CONCLUSION

7.1 Summary

In spite of the government of India’s effort to improve the economic condition of the rural people, the scenario has not changed. On the contrary, today, the total number of poor people has become almost double compared to 1947. In order to overcome the problem the government has been adopting different poverty alleviation programmes from time to time and in 1999, the government restructured all those poverty alleviation programmes under the SGSY, which aims at uplifting the situation by providing bank credit and government subsidy to generate self-employment among the below poverty line families.

Assam, a north-eastern state constitutes about 2.6 per cent of the total population of the country. About 86 per cent of people of the state resides different rural area with population density of 397 per square kilometer. Though at present, the per capita income of the state is lower than all India level yet in last few years the state’s economic growth rate is faster than that of the country. According to the Tendulkar Committee Report, 34.4 per cent of total population of the state is below poverty line and 75 per cent of its total population is directly or indirectly depends on agriculture sector for their livelihood.

Again, Lakhimpur district holds 3.3 per cent of total population of the state and out of them 89 per cent population is rural population. As per BPL record of Panchayat and Rural development out of 203272 households (2011 census) of the district 50080(27.09 per cent) households live below the poverty line. Like other districts of Assam, most of the families in the district are dependent on agriculture sector.

With a view to eradicate poverty and up-grade the quality of life, the Government of India has been implementing several poverty alleviation programmes from time to time which has no doubt brought some positive changes in the rural economy. Since First Five Year Plan a series of rural development programmes in different names have been implemented in the state as well as in the sample district. These are: Community Development Programme, then in 1970’s the Area Based Programme, thereafter Integrated Rural Development Programme and Area Based Programme. In order to make IRDP more effective some Allied
Programmes such as Training of Rural Youths Self Employment, Supply of Toolkits to the Rural Artisans, Development of women and Children in Rural Areas, Ganga Kalyan Yojana were also introduced. In 1989, Wage Employment Programme such as Jawahar Rozgar Yojana, Jawahar Gram Samridhi Yojana, Employment Assurance Scheme, and Sampoorna Gramin Rojgar Yojana were introduced, with a view to improve the economic condition of the rural poor and land productivity. After that on 1st April, 1999, the Swarnjayanti Gram Swarojgarh Yojana was launched to alleviate the poverty. The present study aims at studying the effectiveness of the Self-Help Groups under SGSY programme through micro-finance in Lakhimpur district of Assam.

The study found that the number of female members among the surveyed families is higher than that of the male. The literacy rate in the district is 84.7 per cent. About 42 per cent are earning members and the rests are dependents. It is observed from the primary survey of the SHG member households that the number of households having less income (below Rs.12000 per month) has been continuously decreasing. In other words, the economic status of the SHG member families is gradually increasing due to the implementation of SGSY Programme. In the study, when the average monthly income of SHG households before and after joining the SHGs were compared, a significant growth was found and it is statistically proved that the poverty alleviation programme has significant positive impact on household income and per capita income of the beneficiary families. Similarly after joining SHG the expenditure pattern of SHG households have been changed Food expenditure increased by 35 per cent, non-food expenditure increased by 90 per cent, education expenditure increased by three times and health expenditure decreased by 60 per cent. At the same time the saving has increased by four times after joining SHG. This change in expenditure pattern implies that the poverty alleviation programme has significant contribution in changing the consumption pattern of the beneficiary households.

Comparing the standard of living between members and non-members of SHG, it is found that the members are enjoying a better living standard than the non-members. Therefore it can be said that the programme has a positive effect on living standard of poor families.

The study also attempted to find out the major problems and prospects of SHGs. Regarding the prospects; the study discloses that the programme includes
the people of different tribes and castes. Again 58 per cent of SHGs consists of BPL family members while 42 per cent consists of both APL as well as BPL members. 87 per cent of the studied SHGs consist exclusively of female members which indicate that the SHGs are playing a remarkable role in empowering the rural women of society. Again the SHGs are found to be helpful in raising fund and forming rural capital through thrift as well as disbursement of fund by its members. Similarly, the SHGs have a good loan repayment record which implies that SHGs are becoming economically stronger after undertaking various business enterprises. It was assumed that the weaker groups do not find any procedural difficulties in getting the project and assistance under poverty alleviation programme. Moreover, it was thought that the selection of the beneficiaries and repayment of loan has relation with political interference. But the finding of this study is rather opposite to the common feelings. It is found that the financially weak groups are facing more procedural difficulties in terms of getting their project sanctioned, financial assistance, as well as loan sanctioned and the general perception about the political and outside influential personalities have influence on the selection of beneficiaries and loan repayment is not true.

The transportation inconvenience is found to be a major problem with almost all SHGs. Most of them are located at more than 5 kilometers away from the block headquarters and banks. Moreover, lack of proper transportation facilities creates hurdles in marketing of the products. Again, the SHG members feel that many of the bank officers are non-cooperative and consequently, they have to face various types of difficulties in documentation. Moreover, the bankers and officers are reported to be insincere in performing their duty and may not be serious with the objectives of the programme as they create unnecessary difficulties in the system and the group members have to come to a particular bank or office several times for sanctioning a loan or getting other benefits or to get an information.

Again, due to lack of proper guidance from the government or other agencies, the SHGs face various types of problems in marketing their products. Most of their marketing problems are; lack of sufficient orders, lack of linkage with marketing agency, lack of adequate sales promotion measures, lack of permanent market of their product, absence of proper brand name, poor quality of product, stiff competition and lack of proper distribution of their product.
Most of the SHG members are found to be utterly untrained in the field of management. Most of the SHGs financial management process is found to be weak. Some of the groups get low return and suffer scarcity of raw materials. Another major problem of the SHGs is that many of them are found to be unstable as some of the group members use to leave the group at their will, and new members are added at any time.

7.2 Suggestions

1. The government should take steps to encourage the officials through training programmes so that they can involve themselves with these poverty alleviation programmes and encourage and motivate the rural poor families through extending all possible help to them for effective implementation of SGSY Schemes in the district.

2. The concerned department should conducting training programme on management and marketing for SHG members along with income generating activities and technological training in rural areas.

3. Government/ non-government body should be formed to investigate the effectiveness of the implementation of SGSY among different SHGs.

4. The NGOs should actively help, support and guide the SHGs in marketing their products.

5. Resources should be allocated and spent on creating market support to the SHGs for their income generating activities and also provide some sort of reward to successful SHGs as an incentive for good work.

6. The SHG’s functioning in a particular panchayat can form marketing co-operative society. The society can monitor and market the products of different SHGs under a common brand name of the society. It can undertake sale promotion measures and supply raw materials for the benefit of the SHGs as well as co-operative society.

7. All members of the SHGs are not having the same caliber and expertise. The concern department may identify these members of the group and can impart proper training to them in order to make them competent. For this purpose, short term training programme can be arranged at the panchyat level.
8. The financial agencies should provide adequate financial assistance to the SHGs strictly on the basis of actual performance without any vested personal interest.

9. The funds are not adequate to start any economic activity by the SHG member, so the maximum limit of loan amount and subsidy may be raised by the concern authority.

7.3 Conclusion

In the light of the present study it can be concluded that SHGs have immense potential in curbing rural poverty in Lakhimpur district. The programme has positively changed the income, assets and consumption pattern of the beneficiaries. It has also played a significant role on improving standard of living of the beneficiaries. Though the micro-finance units/SHGs have some shortcomings, they are having many positive effects on the society in general and in alleviating rural poverty in particular.

The strong co-operation, co-ordination, and proper understanding among the SHG members, officials, governments, and the public in general make the programme more effective for the socio-economic upliftment of rural masses of Lakhimpur District in Assam

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