



Research Article

Retrospection of the Performance of Swarnjayanti Gram Swarozgar Yojana (SGSY) to Counteract Poverty

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Abstract Even as India continues to record impressive growth rates, rural poverty and unemployment in India have grown in an unprecedented manner during the last few decades. Poverty imposes an oppressive weight on India, especially in the rural areas, with the major reason for poverty as unemployment. In India unemployment is mainly due to the shortage of capital, the poor exploitation of natural resources and inadequate employment opportunities. In view of these scenarios of unending rural poverty and unemployment in India since Independence, poverty eradication has been one of the most important objectives by implementing many developments schemes. Among those, Swarnjayanti Gram Swarozgar Yojana (SGSY) has special characteristics at reduction of rural poverty through providing self employment and creation of income generating assets. Thus, the study was proposed to gain more comprehension as to how this flagship programme, has been performing, based on secondary data of five consecutive years (2008-09 to 2012-13) collected from the respective District Rural Development Agency (DRDA) of Imphal East and Churachandpur. The study indicates the physical achievement as well as fund utilization made so far in both the districts. A total of 158 and 204 SHGs were formed during the study period (2008-09 to 2012-13) in Imphal East and Churachandpur district. Weaving and piggery were found to be the major economic activities taken up in Imphal East and Churachandpur district. Fund utilization and the physical performance were found to show somewhat similar trends in both districts, indicating a mutual dependent on each other during the years under taken for study.

Keywords: Economic activities, performance, poverty, Swarnjayanti Gram Swarozgar Yojana and Self Help Group.

Introduction

Even as India continues to record impressive growth rates, poverty remains widespread and disparities deeply entrenched. Poverty imposes an oppressive weight on India, especially in the rural areas where almost three out of four Indians and 77 percent of the Indian poor live. According to the UNDP 2011 Global Human Development Report, India is ranked 134 in poverty out of 187 countries and UN-recognized territories. In India, chronic poorness is due to sustained experiencing of significant capability deprivations and thus the poor often pass on their poverty to subsequent generations (Hulme and Shepherd, 2003). Ross (1994) identified poverty as

"deprivation of economic resources that are required to meet the food, shelter and clothing needs necessary for physical well-being". According to Mabughi and Selim (2006) absolute poverty refers to subsistence below a minimum socially acceptable living condition. The World Bank (2000) considers a person to be in absolute poverty if his or her consumption or income level falls below some minimum level necessary to meet basic needs. Likewise, DFID (2003) reported that these typically chronic poor are often found in areas beset by low endowments of all five capital assets: natural, social, human, financial and physical. The major reason for poverty is unemployment. In India unemployment is mainly due to the shortage of

capital, the poor exploitation of natural resources and inadequate employment opportunities.

In view of these scenarios of unending rural poverty and unemployment in India since Independence, poverty eradication has been one of the most important objectives since the beginning of economic planning in India. The Government of India has launched a number of Central Schemes, Centrally Sponsored Schemes (CSS) and Community/Area Development Programmes in the areas of health & family welfare, education, employment & poverty eradication, agriculture, women & child development, sanitation, housing, safe drinking water, irrigation, transport, tribal development, border area development, social welfare, etc both in rural and urban areas of the country. The main objectives of those programmes were to generate employment, improve quality of life, and remove poverty & economic inequality and human deprivation. Besides, these schemes also aimed at creation of basic infrastructure and assets essential for economic development in rural areas.

Due to failure of those employment programmes in achieving the targeted objectives laid down in time of its implementation, there has been a rationalization and merger of the programmes along with certain other changes. As a result, SGSY (self employment programme) came into being, which were found to be linked with livelihood and self employment generation, with the main objective of improving the economic conditions of the rural poor by providing self employment. SGSY is intended to provide sustainable income to poorest of the poor through organising SHGs established with a mixture of government subsidy and credit investment from banks.

Swarnajayanti Gram Swarozgra Yojana (SGSY), a credit-cum-subsidy programme aiming at establishing a large number of micro-enterprises in the rural areas, was launched on 1st April, 1999 in all over the states of India, from a merger and restructuring of Integrated Rural Development Programme (IRDP) 1980 and allied skills generation programmes, to adequately cover all aspects of self-employment in a group focused manner for at least 30 per cent of below poverty line (BPL) families from each block with the objective of bringing them above the poverty line within a span of three years by increasing their monthly income. Thus, in due cognizance of SGSY in formation of SHGs and bringing the BPL families to APL within a span of 3 years since its formation, there was a need to reassessed the performance of SGSY. Thus, the present study was based on the objective given:

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Materials and Method

The study was conducted in the state of Manipur. Since, the state wise poverty estimates of 2011-12 as released by the Planning Commission (2013) was indicative that Manipur was one of the highest ranked states in India in terms of poverty ratio. One valley and one hill district of the state viz. Imphal East and Churachandpur respectively were selected purposively based on their relative performance level.

The study was based on published and recorded secondary data pertaining to the two districts in the last five years i.e. from 2008-09 to 2012-13 collected from the concerned official of District Rural Development Agencies (DRDAs) Imphal East and Churachandpur. The data were analysed and presented in a systematic manner using tables and graphs depicting the activities and performances of the two districts.

Result and Discussion

Fund Allocation and Utilization Under SGSY

The financial performance for SGSY in terms of fund allocation and utilisation are presented district wise in the Tables 1 and 2 SGSY is implemented with funding from both the central and state government in the ratio of 75:25. Data displayed in table reveals that, regarding the fund allocation and utilisation of both the districts there was no such evidence from the five consecutive years of study, from which it can be declared that there were an increasing or decreasing rate of fund allocation and utilisation. The range of fund utilisation percentage in Imphal East was found to 66.59 to 99.83 percent, and the overall average fund utilized throughout the entire study period (2008-2013) was found to be 86.54 percent. In Churachandpur district the range of fund utilization percentage was observed to be 44.23 to 96.00 percent, while the average fund utilized during the study period was found to be 76.43 percent. In Imphal East district there was no uniformity regarding the amount of funds allocated each year. It was found that in 2011-12 there was a sudden increase in fund allocation, which was recorded the highest fund allocated year among the five years under taken for study with an amount of 293.80 lakhs and the financial year 2009-10 with 48.76 lakhs was found to be the lowest fund allocated year during the study period. Whereas, the data obtained from Churachandpur district shows that, on an average the funding amount was

somewhat similar throughout the study period as the funding amount allocated every year was similar to some extent with an amount of not more than 72.47 lakhs and not less than 57.12 lakhs unlike Imphal East where sudden peak and recession period was found in allocation of funds.

Table 1 Fund allocation and utilisation under SGSY during 2008-09 to 2012-13 in Imphal East

(In lakh Rupees)

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	Average
Opening Balance	2.75	16.21	2.2	25.92	0.5	9.52
Central share	63.44	22.75	68.73	230.91	142.82	105.73
State share	0	9.58	6.64	35.05	7.94	11.84
Miscl.	0.07	0.22	0.04	1.92	1.15	0.68
Total fund	66.22	48.76	77.62	293.80	152.42	127.76
Total Expenditure	50.01	46.56	51.69	293.30	145.26	117.36
% Expenditure	75.52	95.49	66.59	99.83	95.30	86.54
Unspent Amount	16.21	2.2	25.92	0.5	7.16	10.39

Source: DRDA, Imphal East, GoM. (2008-09 to 2012-13).

Now, coming to utilisation of funds allocated by the government the data presented in table 1 and 2 reveals that for both the districts there were maximum and minimum utilisation of funds with respect to funds allocated during the years under taken for study. In Imphal East district, it was found that the financial years 2010-11 with 66.59% of fund utilisation with respect to fund allocated was the year with minimum utilisation of fund during the study period and 2011-12 with 99.83% of fund utilisation was the maximum fund utilisation year during the five years undertaken for study.

Table 2 Fund allocation and utilisation under SGSY during 2008-09 to 2012-13 in Churachandpur

(In lakh Rupees)

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	Average
Opening Balance	8.24	40.42	2.68	16.36	6.04	14.75
Central share	39.99	22.51	49.99	49	45.01	41.30
State share	23.95	-	8.89	5.55	5.44	8.76
Miscl.	0.29	4.06	0.29	1.38	0.63	1.33
Total fund	72.47	66.99	61.85	72.29	57.12	66.14

Total Expenditure	32.05	64.31	45.49	66.25	43.82	50.38
% Expenditure	44.23	96.00	73.55	91.64	76.72	76.43
Unspent Amount	40.42	2.68	16.36	6.04	13.30	15.76

Source: DRDA, Churachandpur, GoM. (2008-09 to 2012-13).

Meanwhile in Churachandpur district the financial year 2008-09 and 2009-10 were found to be the years with minimum and maximum fund utilisation with (44.23%) and (96%) utilisation of funds with respect to the funds allocated every year. Overall Mean fund utilization was (86.55%) in Imphal East and (76.43%) in Churachandpur. Accordingly, average fund utilization was (86.55%) in Imphal East and (76.43%) in Churachandpur. Funds in SGSY are utilised in connection to formation of SHGs, capacity building or training provided, development of market sheds, organization of fairs etc. The inability to utilize the available fund to the optimum level is an indicator of inefficiency in implementation of the programme as per the planning done. This reflects unsatisfactory performance of the programme, which is line with the findings of Das and Dey (2015).

Physical Achievements Under SGSY

The achievements of the programme in terms of the various indicators of physical performance are presented district wise in the tables 3 and 4

Table 3 Physical achievements made under SGSY in Imphal East

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	Total
SHGs formed	35	12	0	36	75	158
No. of swarojgari es trained	70	24	0	72	150	316
No. of training given	5	5	5	5	5	25
No. of marketing shed	1	3	3	14	5	26
No. of fairs organized in a year	1	1	1	1	1	5

Source: DRDA, Imphal East, Government of Manipur (2008-2013).

Table 4 Physical achievements made under SGSY in Churachandpur

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	Total
SHGs formed	26	57	42	56	23	204
No. of swarozgaris trained	52	114	84	112	46	332
No. of training given	5	5	5	5	5	25
No. of marketing shed	0	5	3	5	-	13
No. of fairs organized in a year	1	1	1	1	1	5

Source: DRDA, Churachandpur, Government of Manipur (2008-2013).

It was known from before that SGSY has been designed to cover all aspects of self employment such as organisation of the poor into self-help groups, training, credit, technology, infrastructure and marketing. Table 3 and 4 portrayed the physical achievement made so far under the following aspects i.e. number of SHGs formed, number of swarozgaris trained and frequency of training given, number of marketing shed developed and fairs organized every year during the five consecutive years in both Imphal East and Churachandpur districts.

Coming to the number of SHGs formed, a total of 158 SHGs were formed during the period undertaken for study in Imphal East district. Whereas, a total of 204 SHGs were formed in Churachandpur district during the five years undertaken for study. The data collected also indicate the financial year in which maximum number of SHGs was formed during the study period. In Churachandpur district the financial year 2009-10 with 57 SHGs was the highest where as in Imphal East district the financial year 2012-13 was the highest with 75 SHGs. Overall during the study period (2008- 2013) Churachandpur district had higher number of SHGs formed every year

Unlike other livelihood support schemes such as IRDP and DWCRA which gave loans to BPL persons without any training or skill building, SGSY as a loan-cum-subsidy scheme focuses on imparting training to SHGs who need additional skill development or up-gradation of skills. According to the data shown on the table 3 and 4 during the study period, training programme was imparted every year in both the districts. Training programme based on their basic skill requirement was organized five times in a year in both Imphal east and

Churachandpur district. Whereas in terms of number of swarozgaris trained during the study period undertaken, a total of 316 swarozgaris in Imphal East district and 408 swarozgaris were found in Churachandpur district. Further it was observed that in Imphal east district the financial year 2012-13 was in peak with 150 swarozgaris trained whereas in Churachandpur district the financial year 2009-10 was in peak with maximum number of 114 swarozgaris imparted with the training required during the study period. Thus, analysing the secondary data provided in table 3 and 4 indicate that the number of sawrozgaris trained in comparison to the number of SHGs formed every year in both the district is in dismal state Thus, SGSY has not yet been able to take off in the State as per the guidelines and stated objectives. This finding was also in line with the Programme Evaluation Organisation & Planning Commission, Government of India (2009) and Singh (2010).

For any goods or services that are produced, establishment of proper infrastructure is essential for the success of micro enterprises. Infrastructure ranges from construction of marketing sheds, haats and organising mela. Traditionally, the self-employment programmes concentrated on the inputs rather than the outputs and their marketing unlike SGSY. Thus, under SGSY there was provision of certain infrastructure to combat the problem of marketing their products and earn their living. The data collected reveals that in both the district there was construction of marketing shed and organisation of mela during the study period undertaken for study. In Imphal East a total of 26 marketing sheds was constructed while in Churachandpur district a total of 13 marketing sheds was established during 2008-2013. And regarding organisation of fair or mela, it was found that under SGSY there is provision to organise melas once a year in the state to give publicity to the range of products produced by swarozgaris and to organize periodical exhibitions in urban centres and offer better prices to the goods produced under SGSY scheme. Thus, there was only one mela organise in a year where all the swarozgaris from different districts gathered to participate as there was no separate mela organised for each districts.

Nature of Economic Activities Under SGSY

The success of SGSY depends upon the choice of economic activities. The key element is that the choice of activity should be based on the local resources, the aptitude as well as the skill of the people and necessarily the products must have ready market. The following fig. 1 display the different activities undertaken by different

SHGs formed every year in the two districts during the study period (2008-2013).

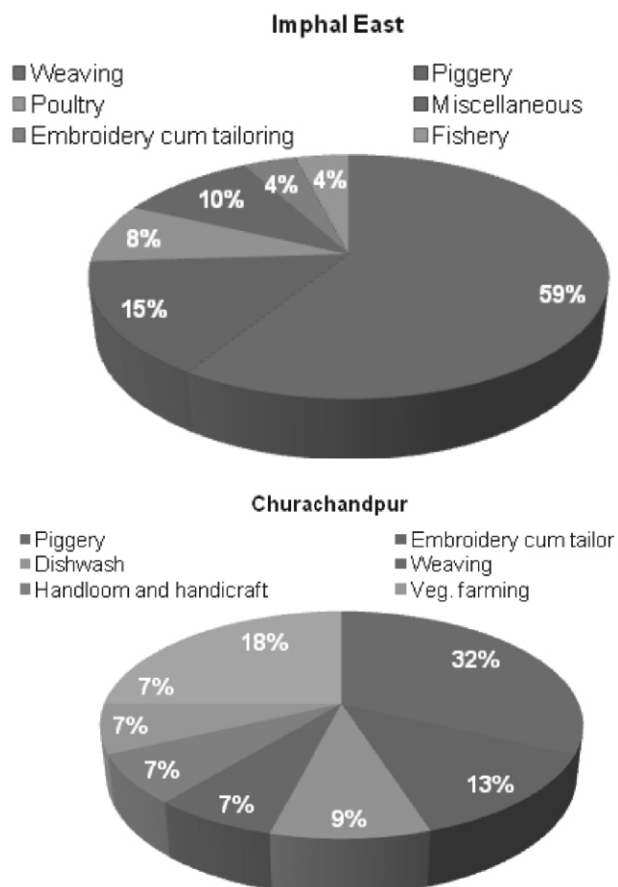
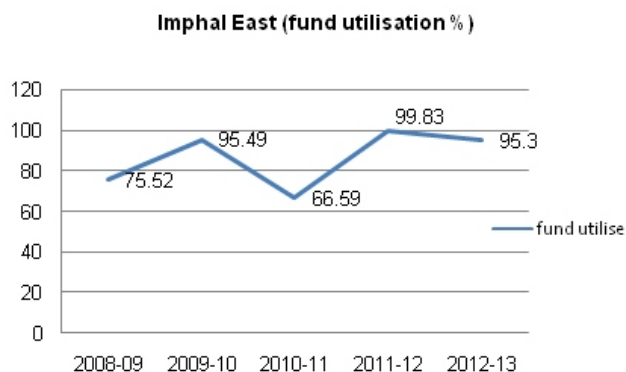


Figure 1: Major activities undertaken by the various SHGs formed during 2008-09 to 2012-13

It can be observed from fig. 1 that during the study period, weaving was the main activity taken up by maximum number of SHGs formed (59.00%) in Imphal East district. 15.00 percent SHGs formed were on piggery and 8.00 percent on poultry. Other activities taken up include 4 percent embroidery cum tailoring, 4 percent fishery and the remaining 10 percent miscellaneous activity comprises of 2 percent vegetable farming, 2 percent food processing and 1 percent each of duckery, goatery, cane and bamboo, hand pounding handloom and handicraft and horticulture activity. In Churachandpur district the main activity taken up by maximum number of SHGs formed (46.00%) was piggery as found by Khobung and Borgohain (2012) followed by embroidery and tailoring (13.00%) and dishwash preparation (9.00%). Other activities taken up include 7 percent each of weaving, handloom and handicraft, vegetable farming and ginger cultivation. While, the remaining 18 percent miscellaneous activity encompasses of 5 percent poultry, 4

percent dry flower, 2 percent each of broom making, carpentry and fishery, 1 percent each of goatery, variety store, horticulture, doll making and food processing. The probable reason behind this difference in two districts regarding the economic activities adopted by the SHGs might be the availability of local resources, the aptitude as well as the skill of the people and ready market for the product. Concerning weaving as the main activity in Imphal East, what call to mind from it is that, the art of weaving has developed more in Manipur as compared to any other part of India as weaving served as a part of their domestic duties. In fact, it is a primary qualification of a Meitei woman. Weaving is practically monopolized by women not only from economic necessity but also from the sense of social custom. While, piggery as the major activity in Churachandpur is most likely due to mass consumption of pork and huge demand as well as easy availability of piglets from the Lamka piggery farm in Churachandpur.

Now, based upon the end result of the various financial and physical findings made under SGSY during the five years of study, a graphical layout of fund utilization and physical achievement made by the two districts under SGSY were exhibited on Figure 2. Through this figure a fairly similar trends between the funds utilised, SHGs formed and number of swarozgaries trained could be observed in both the districts. Seeing that, in both the districts whenever there was a fall in the gradual proportion of fund utilisation, a fall in both SHGs formed and swarozgaries trained could be observed, which was an evident from the line graph during financial year 2010-11 in both the districts. Hence, taken as a whole, it can be concluded that fund utilization, SHGs formed and swarozgaries trained shows somewhat similar trend in both the districts, indicating a mutual dependent relation upon each other.



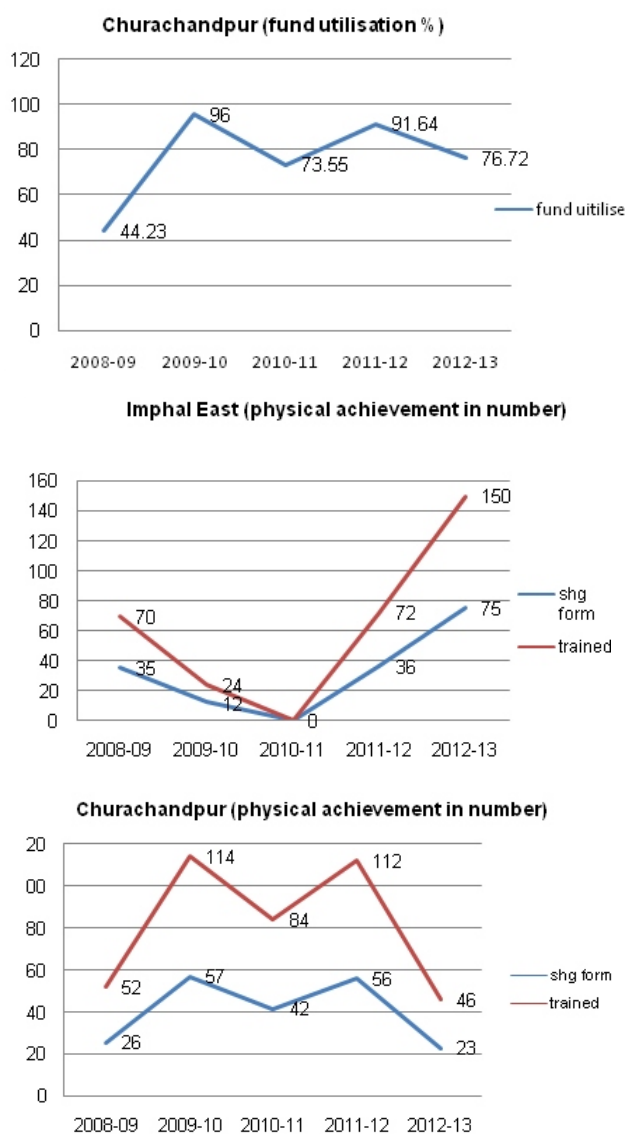


Figure 2 Fund utilization and physical achievement trend of SGSY

Hence, from the secondary data analysed, it can be notified that though SGSY as a livelihood and employment generation scheme has a very good architecture and plan, the programme has not delivered desired performance complying with the objectives formulated basically during its implementation.

Conclusion

From the above findings it can be concluded that average fund utilization under SGSY was (86.55%) in Imphal East and (76.43%) in Churachandpur. A total of 158 and 204 SHGs were formed in Imphal East and Churachandpur districts respectively during the study

period under taken. And a total of 316 swarozgaries in Imphal East and 408 swarozgaries in Churachandpur district were trained during the five years .Fund utilization and the physical performance (SHGs formed and swarozgaries trained) though not satisfactory, were found to show somewhat similar trends in both districts, indicating a mutual dependent on each other during the years under taken for study. In regards to economic activities taken up, weaving and piggery were found to be the major activity in Imphal East and Churachandpur district. Thus, taken as a whole it is evident from the secondary data depicted above that in many areas the programme has not delivered desired performance due to some lacunae during its implementation.

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