

A CRITICAL ASSESSMENT OF THE PRADHANMANTRI SHRAM YOGI MAANDHAN SCHEME AND ITS ROLE IN ENHANCING ECONOMIC SECURITY OF UNORGANISED WORKERS IN NAGPUR DISTRICT

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Abstract :

A very large proportion of labor force in India comes in the form of unorganized sector, which is yet to be taken seriously by the formal social security systems. To address this, the Government of India has announced an income security scheme the Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Scheme, which is a voluntary and contributory pension scheme meant to provide old-age income security to employees of the unorganized industry. The paper will also provide a critical analysis of how the scheme will boost the economic security of the unorganized workers within Nagpur District. To establish the degree of awareness, the trend of enrolment, the perceived benefits and the challenges involved in the enrolment and the effectiveness of the scheme at large, the research study adopted the mixed-method research design to complete the study by the use of structured questionnaire, the interviews as well as the second sources of information. The findings indicate that, the PM-SYM scheme is a great safety net that interestingly does not influence people due to lack of awareness, intermittent income among employees, complex procedures and financial illiteracy. However, the beneficiaries reported that the future of their economic security and confidence was boosted. As part of the research, it is stressed that the outreach should be enhanced, the process of registration has to be streamlined, the local institutions must be brought in more, and the digital support must be offered in order to support the participation. The paper concludes that on the one hand, despite the high promise under which the PM-SYM scheme can significantly contribute to the overall economic security, the achievement or failure of the scheme involves the necessity to address the obstacles to the scheme operation and raise the awareness of the unorganized labor force of Nagpur District.

Keywords : Pradhan Mantri Shram Yogi Maandhan Scheme, Unorganized Sector, Economic Security, Social Security, Pension Scheme, Nagpur District, Worker Welfare.

Introduction :

One of the largest and the most diverse segments of the national labor force is the unclassified segment of Indian labor market including the millions of unskilled workers as the source of their labor is construction labor, domestic work, selling on the streets, agriculture, transportation, small-scale production and other forms of self-employment. People lack official contract of employment, irregular income, non-existent job security, and the lack of



social protection systems make this sector extremely vulnerable despite the fact that their contribution to the national economy is substantial. Economic insecurity among the unorganized workers tends to spill over to the old age stage where they are dependent on ad hoc livelihood or relatives. Such vulnerabilities were identified by the Government of India and in 2019, introduced the Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Scheme that was intended to introduce an orderly and dependable system of social security to the grey workforce in the unorganized sector. PM-SYM is a voluntary and contributory pension scheme that is expected to give the beneficiaries financial stability that will ensure they have no less than [?]3,000 every month upon maturity of 60 years. The scheme is a major step towards inclusion of welfare although, came application and implementation of the scheme in the ground is varied in various regions. The effectiveness of the scheme needs to be taken into account even more in such districts as Nagpur, where there are vast numbers of unorganized workers both in rural and urban labor.

The disorganization of the field of Nagpur District is consistent with the trends throughout the country in terms of the unstable economic situation and the deficiency of social support. The employees are typified by fluctuating working conditions, underpayment, absence of benefits that are not matched by their employers and lack of insights regarding the welfare schemes that are available within the government. These facts place them under a state of desperation as they plan to retire on their safety nets that are on pensions. The PM-SYM scheme aims at filling this deficiency in terms of long term savings incentives, finance promotion and by making workers feel a sense of security in future. Nonetheless, both the efficiency of the scheme to access the different unstructured workers in Nagpur, the levels of awareness and enrolment, the challenges of being able to enroll to the scheme and the fact that the workers are realizing the anticipated returns in form of economic benefits are questions which are raised. Poor documentation, technological barrier in e-registration, lack of trust in formal financial institutions and intermittent incomes are some of the challenges that many workers face making it hard to make regular contributions. In addition, the use of local governance institutions, labour offices, Common Service Centres (CSCs) and the non-governmental organizations are essential in information and enrolment sharing. Welfare programs lack the intended impacts especially in low-income and largely dispersed localities unless there is a strong institutionalized support.

This paper is a critical analysis on the Pradhan Mantri Shram yogi maandhan Scheme as it applies to the Nagpur District in regard to its application and impacts on the unorganized workers. It does not just address the quantitative issues of the enrollments and the contribution rates but also discusses the qualitative issues as well such as the perceptions of the workers, the role of the intermediaries and the socio-economic impediments to participation. The proposed research design, and this is a mixed-method research, is likely to provide an understanding of the broader socio-economic environment of the scheme and its ability to ensure economic security amongst the workers who are historically lack the institutional support. PM- SYM introduction is associated with the general agenda of India on which it plans to spread social security to all citizenry and, in particular, to the individuals who are at the fringes of Indian economic life. But all this will depend on whether such



schemes are effective or not which will be dependent on the enlightenment, availability and perceived utility of target population. The disprofessional employee is only able to view a pension scheme as something helpful when it is readily available to join, can afford the fee to maintain and possibly be believed to provide the long term rewards.

It is against this very background that this research is trying to critically discuss the question concerning whether PM-SYM is indeed fulfilling its aim of creating a more financially viable future of unorganized workers in Nagpur District. It looks how far the scheme can contribute to their economic stability, what the operation problems are and what the workers hope or dream out of the welfare scheme of the government. The analysis of these dimensions is likely to contribute to the more detailed picture of the socio-economic reality of unorganized workers and bring information that can then be used by the policy-makers, administrators and social welfare institutions. Lastly, PM- SYM introduction is given the possibilities of transforming the lives of the millions of unorganized workers, yet to enable the possibility to work, there would need to be constant evaluation, awareness establishment, procedures streamlining, and putting permanent changes at the policy, which would be pertinent to the regional distinctiveness. The paper can therefore be presented to fill in the knowledge gap by providing a critical and detailed report on the scheme of providing more economic security to unorganized workers in the Nagpur District.

Literature Review :

The prominent point of interest among researchers, policy analysts, and other international organizations is unorganized sector since it takes the larger percentage of jobs in India. One of the earliest scholars to attract people to this problem was Boserup (1970) who came to realize that the contribution of women in economic development is especially not appreciated. In her contribution, she pursued the theme of emphasizing the role of women in the invisible economic activities of women particularly in informal and home- based work, which is methodically out of the economic mainstream work. To expound on this, Bhatt (1987) compared the home-based and piece-rate female workers in India whereby he asserted that invisibility in household production amplifies economic powerlessness and failure to get formal claim. The works of these earliest researchers were the foundations of admiration of the structural issues of the unorganized workers especially women.

Many studies have also emphasized that the informal works are precarious and there are no support frameworks. As it was indicated by the Gender and Economic Policy Discussion Forum (2012), social protection arrangements in India are not designed in such a manner so to include gender based considerations to comprehensive extents that render women in informal sector perilously disproportionate by depriving them of economic advantages. Gupta (1982) observed that the current traditional labour and industrial laws fail to address the concerns of informal workers since they primarily concern formal employment relations in the industry. In its report publication on the employment and social protection in the informal sector International Labour Organisation (2000) added that the informal workers are still in the vicious cycle of poverty because of the absence of regulatory coverage, lack of



social security and lack of income stability.

There have also been attempts at conceptualizing the informal sector in international conferences and statistical schemes. The informal employment was also defined with a standardized definition by the International Conference of Labour Statisticians (1993), and this had enabled countries to develop more precise data to allow them put the policy into practice. Jana Everett and Mira Savera (1983) have used the issue of institutional credit accessibility of women entrepreneurs to illustrate how women have been restricted to the economic empowerment frontier on the grounds of discriminatory institutional practices within the financial sector. Similarly, a research by Myra Marx Ferree and Josef Gugler (1984) aimed at discussing the position of women in the labour markets and the migration had indicated the effects of a socio-cultural norm on the occupational segregation.

The disorganized workers are still under the questioning of their socio-economic vulnerability through new research. The researcher provided an in-depth understanding of the occupational hazards among women in the informal sector as per Mohapatra (2012), which further illustrates how the informal sector employees were exposed to hazardous working environments, low salaries and low bargaining power among others. The current social security programs have also been reviewed by Kanaka Kanthi Bagchi and Nirupam Gobi (2012): in this case, it is argued that the piece meal programs and poor machinery of implementation is likely to mislead the intended beneficiary. Kannan (2012) in his publication on the issue of inclusive growth also brought up the question of whether the development of the Indian economy has increased the welfare of the informal workers since most of them are not guaranteed to a formal welfare system.

There have been many done empirical works aimed at researching employment dynamics in the informal sector. Kishor (1990) explained the characteristics of the small urban informal sector that have issues of low investment in capital, labour intensive and uncontrolled problems. S. By using Census data, Deshpande, and L.K. Deshpanda (1981) managed to see the trends of the employment structure and discovered that informal and the casual labour had been ever on the rise. The third problem brought forward by Pushpa Sundar (1981) is the degree of unequal employment patterns between the genders as females are largely pushed into the low pay and insecure informal jobs. Rohini Hensman (2001) is one such researcher who has done a commendable critique of globalization by arguing that the informalisation of labour and erosion of the protecting covers of the workers has been brought about by market liberalisation.

The works of micro-enterprise as could be practiced by Mathew K. Mony (2002) also demonstrate that micro-enterprise and small-scale business is the considerable provider of livelihood of the informal workers, yet the small-scale business entity suffers due to the unavailability of credit and entrepreneurs. According to M.D. Pradeep and B.K. (2017), the opportunities and the threats to which unorganized labour in India is exposed include unregulated incomes, the lack of welfare services, and legal inefficiencies. The other aspect that UNDP India Development Report (2000) highlighted is that vulnerable workers should



be cushioned through special social security, in particular in cases where economic reforms are being implemented.

Collectively, the literatures expose the fact that the unorganized sector has been the object of vulnerability, income insecurity besides having continued to be outsiders to formal social protection covers. Despite the existence of various government programs that aim to curb such problems, there has always been a lapse in the generation of awareness and accessibility and the institutional capacity. The studies provide a good background, which may be utilized to evaluate the contemporary welfare programmes such as the Pradhan Mantri Shram Yogi maandhan (PM-SYS) Scheme that is set to increase the economic security of the unorganised workers. However, it can be seen in the available literature that limited empirical research exists specifically considering the impacts of the scheme in a district or regional scale notably in such areas as Nagpur. This research paper is therefore going to fill this gap by critically examining the power of PM- SYM in uplifting the economic welfare of the laborers in Nagpur District in the unorganized sector.

Objectives of the study :

1. To assess the level of awareness about the Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Scheme among unorganized sector workers in Nagpur District.
2. To examine the enrollment patterns and participation of unorganized workers in the PM-SYM Scheme.
3. To evaluate the role of the PM-SYM Scheme in enhancing the economic security of unorganized sector workers.

Hypothesis :

H₀ (Null Hypothesis) : The Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Scheme does not significantly enhance the economic security of unorganized sector workers.

H₁ (Alternative Hypothesis) : The Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Scheme significantly enhances the economic security of unorganized sector workers.

Research Methodology :

The mixed-methodology research design has been applied in this paper to critically analyse ways in which Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Scheme can help enhance the economic security of the employees in the unorganised sector in Nagpur District. The research is both descriptive and analytical regarding getting to know the consciousness, participation, and socio-economic impact of the scheme on the target population. Primary data will be collected in a well-structured questionnaire and interviewing of about 150 employees in the unorganized sector including laborers, street workers, domestic workers and small-scale artisans. The ability to sample the type of occupations, age groups, and gender is the reason why the purposive sampling method is used. The secondary data will be acquired



as government reports, academic research activities, official documents on the PM-SYM scheme, and publications of the labor and social welfare institutions. Assessment of awareness, enrolment tendencies, and cost-effective benefits are evaluated by the use of statistic tools such as percentages, mean scores, and chi-square tests; responses that are qualitative are themed to resolve the concerns, senses, and thoughts of promoting change. The study also includes socio-demographic factors such as, age, gender, the amount of income as well as the amount of education to find out their effects on the participation and benefits that one enjoys due to the scheme. The study will be based on a combination of qualitative and quantitative analysis that will endeavor to provide a critical and holistic review of how PM-SYM has performed in promoting economic security and the general livelihood of the unorganized workers in Nagpur District.

Descriptive statistics table

Variables	N	Mean	Standard Deviation (SD)	Minimum	Maximum
Awareness of PM-SYM Scheme	150	3.82	1.02	1	5
Enrollment in PM-SYM Scheme	150	3.45	1.18	1	5
Regularity of Contribution	150	3.12	1.21	1	5
Perceived Financial Security Post-Enrolment	150	3.76	1.05	1	5
Confidence in Retirement Planning	150	3.68	1.11	1	5
Overall Economic Security Improvement	150	3.61	1.09	1	5

Data Analysis :

The descriptive statistics present a huge information about the perception of Pradhan Mantri Shram Yogi Maandhan (PM- SYM) Scheme on the perception of unorganized sector workers in Nagpur District. The scheme awareness scores the mean score of 3.82 and this implies that the majority of the interviewees are fairly well aware of PM- SYM yet there are other areas of ignorance. Response rate: The reaction to the scheme indicates a relatively low mean of 3.45 which means that although, there is a relatively high level of awareness; not all individuals that are eligible to do the registration have managed to complete it. Contribution frequency achieved a mean score (based on ratings) of 3.12 and the problems it brings up were inconsistent income and failure to agree on regular payment. In response to the questions of perceived financial security, the respondents indicated that it has boosted the financial security with the mean of 3.76 which is moderate as far as the confidence they have in the scheme to provide them with financial stability is concerned. Similarly, the average of the confidence in the retirement planning is 3.68, and this means that the attitude of the workers with regard to the financial readiness to the future is positively influenced by the



involvement in the PM-SYM. The median in the general economic security growth is 3.61, which indicates that the scheme has positively influenced the lives of the unprepared workers, yet further enhancement can be made. The standard deviations between 1.02 and 1.21 show poor variability in responses, which is the variation of socio-economic statuses, literacy, and work experience of the respondents. The overall analysis has shown that the PM-SYM Scheme has already fulfilled its significant role when it comes to promoting the greater financial stability, which proves the alternative hypothesis (H1) that the scheme is meaningful to the financial position of the unorganized industry workers, yet the analysis also demonstrates the aspects in which the policy interventions and the awareness efforts can be further strengthened to boost the effectiveness.

Paired Samples Statistics

Paired Variable	Mean	N	Std. Deviation	Std. Error Mean
Economic Security Before PM-SYM	2.95	150	0.98	0.08
Economic Security After PM-SYM	3.61	150	1.09	0.09

Paired Samples Correlations

Pair	N	Correlation	Sig.
Before PM-SYM & After PM-SYM	150	0.64	0

Paired Samples Test

Paired Differences	Mean	Std. Deviation	Std. Error Mean	t	df	Sig. (2-tailed)
After PM-SYM – Before PM-SYM	0.66	0.87	0.071	9.29	149	0

Data Analysis :

To evaluate the impact of the Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Scheme and the economic security of the employees in unorganised sector in Nagpur District, the paired sample T -test was used. The comparison was performed with regard to the perceived economic security of the workers before joining the scheme and the workers after joining the scheme. The economic security score was 2.95 in the pre-participation in the scheme and when PM-SYM joined it was 3.61 which is a very high score. The standard deviations (0.98 and 1.09 respectively) show a moderate amount of variation between the respondents as the disparity between their socio-economic and their working status. Paired measure has a positive relationship and the correlation between the before and after scores has 0.64. The Paired Samples Test reported the t-value at 149 degrees of freedom is 9.29 and the p-value is 0.000 that is less than the significance level of 0.05. The result results in null hypothesis (H 0 rejected) and acceptance of alternative hypothesis (H 1) that PM- SYM



Scheme is a marked enhancement of the economic security of the unorganized sector workers. The findings reveal that the scheme enhances trustiness of the workers in the areas of financial security, economic well being and retirement planning. However, the analysis also adds that there was a slight variation in the responses and this means that the amount of benefits gained may have been the product of other factors including irregular income, such awareness and difficulties in the process. Generally, the study provides empirically-supported information that the PM-SYM Scheme is one of the major factors contributing towards the economic stability of the population in the unorganised sector therefore makes the government intention of increasing the social cover to the vulnerable population justified.

Conclusion :

The Pradhan Mantri Shram Yogi Maandhan (PM-SYM) Scheme is a critical discussion in the paper concerning the paper about how the scheme increased the economic security of unorganized sector employees in Nagpur District. The outcomes also suggest that the scheme is yielding a very high positive impact on the financial security and retirement preparedness of workers, as the perceived economic security significantly increases after the enrolment. The Paired Sample t -test used showed that the improvement of the economic security was statistically significant, which confirmed the alternative hypothesis (H1) along with the descriptive analysis which demonstrated the moderate awareness and participation. Despite these positive outcomes, the research also illustrates certain negative aspects such as the lack of awareness within certain groups of people, unstable earnings, difficulties in the procedures, and financial illiteracy that may define the upper limit of the scheme success.

The article indicates the importance of certain outreach programs, simplified registration, and institutional support that can help to reach a greater level of engagement and real utilization of PM-SYM benefits. The scheme is fiscally filling a gap in social protection of the unorganized workers, which is extremely acute, as it gives them a sense of economic safety and dignity in old age by providing them with a structured pension scheme. All in all, it is possible to regard PM-SYM as a good initiative towards the inclusive social welfare, but it will not work until it overcomes the obstacles to the functioning of the working process, the sense of awareness grows and can be ratchetered at the local level. The study concludes that with a long term policy effort and community-related intervention the PM-SYM Scheme can substantially improve the livelihood of the unstructured sector workers in Nagpur District which can be generally translated into social-economic development.

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