister Rozgar Yojana (PMRY) scheme in India.

3.1 PROFILE OF DINDIGUL DISTRICT

The present study is conducted in Dindigul district of Tamil Nadu, A brief profile of the district is given in this section.

Location

Dindigul District is one of the 29 Districts of the Tamil Nadu and it is carved out of the composite Madurai District on 15.09,1985, It is located 100 kilometers from the rock city-Trichy and is south-west part of Tamil Nadu. Dindigul is the head quarters of the district. It lies on the banks of K.udavanar river,

Dindigul, which is under the way of the famous Muslim Monarch, Tippusultan, has a hearty past. The historical rock fort of this District is constructed by the famous Naik king Muthukrishriappa Naicker, It is located between NT 05” North 10” 9” lattitude and
77°30' and 77°20' East latitude. This District is bound by Erode, Salem, Karur and Trichy Districts on the North, by Sivagana and Tanjore Districts on the East, by Madurai District on the South and by Theni, Coimbatore Districts and Kerala state on the West.

**Population Distribution**

According to 2001 census, the total population of the District is 19,23,014, which covers the male population of 9,68,137 and female population of 9,54,877. In this district, the number of persons belong to schedule castes are around 3,76,170 which consists of male and female as 1,89,066 and 1,87,104 respectively. The total number of persons belong to schedule tribes are 6484 which covers the male and female of 3320 and 3164 respectively. The number of literates are 11,81,746 including the male and female literates of 6,81,698 and 5,00,048 respectively.

**Physical Geography**

The District has extensively hills and rocky areas with undulating plains. Palani hills forming Northern part of the western ghats ranging in height from 1000 to 2700 meters. The upper plains with an average height of 2500 mts comprise valleys and contain several peaks like Perumal Hill, the Vendarveyp Hills etc. They consist largely of plateaus made up of rolling down covered with coarse
grasses and isolated shoals in the valleys. The lower plains consist of confused jungle of peaks from 1000 to 1700 mts height, separated from one another by steep and beautiful wooded valleys. The hills are Thandigudi, Virupatchi Hills etc. On the eastern side, Sirimalai, Alagar Malai and the Natham and Ayyaiur hills are found. A large number of isolated peaks namely Karumalai, a sacred hill, tapering kodarangimalai, great rock of Dindigul, Rengamalwai etc., also found.

Climate and Temperature

The climate in Dindigul District is hot tropical. The maximum temperature is 38°C, and the minimum temperature is 28°C. During the months of November, December and January, the lowest temperature is recorded. From the end of February, the temperature starts rising. Heart becomes intense in April and May and shoots further up unless interfered by rains.

The high rate of evapo transpiration indicates that this will affect the soil moisture and high transpiration from crop plants, thereby, affecting the crop growth in years of low rainfall. Hence, precipitation below evapo transpiration is a direct indication of dry conditions in the area. The climatic condition revealed that the ideal season, for irrigated crops lasts between May and September. The remaining months may be put under dry land management.
Administrative-Set-up

For the administrative convenience, Dindigul district is divided into four revenue divisions namely, Dindigul, Palani, Kodaikanal, and Oddanchatram. This district comprises of seven taluks. They are Dindigul, Natham, Nilakottai, Palani, Vedasanthur, Kodaikanal and Oddanchatram. There are 3 municipalities in the district. They are Dindigul, Palani and Kodaikanal. The 14 Blocks of the Dindigul District are: Athoor, Batlagundu, Dindigul, Gujiliamparai, Kodaikanal, Natham, Nilakottai, Oddanchatram, Palani, Reddiarchatram, Shanarpatti, Thoppampatti, Vadamadurai and Vedasanthur Block. Dindigul District also comprises of 39 revenue firakes 357 revenue villages .and 304 village panchayats. There are 24 town panchayats. The entire district consists of seven legislative assembly constituencies and two parliament constituencies.

Agriculture and Land use

The total geographical area of the District is 508016 ha. Net cultivable area is 274707 ha. Out of the net area sown as low as 9 percent is sown more than once. A sizeable portion is covered by thorny bushes, barren rocks and boulders quite unfit for cultivation. Dry farming is predominant in the District and the important wetland track is located in the Shanmuganathi and Kodaganar basin.
Paddy is the principal crop (37 per cent) followed by oil seeds (23 per cent) and fruits and vegetables (24 per cent), Cholam is the major irrigated crop (30 per cent) followed by oil seeds (18 per cent) and paddy (11 per cent). Sirumalai and Virupatchi hills are known for a special variety of plantains. Fruits like orange, lime, mango and grapes of special interest in Dindigul, Nilakottai and Palani taluks. Colecrops anti fruits growth chiefly in Kodaikanal lower plain yield coffee -and cardamom. About 900 ha are put under kuruvai system of cultivation and the crops raised are potato, cabbage, tenai, samai, brinjal, cotton and ragi in the forest reserves.

Irrigation

This district is devoid of any major resources for irrigation except a few dams, which depend entirely on monsoon rains for water storage. The area is cultivated with irrigation wells and a few rain fed tanks. There are 41 government canals, 2230 tanks and 86925 dug wells, 2972 tube wells in the District. About 29 percent of the net area is irrigated. Wells form the chief source of irrigation followed by tanks. There are 792,75 wells to provide irrigation to 68236 ha. Palar-Porandalar, kodaganar and manjalar schemes are important irrigation schemes. Canals irrigate 12310 ha and 2230 Tanks irrigation covers 16607 ha.
In Dindigul District, there is no perennial rivers and there are some rivers like Shanmuga Nadhi, Santhana Varthini, Thalaikuthu falls and Gudaganaru. The river system is complicated to some extent due to several hills and valleys and is seasonal dependent on rainfall.

Forest

In Dindigul District, the estimated forest area is about 138923 hectares and most of the areas are covered with black babool trees. Hence, there is no scarcity of firewood for cooking purposes. In Tamil Nadu, Dindigul is one the main drought-hit areas. Forest falls naturally under 3 categories as the mixed deciduous, the ever green and the green and the grassland. The natural vegetation is rich and varied. About 700 species accounting for 50-80 per cent of the flora of whole Indian peninsula have been identified in plains, besides a large number of species peculiar to themselves.

Infrastructure

Dindigul and Palani are educational centers with few colleges. The District has two universities viz., Gandhigram Rural University at Gandhigram and Mother Teresa Women University at Kodaikanal. The Nation’s prestigious Highway, NH-7, passes through the District besides NH-45, and a network of roads, Dindigul has an important Railway Junction. The nearest aerodrome is located at Madurai, which is 65 Kms away.
Marketing facilities are inadequate. Madurai market committee has gained momentum in this direction. Exports of the District include hides, skins and leather, dyes and tans, cotton and silk fabrics, tea and cardamom etc. There are 78 post and telegraphs, 437 post offices and 3 telegraphic offices in the district. The district has 141 commercial bank branches, 83 rural bank branches, 30 semi-urban and 28 urban bank branches.

**Industries and Trade**

Next to farming, livable population depends on industries. Dindigul is the important industrial center. A number of spinning mills are functioning in Vedasandur and Vadamadurai blocks, besides a few paper mills in Swaminathapuram. Lock industry, tobacco and cigar manufacturing units, metal industry, dyeing iron industry, cotton spinning, weaving and handloom industry are the predominant industries.

For a long time, Dindigul town has been associated with iron locks, iron safe of good quality and durability. A lock manufacturing unit under co-operative sector is functioning here. Another industry in Dindigul which is noted for leather tanning. The widely known anguvillas scented tobacco and “roja supari” are produced in this town and being sent to various places in the state of Tamil Nadu and outside. It
is a flourishing industry gives employment to wide section of people. This district is having flourishing handloom industry at Chinnalapatti. Art silk sarees and sungudi sarees produced in Chinnalapatti are famous throughout India. More than 1000 families are engaged in this industry.

Around 1.42 tonnes of art silk sarees and 1.53 tonnes of silk and cotton sarees are produced during the year 2004-05. It’s cost is Rs.40,000 and Rs.1,54,000 respectively. Handloom industries produces 3.4 tonnes of polyester and its worth is Rs.88,000. Handloom industries in Chinnalapatti are famous for Silk sarees worth about Rs.80,000. At present, there are 8009 registered small scale industries and 61 large and medium scale industries in Dindigul District. The number of small scale units registered during the year 2007 – 08 is given in table 3.1.
### Table 3.1

**REGISTERED SSI IN DINDIGUL DISTRICT**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Details of Classification</th>
<th>No. of Units Registered during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Food &amp; Beverages Products</td>
<td>18</td>
</tr>
<tr>
<td>2</td>
<td>Cotton Textiles</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Wool. Silk, Synthetic &amp; Fibre Textiles</td>
<td>101</td>
</tr>
<tr>
<td>4</td>
<td>Tanning, and dressing of Leather</td>
<td>14</td>
</tr>
<tr>
<td>5</td>
<td>Wood &amp; Wood Products</td>
<td>8</td>
</tr>
<tr>
<td>6</td>
<td>Paper &amp; Paper Products</td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>Publishing, Printing &amp; Reproduction of Recorded Media</td>
<td>14</td>
</tr>
<tr>
<td>8</td>
<td>Chemical &amp; Chemical Products</td>
<td>7</td>
</tr>
<tr>
<td>9</td>
<td>Rubber &amp; Plastic Products</td>
<td>7</td>
</tr>
<tr>
<td>10</td>
<td>Non-metallic &amp; Mineral Products</td>
<td>3</td>
</tr>
<tr>
<td>11</td>
<td>Metal Products</td>
<td>1</td>
</tr>
<tr>
<td>12</td>
<td>Machinery &amp; Parts</td>
<td>5</td>
</tr>
<tr>
<td>13</td>
<td>Manufacture of Electrical Apparatus</td>
<td>3</td>
</tr>
<tr>
<td>14</td>
<td>Manufacturing of Furniture (NEC)</td>
<td>1</td>
</tr>
<tr>
<td>15</td>
<td>Maintenance and Repair of Motor Vehicles</td>
<td>348</td>
</tr>
<tr>
<td>16</td>
<td>Maintenance and Repair of personal house hold goods</td>
<td>3</td>
</tr>
<tr>
<td>17</td>
<td>Other services</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>542</strong></td>
</tr>
</tbody>
</table>

Source: District Industries Centre, Dindigul, 2006.
3.2. IMPLEMENTATION OF THE PMRY SCHEME

Under PMRY, an educated unemployed person living in any part of the country and eligible under the scheme, has to apply for assistance to the General manager, DIC in the district to which he belongs, in cases where the applicant belongs to the cities of Kolkata, Chennai, Mumbai and Delhi, the application has to be filed directly with the office of the Director of Industries in the cities of Kolkata, Chennai, Mumbai and in the office of Deputy Commissioner of the respective zones in Delhi.

The Task Force Committees set up at district level or the Task Force constituted at sub-divisional level/block level are entrusted with the work of scrutinizing the applications and interviewing the candidates. The names of approved candidates by Task Force Committee are sponsored to the bank branches for sanction of loans.

In addition to sponsoring of applications by Task Forces, bank branches themselves may also receive applications directly from the eligible persons under the scheme. However, such applications should be sent to sponsoring agencies with their observations on the viability and bank ability of the projects. Sponsoring agencies would formally sponsor such applications back to the bank branches for sanction of loan.
Eligibility Norms Under The Scheme

(i) Age

➢ 18 to 35 years for all educated unemployed in the country except for North eastern states, Uttarakhand, Himachal Pradesh and Jammu & Kashmir.

➢ 18 to 40 years for all educated unemployed in North Eastern States, Himachal Pradesh and Jammu & Kashmir.

➢ 18 to 45 years for Scheduled Castes/Scheduled Tribes, Ex-serviceman, Physically handicapped and Women

(ii) Educational Qualifications

Viii Standard passed. Preference will be given to those trained in any trade in government recognized/approved institutions for at least six months.

(iii) Family Income

The income of the beneficiary and the spouse along with the income of the parents of the beneficiary should not exceed Rs. 40,000 per annum.
(iv) Residency

Beneficiary should be a permanent resident of the area for at least 3 years (relaxed for married men in Meghalaya and for married women in rest of the country). For married men in Meghalaya and for married women in rest of the country, the residency criteria applies to the spouse or in-laws.

(v) Creditworthiness:

The beneficiary should not be a defaulter to any Nationalised Bank/ Financial institution/ Cooperative Bank. Further, a person already assisted under other subsidy linked Government schemes would not be eligible under the Scheme.

(vi) Reservation:

Preference should be given to the weaker sections including women. The Scheme envisages 22.5 per cent reservation for SC/STs and 27 per cent for other Backward Classes (OBCs). In case SC/ST/OBC candidates are not available, State/Union Territories (UT) Government will be competent to consider other categories of candidates under PMRY.
Financial Terms Under PMRY

**Project Cost:**

- Rs. 1.00 lakh for business sector.
- Rs. 2.00 lakh for other activities.
- Loan to be of a composite nature.
- If two or more eligible persons join together in a partnership, projects costing up to Rs. 10.00 lakh can be covered. However, assistances shall be limited to individual admissibility.
- Self Help Groups (SHG) can be considered for assistance under the scheme.

**Subsidy & Margin Money**

Subsidy is provided @ 15 per cent of the project cost subject to a ceiling of Rs. 7,500 per beneficiary. In the North eastern (NE) States, subsidy is provided @ 15 per cent of the project cost, subject to a ceiling of Rs. 15,000 per beneficiary. Banks will be allowed to take margin money from the entrepreneur varying between 5 per cent and 16.25 per cent of the project cost so as to make the total of the subsidy and the margin money equal to 20 per cent of the project cost.
Collateral:

No collateral for units in industry sector with project cost upto Rs. 2 lakh (the loan ceiling under the PMRY) IS REQUIRED. For partnership project under industry sector, the exemption limit for units in service will be Rs. 5 lakh per borrowal account. For units in service and business sectors no collateral for project upto Rs. 1.00 lakh is required. Exception from collateral in case of partnership project will also be limited to an amount of Rs. 1.00 lakh per person participating in the project.

Rate of interest and Repayment Schedule

Normal Bank rate of interest shall be charged. Repayment Schedule may range between 3 to 7 years after an initial moratorium as may be prescribed.

Training of Beneficiaries

The beneficiaries sanctioned loan under the Scheme have to undergo Entrepreneurial Development Programme (EDP) training of 15-20 working days for projects under the industry Sector and 7-10 working days for projects under Service and Business Sectors. The ceiling on training expenditure for project under the Industry Sector is
Rs. 1,000 per case inclusive of stipend of Rs. 300 per beneficiary and Rs. 500 per case inclusive of stipend of Rs. 150 per beneficiary for service and business sectors to be made available to the States/UTs.

States/UT governments have been asked to involve reputed NGOs, it is, Polytechnic colleges in the training of PMRY beneficiaries. Banks are to be given preference for providing training. State/UT Governments, may also consider possibilities of organising special training courses exclusively for SC/STs and women entrepreneurs.

**Contingency funds for scheme Administration:**

Contingency funds @ Rs. 250/- Per case sanctioned are released to States/UTs based on the cases sanctioned under PMRY from 1996-97 onwards (enhanced from an earlier rate of Rs. 100 Per beneficiary). The funds are meant for utilization for meeting expenditure in administering and supervising PMRY at the DIC level, which includes inter alia publicity, organization of workshops, motivational and familiarization programmes for eligible youth.

In order to provide greater flexibility utilization of contingency funds under PMRY to the States/UTs, the expenditure norms have been modified and the ambit of expenditure admissible widened.
Project Profiles

Projects profiles already prepared for guidance of entrepreneurs in selecting the project and Training and Trainers manual developed by the Ministry through Rural Development and Self Employment Training institute (RUDSETI), Karnataka.

Assistance From States/UTs

States/UT Governments may provide necessary infrastructure support like provision of industrial sites, shops and water on preferential basis to these entrepreneurs. Provisions of sites and sheds at concessional rate to service ventures in urban areas will be essential for their success. Priority in electric connections and other general tax concessions / incentives may also be provided.

Monitoring & Guidance For PMRY

The District, being a well-established geographical unit for many State/Central promotional programmes, is the basic unit for implementation of the Prime Minister’s Rozgar Yojana. In all the districts, District Industries Centre (DIC) is the implementing agency except in the metropolitan cities of Kolkata, Mumbai and Chennai where the Directorate of Industries themselves are implementing the scheme. In the case of Mumbai, the SISI also receives the
applications. In Delhi, the applications are received in the office of the Deputy Commissioner of the respective zones. The field agencies in consultation with the banks of the respective areas are responsible for the formulation of self-employment plans, their implementation and monitoring under the overall guidance of the District PMRY Committee. They are required to formulate location specific plans of action, based on realistic demand assessment for various activities.

**Monitoring and Guidance at district level**

The Prime Minister’s Rozgar Yojana is being monitored and guided at district level by the District PMRY Committee under the Chairmanship of District Collector/Deputy Commissioner. The Committee is required to meet once in a month and send monthly progress report in the prescribed proforma to the Directorate of industries of the State/UT.