

## **Impact of Swarnajayanti Gram Swarozgar Yojana (Sgsy) On Poverty Alleviation in Golaghat District, Assam**

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**Abstract:** *Self-employment is one of the significant steps to have sustained income and to remove the shackle of poverty. Earlier programmes of Government of India such as Integrated Rural Development Programme (IRDP) gained momentum but did not yield desirable result. After examining the deficiencies of the earlier programmes government launched an integrated self-employment programme Swarnajayanti Gram Swarozgar Yojana (SGSY). This programme aims at establishing large number of micro enterprises through SHGs in the rural areas to build upon the potential of rural poor. Through this programme Government of India attempts to support capacity building and create provisions of income generation of rural poor through bank credit and subsidy. In India and Assam SGSY scheme has provided a successful livelihood to the BPL families and increase financial strength of the rural poor and help in decision making and alleviation of poverty. This paper highlights the impacts of SGSY programmes on poverty alleviation of the rural poor in the Golaghat District. The main objective of this paper is to identify the impacts of SGSY programme and constraints of the beneficiaries in increasing their income level. A total of 160 beneficiaries have been selected randomly from 16 villages of Golaghat West Development Block of Golaghat district of Assam to collect necessary data*

**Key words:** *SGSY, BPL, poverty, income, SC/ST.*

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### **I. Introduction**

SGSY is one of the schemes for self-employment initiated by the Government of India for poverty alleviation and economic empowerment of rural poor people. Implementing the SGSY schemes, launched on 1<sup>st</sup> April 1999, it has emphasised on BPL families and financial support through bank credit and government subsidy. The SGSY is a credit cum subsidy programme. The scheme has been funded by the centre and the state government in the ratio of 75:25 respectively. Poverty and unemployment are the major problems of any under developed countries, to which India is no exception. In India, being a developing nation, has approx. 26.1% is below poverty line of its total population of 102.7 crores (Census, 2001). Among the various programmes launched for poverty alleviation the SGSY seems arguable the more viable comprehensive and bold initiative. The scheme aims at the large number of micro enterprises especially for poor people in rural areas and the poverty line men (BPL) to assist the families above the poverty line through generation of assets through bank credit and government subsidy. It aims at establishing a large number of micro-enterprise in the rural areas. The beneficiary families (known as Swarozgaries) may be individuals or groups (SHGs). So, the objective of the scheme is to bring the Swarozgaries above the poverty line by ensuring appreciable sustaining level of income over a period of time, by organizing the rural poor into SHGs through the process of social mobilization, their training and capacity building and provision of income generating assets. Therefore, a case study has been carried in the West development block, Golaghat of Assam with following the following objectives:

#### **Objectives of the study**

1. To study socio economic profile of Swarozgaries
2. To study the impact of SGSY programmes on Swarozgaries
3. To identify the factors hinders their improvement in income generation & to suggest some recommendation for improvement of the programme.

### **II. Methodology**

This case study has been conducted in the districts of Golaghat, Assam to fulfill the objectives. Golaghat district consists of 8 development blocks. Out of eight blocks namely, East (Padumoni), West (Bokakhat), South (Sarupathar), North (Dergaon), Central (Kothalguri), Morongi, Kakadonga and Gomariguri, Bokakhat West Development Blocks have been selected for the study. A complete list of the village of Bokakhat block under Swarnjayanti Gram Swarozgar Yojana was obtained and 16 villages were selected purposively. After selection of the villages, at list 10 beneficiaries of each village and a total of 160 beneficiaries from 16 villages have been taken for sample survey. Among the beneficiary landless farmers, marginal and small farmers were chosen and the beneficiaries have been selected randomly by using random sampling

method from each village. Thus, a total of 160 beneficiaries have been sampled with the help of structured and pre-tested interview schedule. Appropriate statistical tools have been used to analysis the collected data to draw a fruitful result and conclusion.

### III. Results and discussion

The study have been conducted to know the impact of Swarnajayanti Gram Swarozgar Yojana (SGSY) programmes on poverty alleviation, socio-economy, accessibility, pre and post-joining income status, hindrance on income generation of beneficiaries (respondents) of west Development Block of Golaghat district of Assam. The majority of the respondents (45%) belong to middle age of 30-40 year, followed by young age group of 20-30 year (33.75%) and the remaining were age group of > 40 year (21.25 %) (Table 1).

Analysis on the basis of level of literacy it was revealed that higher percentage of the respondents is below HSLC (33.5%) followed by HSLC (25.5%), illiterate (22.5%) and least percentage of the respondents belongs to H.S. and Graduate (8.75%). Among the respondents maximum respondents (41.25%) are agricultural land holders and some are involved in agricultural and daily wage labour (25%) and agri-business (21.25%) and other occupations (12.5%) (Table 2).

Community wise categorization shows that majority of respondents (55%) belongs to Scheduled Caste and Scheduled tribes followed by OBCs (25%) and general groups (20%) (Table 4).

On the basis of family size of the respondents it was observed that maximum respondents (53.75%) belong to medium sized family (6-8 members) followed by small sized family (> 6 members) (27.5%) while least by large sized family (18.75%) and larger number of respondents (61.25%) belong to joint family and remaining (38.75%) are of nuclear family. The case study was also revealed that 50% of the respondents have marginal size of land holding (upto 1 h) and 15% have small size land (1-2 h) while the remarkable number and of respondents (35%) have no land for agricultural activities.

Assessment of level of knowledge about SGSY schemes among the Swarozgaries show that majority (43.75%) know few about the SGSY schemes (medium level of knowledge) and 23.75% has the high knowledge and 32.5% has less knowledge about the SGSY schemes.

The case study shows that before implementing the SGSY programme most of the beneficiaries (53.75%) were falling under low income group (> 20000 annually), 33.75% were medium income group (30,000-40,000 annually) and only 12.5% beneficiaries were belong to the high income group (>40,000 annually), whereas, significantly, after the inclusion in SGSY programme a higher percentage of beneficiaries (55%) raise their status to medium size income group, 26.25% beneficiaries to the high income group and 18.75% remained in low income group (Table 10).

The study reveals that even though literacy level is not much lower among the members and there was hardly any scope of getting employment opportunity. But, they have generated a good amount of income annually after joining the SGSY programs. Though, most of the respondents were marginal land holders, they are much more laborious and generating income source from agri-business. It was observed that most the respondents have kitchen garden especially among the Mising dominated area like Gulung Panchayat, Dosuti Panchayat and Mohura Panchayat.

The study area is basically Scheduled Castes, Scheduled tribes and OBCs, so, most of them practice primitive agriculture (adhi system) and most of them are marginal farmers but good knowledge about SGSY Programme.

Though most of the respondents have no direct source of income generation during pre-joining to the SGSY schemes they have improved their status after joining the schemes.

**Table 1.** Distribution of respondents based on their age group.

Sl. No.	Age Group (year)	Frequency	Percentage
1	20-30	54	33.75
2	30-40	72	45.00
3	>40	34	21.25
4	Total	160	100.00

**Table 2.** Distribution of respondents based on their educational status.

Sl. No.	Status of education	Frequency	Percentage
1	Illiterate	36	22.50
2	Below HSLC	54	33.50
3	HSLC	40	25.50
4	HS	16	10.00
5	Graduate and above	14	8.75
6	Total	160	100.00

**Table 3.** Distribution of respondents based on their occupation.

Sl. No.	Occupation	Frequency	Percentage
1	Agriculture	66	41.25
2	Agriculture and daily wage labour	40	25.00
3	Agri-business	34	21.25
4	Other	20	12.50
Total		160	100.00

**Table 4.** Distribution of Swarozgaries based on their Caste and community

Sl. No	Caste/ community	Frequency	Percentage
1	ST/SC	88	55.00
2	OBC	40	25.00
3	General	32	20.00
Total		160	100.00

**Table 5.** Distribution of respondents based on their family size

Sl. No	Family size	Frequency	Percentage
1	Small ( 0-6 )	44	27.50
2	Medium ( 6-8 )	86	53.75
3	Large ( 8 and above )	30	18.75
Total		160	100.00

**Table 6.** Distribution of respondents based on their family Type

Sl. No	Family Type	Frequency	Percentage
1	Joint	98	61.25
2	Nuclear	62	38.75
Total		160	100.00

**Table 7.** Distribution of respondents based on their land holding pattern

Sl. No	Land holding pattern	Frequency	Percentage
1	Landless	56	35.00
2	Marginal ( 1 h )	80	50.00
3	Small ( 1-2h)	24	15.00
Total		160	100.00

**Table 8.** Distribution of Swarozgaries based on their level of knowledge about SGSY Schemes

Sl. No	Level of knowledge	Frequency	Percentage
1	Low	38	23.75
2	Medium	70	43.75
3	High	38	32.50
Total		160	100.00

**Table 9.** Distribution of Swarozgaries according their preference to SGSY schemes (attitude of Swarozgaries towards SGSY)

Sl. No.	Level of preference	Frequency	Percentage
1	Less preferred	52	32.50
2	Preferred	78	48.75
3	Preferred more	30	18.75
Total		160	100.00

**Table 10.** Distribution of Swarozgaries based on their annual income level before and after joining SGSY schemes

Sl. No.	Annual income level	Number of respondents before joining SGSY scheme		Number of respondents after joining SGSY scheme	
			%		%
1	Low (>20000)	86	53.75	30	18.75
2	Medium (30,000-40,000)	54	33.75	88	55.00
3	High (>40,000)	20	12.50	42	26.25
Total		160	100.00	160	100.00

### Factors hinders the Swarozgaries in income generation

An effort was also made to identify some factors hinders that were faced by the respondents in the study area. The data relating to this regard is presented and analysed in table 11.

**Table 11 Factors hinders the Swarozgaries in income generation**

Sl. No	Problems faced by Swarozgaries	Frequency	Percentage
1	Insufficient basic facility	22	13.75
2	Delay in sanctioning the loan	44	27.50
3	Marketing problem	14	8.75
4	Inadequate loan amount	18	11.25
5	Lack of training manpower	10	6.25
6	Limited period of repayment of loan	24	15.00
7	Improper utilization of funds	28	17.50
	Total	160	100.00

It has been found that majority of the respondents (27.50 %) suffered from the unnecessary delay of the sanctioning of the loan. Though there are many nationalized banks in Golaghat district but due to certain official formalities maintained by bank authorities the sanctioning period become prolonged and overdue. Secondly, improper utilization of fund is another problem. About 17.50% of the respondents suffered due to improper utilization of funds. Another major problem faced by Swarozgaries is the limited period of repayment. About 15% percent of the respondents faced the problems due the limited period of repayment, because, their income sources are so low that they could not bear the huge amount of interest in short span of time. In view of the problems cited above it is necessary to adopt some measures for the development of Swarozgaries of SGSY programmes.

#### IV. Recommendations

1. Loan sanctioning process should be made easier.
2. Information related programmes should supply in time and in proper way.
3. Repayment period should be more so that they can take full advantage of the SGSY programmes.
4. Loan amount should also be increased quite more.
5. Too many formalities should be avoided to get loan amount easily.
6. Fund utilization should be monitored regularly by the NGOs and government agencies.

#### V. Conclusion

From above discussion it can conclude that Golaghat district has achieved a commendable level of success in formation of SHGs in rural areas. It must be admitted that SGSY is a real programme for alleviation of poverty and unemployment in the rural areas. Most of the SHG members are from rural areas but micro-financing schemes have achieved wonders in improving the economic conditions of the rural poor living in inaccessible villages and protecting them from the clutches of the village money lenders. Though SGSY helps in poverty, some factors such as lack of basic facilities, lack of awareness, unnecessary delay of loan sanctioning and improper utilization of funds etc. hinder the beneficiaries. To overcome those constrains awareness and training among the beneficiaries, regular monitoring, minimization of the interest rate and motivation is utmost need to achieve the goal of such schemes.

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