

Self Employment Scheme in J & K

Today, the nation, undoubtedly is grasping with the problem of unemployment. The present Scenario, therefore, for job seekers is very grim. As such the candidates are encouraged to start their own Employment Generating Units under Self Employment Schemes.

JAMMU AND KASHMIR STATE SELF EMPLOYMENT SCHEME (JKSES)

SALIENT FEATURES:

- 1 The main objective under these JKSES is to address unemployment problem.
- 2 The SESs aims at establishing large number of small units.
- 3 The entrepreneurs may be individuals or joint ventures/Groups.
- 4 The Project Reports is prepared in respect of viable schemes.
- 5 The effort under SESs is to cover maximum number of educated unemployed people.
- 6 These schemes are credit cum subsidy programmes and envisage greater involvement of Banks.
- 7 Those who will be sanctioned loans will be given necessary training where ever necessary.

ELIGIBILITY

- A: A candidate shall qualify for assistance if he/she fulfills the following criteria.
- a) He/She is Middle Pass. However, no educational qualification shall be insisted upon for candidates having qualified training courses of not less than one academic year duration from a Government institutions.
 - b) He/She belongs to the State of J&K residing in the District where from applied for loan for at least 3 years.
 - c) The candidates age is between 18-40 years for general categories with 5 years relaxation for women and for persons belonging to the categories of SC/ST/Ex-Serviceman/Physically Handicapped.
 - d) The candidate is unemployed and has not drawn any loan from any bank/financial institutions for setting up of a venture of his/her own.

PROJECT COST

- i. An activity covered under Retail Trade shall qualify for assistance provided the total cost of the scheme does not exceed Rs. 2.00 lakh.
- ii. An activity covered under Industries/Services etc. shall qualify for assistance provided the total cost of the scheme does not exceed Rs. 3.00 lakh.

- iii. In case of Joint Ventures maximum limit of the cost of the Scheme shall be Rs. 10.00 lakh (Joint Venture consisting of at least 2 candidates).

GOVERNMENT ASSISTANCE: Incentives

- a) Government through Employment Department will contribute Margin Money of 15% of the cost of the Scheme repayable after bank loan is cleared by the entrepreneur. This will be released after bank sanctions the loan and the entrepreneur executes the Margin Money Bond with the Department.
- b) Government through Employment Department shall provide Interest Subsidy for two years on tapping basis on the bank loan drawn by the entrepreneur as under: -
- | | | |
|---|---------------------------------|------|
| - | During first six months | 100% |
| - | One year after first six months | 75% |
| - | Next six months | 50% |
- This will be released as and when the claim is received from the bank and shall not be paid on defaulted amount which will be responsibility of the entrepreneur.
- c) The Government through Employment Department will provide 5% capital subsidy of the project cost subject to the maximum of Rs. 7500/-
- d) Promoters contribution shall be 5 % of the project cost plus the amount of the total shortfall after the deduction of the amount of subsidy.
- e) No collateral for projects up to Rs. 1.50 lakh each. Exemption from collateral in case of a Joint Venture shall be limited to Rs. 3.00 lakh.
- f) Training free of cost where ever it is felt necessary.
- g) Bank loan 75% of the project costs.
- h) The Employment Department shall provide suggestive project profiles.

Self Help Groups of Unemployed Engineers.

Self Help Groups of unemployed Engineers are registered by the industries department and SHG Cards are issued by Employment Department. Works Executing Department have to allot 30% of the works to Self Help Groups of unemployed Engineers. Employment Department acts as Nodal Agency in this case.

SHER-E – KASHMIR EMPLOYMENT WELFARE PROGRAMME FOR YOUTH (SKEWPY)

The Government of J&K has launched on 05 Dec.2009 a new programme for the welfare of unemployed youth known as Sher-e Kashmir Employment & Welfare Programme for the Youth (SKEWPY). Under this programme the District Employment Exchanges have been renamed as District Employment & Counselling Centres (DECCs), and candidates in the age group of 18-37 will be registered in these centers.

A The centers shall encourage the unemployed youth to voluntarily enroll themselves by offering facilities built in with the registration with the Centre. A registered unemployed youth will be called a member and assigned a unique membership code.

B The process of registration shall be made simple, easily accessible and user friendly.

C Updated printed information shall be kept at the DECCs as also made available on line on the latest Self Employment Schemes, available jobs and skill up gradation programmes.

D Easy and quick access to all the relevant schemes & programmes shall be provided in a transparent manner to prospective entrepreneurs and job seekers through internet service maintained by the Centre on 'first come first served' basis.

E Selection for training and skill up-gradation programmes shall be finalized at the level of the District Centre on a regular, ongoing basis.

F For 'cluster' programmes (setting up of a number of similar units in a luster within limited geographical area), programmes for the entrepreneurs for development of managerial and accounting skills, quality up-gradation, marketing updates, infusion of latest technologies etc shall be organized in the DECCs.

G Information on all Self Employment Schemes of the State Government and the Central Government along with the available financial support, incentives and subsidies

together with eligibility conditions would be downloadable at these Centers.

H Information regarding all government jobs, advertisements issued by J&K Public Service Commission (PSC)/J&K Services Selection Board (SSB), J&K Police Recruitment Board etc. shall also be made accessible at these Centers.

I Information regarding overseas jobs along with the information on emigration laws, formats and additional relevant information collected by J&K Overseas Employment Corporation on the relevant subjects shall also be made available at these Centers.

J Efforts shall be made to link the Centers with PSC,SSB and other recruiting agencies for e-filing of applications by registered unemployed youth through these Centers, thereby ensuring hassle free, speedy and fool-proof mode of filing such applications and doing away with repeated filling of forms, filing of documents and their verification each such occasion.

K The Centers shall generate useful unemployment data for dynamic planning by the government in the field of recruitment in government services, creation of job opportunities in private sector, modification in the existing and creation of new Self Employment Schemes, providing appropriate skill development and up gradation facilities and providing links with the credit, finance and infrastructural support and available technological inputs.

Under **JKEWPY** the prospective entrepreneurs are to be provided with seed capital equivalent to 35% of the project cost up to a maximum of Rs. 3.00 lakh in respect of undergraduates and Rs. 5 lakh in respect of Post-graduates and Rs. 7.5 lacs in respect of technically qualified persons such as engineers , doctors and computer science & technology graduates. For group initiatives, as also in deserving individual cases, the upper limit will be relaxable as may be prescribed. In terms of the extant guidelines of RBI, no collateral security shall be insisted for bank loan up to Rs. 5 lakh. The State Government shall facilitate a tie-up between JKEDI and financial institutions particularly the J&K Bank for availability of adequate and timely credit- wherever required. The existing capacities in JK EDI will be strengthened to enable them to play a single-window/coordinating role for this initiative.

OVERSEAS EMPLOYMENT CORPORATION

An Overseas Employment Corporation is being created to liaise with the placement agencies, foreign embassies, Ministry of Labour and Department of Overseas Employment etc. The proposed Corporation shall create a knowledge bank for aspirers of overseas employment, particularly on matters of legal requirements for migration, work environment in various foreign lands, mandatory formalities and formats prescribed by employer countries and organization etc. The Corporation shall also handle matters of employment opportunities within the Country. We hope that its role shall grow further after global recession starts receding.

VOLUNTARY SERVICE ALLOWANCE (VSA)

The State Government shall provide, by way of financial support, a monthly Voluntary Service Allowance (VSA) to all unemployed educated youth having educational qualification of matriculation and above for the next three years commencing financial year 2010-11. The VSA will, on the one hand, ensure hand holding support from the Government to the educated unemployed till such time as they are either able to build the requisite capacities for starting Self Employment ventures or get employed in the Government/the Private Sector. On the other hand, the VSA will serve as a viable mechanism for inculcating in the young men and women of the state a sense of voluntary and community service for larger public good.

The following shall be the framework of VSA: -

- (a) VSA will be paid to all unemployed educated persons. who
 - (i) have attained the age of 26 years as of Jan 1.2011 and
 - (ii) have educational qualification of matriculation and above as of march 31,2010.
 - (iii) are registered with the District Employment and Counseling Centers as of December5, 2009. and are a member of and dependent upon a family having an annual income (from all sources) not exceeding Rs. 150000/-
- (b) Only such youth as fulfill the age and educational criteria, but have not been able to peruse further education, shall be entitled to the allowance. In other words, students/trainees/apprentices and the self employed shall not be eligible for VSA with the exception that those who get engaged in self employment activities/initiatives shall be entitled to VSA for a period of one year as

sustenance support. Further, the spouse of the beneficiary should not be employed. Similarly, dismissed Government employees and persons convicted of an offence involving imprisonment for three months or more shall also not be covered under the Scheme.

- (c) VSA will be paid, on a monthly basis, through the concerned District Employment and Counselling Centers, on a non-cash basis (through bank accounts), with effect from April 1, 2010 as per the following gradation: -
 - (i) Rs. 600/- per month in favour of each eligible person who has passed the matriculation examination but not 10+2 examination.
 - (j) Rs. 650/- per month in favour of each eligible person who has passed 10+2 examination.
 - (k) Rs. 700/- per month in respect of eligible persons who have passed 10+2 examination and possess additional skill based qualifications such as ITI/and other equivalent qualification.
 - (l) Rs. 850/- per month in case of eligible persons having passed 10+2 examination and who have additional professional qualification (recognized) equivalent to a three year diploma from a recognized polytechnic institution.
 - (m) Rs. 1000/- per month in favour of eligible graduates and below the post-graduation level. and
 - (n) Rs. 1200/- per month in respect of post-graduates and engineering and medical graduates and equivalent levels in the field of computer science, technology and education.
- (d) An additional financial element of Rs. 50/- per month shall be admissible in favour of women across all the five categories mentioned at Para© above.
- (e) VSA will be admissible only for maximum period of three years or the persons getting employed or attaining the age of 37 years whichever is earlier.
- (f) The release of the VSA will be contingent upon submission of the prescribed declaration/certificate that the beneficiary continues to remain without employment

either in the Government or outside it. Any false declaration/certification in this regard shall render the beneficiary ineligible for future Government employment, apart from being liable from punitive action under the relevant provisions of law.

- (g) The beneficiary shall, at a future date, be eligible to apply for a Government employment involving minimum educational qualification higher than the category under which he/she has drawn the VSA. Unless such higher qualification has been obtained as a result of enrolment after completion/stoppage of the VSA.
- (h) The disbursement of VSA will be regulated under a biometric system, to be specially designed for the purpose, to ensure transparency in distribution and proper tracking of beneficiaries.
- (i) The beneficiaries will be required to sign an unconditional undertaking for rendering voluntary work up to a total of 12 hours a week, on any such assignment as may be decided by the Government, for which he/she will remain in readiness to be summoned by the District Employment and Counseling Center concerned for such engagement at short notice. The beneficiaries will also be required to undergo skill up gradation/self employment training initiatives as may be prescribed under the guidelines. The beneficiaries may also be assigned, for the purposes of voluntary service, with Panchayati Raj community services.
- (j) VSA will not be continued in the following cases: -
 - (a) As and when the beneficiary secures employment either in the Government/Public Sector or the Private Sector, either on casual basis/daily wage basis or contractual/permanent basis.
 - (b) If and when the beneficiary is able to start a self-employment venture of his/her own except as provided under 17.2 (b) and
 - (c) As and when the beneficiary crosses the age limit of 37 years.

The State Government shall mobilize additional resources of Rs. 250 crore per annum for a period of 5 years starting 2010-11 to sustain the VSA initiative.

Detailed guidelines will be issued by the Labour and Employment Department with regard to the specific modalities of the operationalisation of this initiative by the end of February 2010./

Deputy Director Employment,
District Employment & Counseling Centre,
Doda.

ACHIEVEMENTS FOR THE YEAR 2010-11

Self Employment Scheme

Target for the year 2010-11	Sponsored	Sanction	Disbursement
430	545	326	308

Financial Capital

2010-11	Allotment	Expenditure
Margin Money	118.75	101.422
Interest Subsidy	63.94	40.878
Total	182.69	142.30

Revenue

2010-11	Allotment	Expenditure
Employment Fair	4.55	4.55

VSA Received for the year 2010-11

Male	Female	Total
974	313	1287

VSA Disbursed for the year 2010-11

Male		Female		Total No.	Total Amount
No.	Amount	No.	Amount		
922	3697500	300	1061950	1222	4759450

Total Live Register

Male	Female	Total
32506	16494	49000

Deputy Director Employment,
District Employment & Counseling Centre,
Doda.