CHAPTER VI

SWARNAJAYANTI GRAM SWAROZGAR YOJANA

The previous chapter discussed the role of Voluntary Organization in rural development. It discussed the role and nature of voluntary organization and its role in the post-Independence period. The chapter highlighted the voluntary organization that is present in Mizoram with a special focus on the role and functions of the Young Mizo Association, Mizo Hmeichhe Insuihkham Pawl and the Mizo Zirlai Pawl. Voluntary organizations can play a crucial role in rural development by supplementing government efforts as they are close to the minds and hearts of the rural people. They have their roots in the people and can respond to the needs and aspirations of the community very effectively. They can experiment new approaches to rural development.

The present chapter discussed the poverty alleviation programme called the Swarnajayanti Gram Swarozgar Yojana (SGSY) which was started during the ninth plan period replacing the erstwhile Integrated Rural Development Programme (IRDP). It highlighted the features and objectives of SGSY which clearly present the overall concept and idea of the SGSY programme. In the later part of the chapter, the discussion is based on the empirical study. The data collected from the field study in relation to the working of SGSY have been co-defied, compiled and analyzed according to the basic statistical principles.
6.1 Swarnajayanti Gram Swarozgar Yojana:

A life of dignity is the right of every citizen. Poverty is an obstruction to a dignified life. Self-employment is a significant step to have sustained incomes and remove the shackles of poverty. Programme for self-employment of the poor has been an important component of the antipoverty programmes implemented through government initiatives in the rural areas of India. Despite planned efforts made over the past few decades, rural poverty in India continues to be worrying. The Integrated Rural Development Programme (IRDP) introduced in selected blocks in 1978-79 and universalised from 2\textsuperscript{nd} October 1980 has provided assistance to rural poor in the form of subsidy and bank credit for productive employment opportunities through successive plan period. Subsequently, Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Improved Toolkits to Rural Artisans (SITRA) and Ganga Kalyan Yojana (GKY) were introduced as sub-programmes of IRDP to take care of the specific needs of the rural population. These schemes were, however, implemented as stand-alone programmes, an approach which substantially detracted from their effectiveness. The Mid Term Appraisal of the Ninth Plan had indicated that these sub programmes presented a matrix of multiple programmes without desired linkages.

The programme suffered from sub critical investments, lack of bank credit, over-crowding in certain projects and lack of market linkages. The programme was basically subsidy driven and ignored the processes of social intermediation necessary for the success of self-employment programmes. A one-time provision of credit without follow-up and lack of a continuing relationship between borrowers and lenders also undermined the programmes objectives. The marginal impact of self-employment programmes led to the constitution of a committee by the Planning
Commission in 1997 to review self-employment and wage employment programmes. The committee recommended the merger of all self-employment programmes for the rural poor and shift from the individual beneficiary approach to a group based approach. It emphasised the identification of activity clusters in specific areas and strong training and marketing linkages.

The committee recommendations were accepted by the Government. On 1st April, 1999, the IRDP and allied programmes, including the Million Wells Scheme (MWS) were merged into a single programme known as Swarnajayanti Gram Swarozgar Yojana (SGSY). The SGSY is conceived as a holistic programme of micro enterprise development in rural areas with emphasis on organizing the rural poor into Self-Help Groups (SHGs), capacity building, planning of activity clusters, infrastructure support, technology, credit and marketing linkages. It seeks to promote a network of agencies, namely, the District Rural Development Agencies (DRDAs), line departments of state governments, banks, NGOs and Panchayati Raj Institutions (PRIs) for implementation of the programme. The SGSY recognises the need to focus on key activities and the importance of activity clusters. The programme has in-built safeguards for the weaker sections. It insists that 50 per cent of the SHGs must be formed exclusively by women and that 50 per cent of the benefits should flow to Scheduled Castes (SCs) and Scheduled Tribe (STs). There is also a provision for disabled beneficiaries.

The programme is credit driven and subsidy is back-ended. The credit and subsidy ratio is at 3:1. The subsidy is fixed at 30 per cent of the project cost subject to a maximum of Rs. 7500 per individual beneficiary for those in the general category and 50 per cent of the project cost subject to a maximum of Rs. 10,000 in the case of SCs and STs. In case of group projects, the subsidy is 50 per cent of the project cost subject to a ceiling of
Rs. 1.25 lakh. Funds under the scheme are shared between the Centre and State Governments in the Ratio of 75:25. For the north-eastern states the ratio is 90:10.

6.2 Features of SGSY:

The salient features of the SGSY are:

- SGSY aims at establishing a large number of micro enterprises in the rural areas, building upon the potential of the rural poor.

- The SGSY emphasis on the cluster approach for establishing the micro-enterprises. For this, 4-5 key activities have to be identified in each block. The major share of the SGSY assistance has to be in activity clusters.

- The SGSY adopts a project approach for each key activity. Project Reports are to be prepared in respect of each of the identified key activities. The banks and other financial institutions have to be closely associated and involved in preparing these project reports, so as to avoid delays in sanctioning of loans and to ensure adequacy of financing.

- The existing infrastructure for the cluster of activities should be reviewed and gaps identified. Critical gaps in investments have to be made up under the SGSY, subject to a ceiling of 20per cent, 25per cent in the case of North Eastern States, of the total allocation made under the SGSY for each district. This amount is maintained by the DRDAs as SGSY-Infrastructure Fund.
• In the planning of the key activities, care has to be taken to ensure that the maximum numbers of panchayats are covered without jeopardizing the quality of the programme.

• The assisted families may be individuals or SHGs. The SGSY, however, favours the group approach.

• The gram sabha authenticates the list of Below Poverty Line (BPL) families identified in the BPL census. Identification of individual families suitable for each key activity is to be made through a participatory process.

• The group approach involves organization of the poor into SHGs and their capacity building. Efforts have to be made to involve women members in each SHG. Besides, exclusive women groups are also to be formed. At the level of the Block, at least half of the groups should be exclusively women groups. Group activities are given preference and progressively, majority of the funding should be for SHGs.

• The SGSY is a credit-cum-subsidy Programme. However, Credit is the critical component of the SGSY, subsidy being a minor and enabling element. Accordingly, the SGSY envisages greater involvement of the Banks. They are to be involved closely in the planning and preparation of project reports, identification of activity clusters, infrastructure planning as well as capacity building and choice of activity of the SHGs, selection of individual swarozgaris, pre-credit activities and post-credit monitoring including loan recovery.

• The SGSY seeks to promote multiple credits rather than a one-time credit 'injection'. The credit requirements of the Swarozgaris need to be
carefully assessed; the Swarozgaris are allowed and, in fact, encouraged to increase credit intake, over the years.

- The SGSY seeks to lay emphasis on skill development through well-designed training courses. Those, who have been sanctioned loans, are to be assessed and given necessary training. The design, duration of training and the training curriculum is tailored to meet the needs of the identified key activities. DRDAs are allowed to set apart up-to 10 per cent of the SGSY allocation on training. This may be maintained as SGSY training fund.

- The SGSY attempts to ensure up-gradation of technology in the identified activity clusters. The technology intervention seeks to add value to the local resources, including processing of the locally available material from natural and other resources for local and nonlocal market.

- The SGSY provides for promotion of marketing of the goods produced by the SGSY swarozgaris, which involves provision of market intelligence, development of markets and consultancy services, as well as institutional arrangements for marketing of the goods including exports.

- The SGSY is implemented by the DRDAs through the panchayat samitis. The process of planning, implementation and monitoring integrate the banks and other financial institutions, the Panchayati Raj Institutions (PRIs), NGOs, as well as technical institutions in the district.

- 15 per cent of the funds under the SGSY are set apart at the national level to try new initiatives for self-employment of the rural poor through special projects, in conjunction with other departments or semi-government and International Organizations, which includes initiatives to be taken in individual districts or across the districts.
• The existing infrastructure for the cluster of activities should be reviewed and gaps identified. Critical gaps in investments have to be made up under the SGSY, subject to a ceiling of 20 per cent, 25 per cent in the case of North Eastern States, of the total allocation made under the SGSY for each district. This amount is maintained by the DRDAs as SGSY- infrastructure fund.

• In the planning of the key activities, care has to be taken to ensure that the maximum numbers of panchayats are covered without jeopardizing the quality of the programme.

• The assisted families may be individuals or SHGs. The SGSY, however, favours the group approach.

6.3 Objective of SGSY:

The objective of the SGSY is to bring the assisted poor families above the poverty line by ensuring appreciable sustained level of income over a period of time. This objective is to be achieved by inter alia organizing the rural poor into SHGs through the process of social mobilization, their training and capacity building and provision of income generating assets. The SHG approach helps the poor to build their self-confidence through community action. The interaction within the group meetings and collective decision making enables them in identification and prioritization of their needs and resources. This process would ultimately lead to the strengthening and socio-economic empowerment of the rural poor as well as improve their collective bargaining power. The programmes aims at establishing a large number of micro enterprises in rural areas based on the ability of the poor and potential of each area.
6.4 Strategy:

The SGSY is different from the earlier programmes in terms of the strategy for its implementation. It has been conceived as a holistic programme of self-employment. It covers all aspects of self-employment of the rural poor viz. organization of the poor into SHGs and their capacity building, training, selection of key activities and planning of activity cluster, infrastructure build up, technology and marketing support.

6.5 Social Mobilization under SGSY:

A major shift of the SGSY, from the erstwhile programmes, is its emphasis on the social mobilization of the poor. The programme focuses on organization of the poor at grassroots level through a process of social mobilization for poverty eradication. Social mobilization enables the poor to build their own organizations in which they fully and directly participate and take decisions on all issues that will help them in coming above the poverty line. A SHG may consist of 10-20 persons belonging to families below the poverty line and a person should not be a member of more than one group. In the case of minor irrigation schemes and in the case of disabled persons, this number may be a minimum of five. Efforts have to be made to involve women members in each SHG and 50 per cent of SHGs in each block should be exclusively of women. Group activities are to be given preference and progressively, majority of the funding should be for SHGs.

6.6 Activity Cluster Planning and Selection:

The SGSY also emphasizes assistance to the swarozgaris only for those activities which have been identified and selected as key activity in
terms of their economic viability in the area. Each block has to concentrate on 4-5 key activities based on local resources, occupational skills of the people and availability of markets so that the swarozgaris can draw sustainable incomes from their investments.

The SGSY adopts a project approach for each key activity and project reports are to be prepared in respect of each identified key activity. The banks and other financial institutions have to be closely associated and involved in preparing these project reports, so as to avoid delays in sanctioning of loans and ensure adequacy of financing. Selection of the activities has to be done with the approval of the panchayat samitis at the block level and DRDA at the district level. These key activities should preferably be taken up in activity clusters so that the backward and forward linkages can be effectively established and economies of large scale production can be reaped. A major share of the assistance to be provided under SGSY should also be for activity cluster.

The clusters will be taken up for each activity separately. The idea is to select a few villages every year under the activity and concentrate the effort so that necessary linkages are available and also the monitoring becomes easy.

6.7 Target group:

BPL families in rural areas constitute the target group of the SGSY. Within the target group, special safeguards have been provided to vulnerable sections, by way of reserving 50 per cent benefits for SC and STs, 40 per cent for women and 3 per cent for disabled.
6.8 Financing:

The scheme is sponsored by the Ministry of Rural Development of the Union Government and it determines the amount of funds that each district in each state is to receive every year on the basis of its assessment of the dimensions of poverty there as well as its capacity to utilize the funds. It undertakes to provide 75 per cent of those funds into a pool of resources earmarked for the scheme. State governments are to contribute the remaining 25 per cent on a matching basis to make up the total allocated amount for each district.

Central funds for the scheme are to be released directly to the DRDAs in two instalments during each year, one at the beginning of the financial year and the other after 60 per cent of the initial funds are utilized. As soon as central funds are released, the state government has to send to the DRDAs its 25 per cent. The funds from this pool are for all expenses for organizing and facilitating the formation and running of the SHGs, to supplement its core revolving fund through a subsidy of Rs. 10,000 per group as well as to provide them with other stipulated subsidies. The 30 per cent of the pooled resources are meant for expenses of the organizing department and of the organizations who act as facilitators of each group. A part of the pool is to be set aside in a fund for training the beneficiaries in all the skills required for organizing, operating and managing the activities of the SHGs. SGSY funds are not meant for infrastructure building for which the DRDAs are to seek help from other line departments; but they can be used for some small but crucial investments of that kind.
6.9 Training of Swarozgaris:

The SGSY seeks to lay emphasis on skill development through well-designed training courses. Those, who have been sanctioned loans, are to be assessed and given necessary training. The design, duration and the training curriculum is tailored to meet the needs of the identified key activities. DRDAs are allowed to set apart up-to 10 per cent of the SGSY allocation on training. This may be maintained as SGSY – Training Fund.

6.10 Infrastructure development:

Proper infrastructure is essential for the success of micro enterprises. The infrastructure may be either for production, processing, quality testing, storage or marketing. The lack of proper attention to this item has been one of the drawbacks of IRDP. Although provision had been made for expenditure on infrastructure, the investment made did not necessarily correspond to the needs of the self-employed. SGSY seek to ensure that the infrastructure needs for the identified activities are met in full so as to enable the swarozgaris to derive the maximum advantage from their investments. Planning for infrastructure will be made in close concert with the banks. The project report for each key activity should clearly identify the existing infrastructure and additional infrastructure should be meaningful and should only be in the nature of providing the missing critical links. The proposals for infrastructure development should be drawn up by DRDA in consultation with Bankers and form part of the Annual Plan of the Block and District.

SGSY provides for review of existing infrastructure for the cluster of activities and identification of gaps. Under SGSY, critical gaps in investments have to be made up, subject to a ceiling of 20 per cent (25 per cent in case of the North Eastern States) of the total allocation made under
the SGSY for each district. This amount is maintained by the DRDAs as SGSY Infrastructure fund.

6.11 Marketing and Technological Support:

SGSY attempts to ensure up-gradation of technology in the identified key activity. The technology intervention seeks to add value to the local resources, including processing of the locally available material from natural and other resources for the local and non-local market. SGSY also provides for promotion of marketing of the goods produced by the Swarozgaris, which involves organization and participation in exhibitions and melas at District, State, National and International levels to display and sell goods produced by the Swarozgaris, provision of market intelligence, development of markets and consultancy services, as well as institutional arrangements for marketing of the goods including exports.

6.12 Monitoring:

A comprehensive system of monitoring has been adopted under SGSY. The programme is monitored from the Central level down to the grassroots level. At the Central level, the Central Level Co-ordination Committee (CLCC) monitors and reviews the implementation of the Programme and lays down policy guidelines for all aspects related to credit linkages for the SGSY. The Performance Review Committee of the Department of Rural Development also reviews the implementation of SGSY. At the State level, a State Level Coordination Committee (SLCC) monitors the Programme. In addition, the progress under SGSY is periodically monitored through Reports and Returns submitted by DRDAs. Detailed monitoring formats for reporting progress of the Programme have
been circulated to all the DRDAs. Implementation of the Programme is monitored and reviewed through the Project Directors Workshops and periodic Meetings with the State Secretaries. At the Block and District level, monitoring is done through field visits and physical verification of assets. Efforts are underway to bring all the DRDAs of the country within online networks for smooth flow of information from the Districts to the Centre and the States and Union Territories (UTs).

6.13 Key Stakeholders:

The scheme requires active participation of many agencies. SGSY is being implemented by the DRDAs, with the active involvement of PRIs, the Banks, the Line Departments and the NGOs. The District Rural Development Cell (DRDC) in each place is to do the coordination. Panchayati Raj institutions are to help in selecting the potential beneficiaries; they are also to participate in selection of the activities. Banks are to provide the necessary credit as well as act as monitors at several stages of the formation and development of the SHGs. Both government and NGOs are to come forward for socially mobilizing the under-privileged and to help them to organize into SHGs that can work harmoniously and productively. Local officials as well as local elected representatives are to participate in SGSY committees at several levels. In addition, other line agencies, like irrigation department, roads department, electricity boards etc., are to be invited to cooperate with the DRDC and modify their own development plans to ensure that the infrastructure necessary for the selected activities is available in that area.

In this chapter, we have discussed the meaning, nature, dimensions, and elements, issues which reflect the process of empowering the powerless with the ultimate aim of promoting their quality of life based on maximum utilization of locally available resources and participations of all people
including the underprivileged and weaker sections in the development process and discussed the problems of rural development both from theoretical perspective and the Indian context. Rural development should be viewed as a process of increasing the capability of people residing in rural areas so as to become the initiators, decision makers, planners, controllers and managers of change. The problems of rural development in the context of Mizoram have been discussed. Mizoram is an economically backward state. It does not produce food crops enough to meet the needs of the people. Slow progress in industrial development and the poor infrastructural facilities of market, market support, and bad conditions of road network and communication system, absence of rail transport, irregular power supply, poor accountability and lack of vigilance on the part of administration lead to underutilization and misappropriation in finance in Mizoram. In the later part of the chapter, the objectives and features of SGSY have been discussed by highlighting the importance of self-employment which is the strategy for removal of poverty in India.

6.14 SELF HELP GROUPS:

Village are faced with problems related to poverty, illiteracy, lack of skills, health care etc. these are the problems that cannot be tackled individually but can be better solved through group efforts. Today these groups known as Self Help Groups have become the vehicle of change for the poor and marginalized. SHG is a method of organizing the poor people and the marginalized to come together to solve their individual problems. The SHG method is used by the government, NGOs and others worldwide. The poor collect their savings and save it in banks. In return they receive easy access to loans with a small rate of interest to start their micro unit enterprise. Thousands of the poor and the marginalized population in India are building their lives, their families and their society through SHG. The 9th
Five Year Plan of the government of India had given due recognition on the importance and the relevance of the SHG method to implement developmental schemes at the grassroots level. SHG is a developmental group for the poor and marginalized and it is recognized by the government and does not require any formal registration. The purpose of the SHG is to build the functional capacity of the poor and the marginalized in the field of employment and income generating activities. People are responsible for their own future by organizing themselves into SHGs.

➢ Guiding Principles for formation of SHGs:

The strong belief by the individual to bring about change through collective

• Efforts is built on mutual trust and mutual support
• Every individual is equal and responsible
• Every individual is committed to the cause of the group
• Decision is based on the principles of consensus
• The belief and commitment by an individual that through the group their standard of living will improve
• Savings is the foundation on which to build the group for collective action

➢ Features of SHGs:

A distinction can be made between different types of SHGs according to their origin and sources of funds. Several SHG have been carved out of the larger groups, formed under the pre-existing NGO programmes for thrift and credit or more broad-based activities. Some have been promoted by NGOs within the parameters of the bank linkages scheme but as part of an integrated development programme. Others have been formed as a component of various physical and social infrastructure projects. Some of the characteristic features of SHGs are:
• SHG is generally an economically homogenous group formed through a process of self-selection based upon the affinity of its members
• Most SHGs are women’s groups with membership ranging between 10 and 20
• SHGs have well defined rules and by laws, hold regular meetings and maintain records and savings and credit discipline
• SHGs are self-managed institutions characterized by participatory and collective decision making

➢ SHG reinforcement under SGSY:

Despite planned efforts made over the past few decades, rural poverty in India continues to be worrying. While the anti-poverty programmes have been strengthened in the successive years during the course of the period by launching various programmes like IRDP, TRYSEM, DWCRA, SITRA, resulting in the reduction of poverty levels in percentage terms from 54.9 per cent of India’s population in 1973-74 to 36.0 per cent in 1993-94 and to 26.1 per cent in 1999-2000, the number of rural poor has not reduced significantly. To redress the situation at a faster pace, a new restructured self-employment programme, known as Swarnajayanti Gram Swarojgar Yojana (SGSY), has been launched. SGSY is to focus on the vulnerable sections of the society. By this time the concept of SHG had gained wide currency. Significant growth of SHGs as well as SHG bank linkage, bankers recognition of SHG as a medium of rural business expansion as well as their acceptance of the peer pressure within the SHGs as a substitute for collateral securities and the interest as well as confidence exhibited by the rural poor in the concept of SHGs for their economic well-being together with their far better loan repayment behaviour made the development planners believe that there is a tremendous potential within the poor to help themselves and

112 http://qo.worldbank.org/DCLDN17K30
that microfinance through self-help groups together with an elements of additional financial support including technology infrastructure and marketing from the government can be a better alternative to the existing methods of addressing rural poverty.

In the light of the above, SGSY, the holistic programme covering all the aspects of self-employment, made it obligatory that the objective of SGSY will be achieved, interalia, by organizing the rural poor into SHGs through the process of social mobilization, enabling them to build their own organizations in which they could participate fully and directly and take decisions on all the issues concerning eradication of their poverty.

6.15 Working of SGSY in Mizoram:

In the post-independence era, India has achieved commendable success on many fronts. In the case of agriculture, being importers at one time, we are now not only net exporters but also one of the highest donors of food in the world. In the field of science and technology, we are on the frontiers of many areas like space, communication and information technology. In spite of all this, our country has the largest number of poor in the world and therefore rural development and poverty alleviation continues to be one of the major focus areas of the national development policy. It is obvious that the problem of poverty in India is a major challenge and it needs priority in our development policy, if we want to improve the nation and also to compete with the developed nations. About three-fourths of the total population of the country is rural and therefore majority of the poor are in the villages. It is why Gandhiji repeatedly said that India lives in villages and the development of the nation cannot be achieved without the development of the villages. The real fruits of Independence and democracy,
in fact, cannot be enjoyed by the people unless they are freed from the clutches of poverty.

The rural poor can be divided into three main categories: those with land, those with skills and those without land and skills. During the initial stages of CDP, a holistic approach to develop agriculture, infrastructure and basic facilities in the villages was adopted. It was assumed that as the process of development progresses, it would take care of each and every category of the rural population. During 1960s, when the CDP was gaining momentum, the country was faced with food crisis and, therefore, the entire rural development effort was directed to the development of agriculture. As a result, we achieved green revolution towards the end of that decade and the country gained self-sufficiency in food production. While this event was most welcome, it was not without side-effects. The farmers with small and marginal holdings did not gain from the green revolution and they remained poor. The benefits of agricultural development did not percolate to the large numbers of agricultural labourer either. Introduction of modern farm technology and use of modern factory made equipment rendered a large proportion of rural artisans jobless.

The overall situation was that a visible disparity between the rich and the poor emerged. Initially, it was thought that when the process of development started, the ‘trickle down’ effect would take care of the problem of poverty. This process did achieve results in countries where industries and the service sector developed faster and overtook the agriculture based economies, but in countries like India, it did not work due to various reasons.

Rural Development in India is identified largely with poverty alleviation policies. The focus of development planning in India has been rightly on the alleviation of rural poverty since Independence. Rural India, however, continues to suffer from high incidence of poverty in spite of
strengthening of anti-poverty programmes in successive years. In percentage terms, poverty level has reduced from 56.44 per cent of the population in 1973-74 to 37.27 per cent in 1993-94. In absolute terms, however, the number of rural poor has remained more or less static. According to a recent Indian government committee constituted to estimate poverty, nearly 38 per cent of India’s population (380 million) is poor. This report is based on new methodology and the figure is 10 per cent higher than the present poverty estimate of 28.5 per cent\textsuperscript{113}. The adverse effect of such a large size of the poor on the country’s development is not difficult to appreciate. Quite obviously, the situation needs to be redresses quickly. It is in this context that the self-employment programmes assume significance. These alone can provide income to the rural poor on a sustainable basis.

Self-employment programme namely Swarnajayanti Gram Swarozgar Yojana (SGSY) has been launched from 1\textsuperscript{st} April, 1999. As a result, the erstwhile programme viz. Integrated Rural Development Programme (IRDP), Development of Women and Children in Rural Areas (DWCRA), Training of Rural Youth for Self-Employment (TRYSEM), Supply of Improved Toolkits to Rural Artisans (SITRA), Ganga Kalyan Yojana (GKY) and Million Wells Scheme (MWS) ceased to be in operation\textsuperscript{114}. It may be pointed out that SGSY has been devised keeping in view the positive aspects and deficiencies of the earlier programme. The earlier programmes were originally viewed as complimentary to each other to achieve the larger goal of poverty alleviation. But over the years, each one of these started operating almost as a separate and independent programme. Obviously, the concern was more for achieving individual programme targets. The desired linkages among the programmes and the much needed focus on the substantive issue of sustainable income generation were

\textsuperscript{113} planning commission.gov.in/poverty.html  Retrieved on 12.1.2013

\textsuperscript{114} ministry of rural development.nic.in/sgsy.html
missing. SGSY accordingly came into being after restructuring of all these programmes.

SGSY has been launched with objective of ringing every assisted family above the poverty line within three years. SGSY has a definite objective of improving the family incomes of the rural poor and at the same time, providing for a flexibility of design at the grass root level to suit the local needs and resources. The objective of the restructuring was to make the programme more effective in providing a sustainable income through micro-enterprise development both land based and otherwise. In doing so, effective linkages have been established between various components such as capacity building of the poor, credit, technology, marketing and infrastructure. A life of dignity is the right of every citizen. Poverty is an obstruction to a dignified life. Self-employment is a significant step to have sustained incomes and remove the shackles of poverty.

Alleviation of poverty remains a major challenge before the Government both at the Centre and the States. It is felt that there is a need for a critical examination of the strategies adopted, the interventions sought, funds flow and its utilization, organizational structure and the mechanism of implementation by the implementing agencies in the sample states to understand the impact, success and failures of SGSY in Mizoram. Here, we shall discusses and analyse the data collected from the field survey based on the implementation of SGSY in Mizoram in order to find out the impact on the rural economy.
➢ **Awareness about the SGSY:**

The SGSY has been launched for self-employment of the rural poor in 1999. The objective is to bring the assisted poor families above poverty line by organising them into self-help groups through the process of social mobilization, their training and capacity building and provision of income generating activities through a mix of bank credit and government subsidy. It emphasizes on the group approach and building the capacity of rural poor.

![Figure 6.1](image)

**Awareness of the programme**

<table>
<thead>
<tr>
<th>Awareness of the programme</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14.6</td>
<td>85.4</td>
</tr>
</tbody>
</table>

Source: Field Study

It is shown from the figure 6.1 that only a few, 14.6 per cent knows about SGSY. There are 85.4 per cent who do not know about SGSY.
The effectiveness of the programme lies in the awareness level of the programme. Awareness helps a person to explore his surroundings, value system, beliefs, natural inclination and tendencies because we are all different in the way we react to things, learn and synthesize information. Better understanding of the programme empowered to make changes and to build on the areas of strength as well as identify areas where we would like to make improvement.

When we asked the respondent about the programme, we observed that only a few were well versed about SGSY and many of the beneficiaries have little knowledge about it. It is seen that the awareness level is very low. It is also observed while interacting with the respondent about their knowledge of the aim and objective of the programme, they are clueless. Many of the respondent think that if they are part of SHGs, they will be blessed with loan facilities and subsidy from the implementing agencies. They view the loan and subsidy part as a free gift, forming the SHGs as the part to facilitate the former. This clearly indicates that the awareness to the programme of SGSY is very low.

➢ **Selection and Identification:**

The study area covers Aizawl District of Mizoram. There are five rural development blocks in the district. SGSY lays emphasis on the group approach, under which the rural poor are organized into self-help groups. The list of BPL households identified through BPL census, duly approved by the VCs will form the basis for identification of families for assistance under SGSY. It is mandatory under the SGSY guidelines for the swarozgaris to be selected by the VCs. However, the degree of involvement of the gram panchayats or the village councils is very low.
In most cases, the PIA has succeeded in getting the Village council approval for selection and identification of the beneficiaries, which was not very difficult. There are instances when they asked the VCs to form SHGs in their respective villages so that they can get loan and subsidy through this programme. Initially, the VC formed a number of SHGs who happens to be their close relatives, friends and party men totally excluding the BPL list. The BPL list seems to fluctuate or change every now and then with the change in the VC. The limited role of the Village Council resulted into giving priority to other activities in the village. This is the one reason why records regarding the SHGs and other related documents are not maintained properly by the VCs.

Figure 6.2

<table>
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<th>Selection and Identification</th>
<th>BDO</th>
<th>Village Council</th>
<th>NGOs</th>
<th>Others</th>
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<tr>
<td>Selection and Identification</td>
<td>88.1</td>
<td>2.6</td>
<td>1.3</td>
<td>7.9</td>
</tr>
</tbody>
</table>

Source: Field Study
It is observed from the above figure 6.2, which shows 88.1 per cent of the beneficiaries are selected by the BDO, while 2.6 per cent are selected by the Village council and 7.9 per cent don’t know how they were identified and the remaining 1.3 per cent said they were selected by the NGOs.

Figure 6.3

The figure 6.3 shows the identification of SHGs under SGSY begin from 2001. At the initial stage, many of the SHGs were formed. It is observed that 18.5 per cent were formed in 2001 and 7.9 per cent in 2010.
The process of identification and selection of swarozgaris should be transparent and should adequately cover the poor. The mixture of poor and non-poor is found to be advantageous in many cases, but this also depends on the local, socio-political and economic environment, resource endowment and the nature of the trades.

Key Activities:

The success of SGSY depends on the choice of 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. The choice of activity should be an arbitrary decision but should be carefully thought out process. It should be ensure that the selection takes place through participative process. It means that instead of funding diverse activities, each block should concentrate on a few selected activities and attend to all aspects of these activities so that the swarozgaris can draw sustainable incomes from their investments. Piggery emerged as one of the most popular activity among the Swarozgaris. It is seen that almost every households in each village take up this activity, including the non-beneficiary households. More than half of the beneficiaries take up this activity. This is followed by poultry and agriculture, gardening and broom cultivation. Broom cultivation has increase in recent years because there is more demand of the product from outside the state.

Activities like piggery and poultry has been a common practice in the Mizo society. Almost every household in the village take up this activity. Of course among this, one activity is invariably the most important one. It was observed that the swarozgaris were relying on multiple activities for their livelihood. This was contrary to the guidelines. The composition of these activities, in terms of their contribution to the household income, varied significantly. However, the assistance under SGSY was limited to a single activity. Similarly, assistance in the form of skill development as well
as training was also confined to one activity. It is also observed that relying
on a single activity would expose the swarozgaris to various risk factors.
This apprehension is based on the poor resource base and limited market
knowledge of the swarozgaris and their lack of confidence in the quality of
development support available under the programme. It was observed that
the beneficiaries involved in multiple economic generating activities had a
stable flow of income as compared to the ones involved in any single
activities.

Figure 6.4

![Key Activities](chart)

Source: Field Study

It is seen from the figure 6.4 that 10.6 per cent of the beneficiaries
take up shop and establishment activity, while 13.2 per cent take up poultry
and 60.3 per cent take up piggery. Only 2.6 per cent take up cattle farming
and 13.2 per cent take up agriculture or gardening or broom cultivation. It is
observed that more than half of the beneficiaries take up piggery for their
activity.
Infrastructural facilities:

Proper infrastructure is essential for the success of micro-enterprise. The infrastructure may be either for production, processing, quality testing, storage or marketing. SGSY seeks to ensure that the infrastructure needs for the identified activities are met in full, so as to enable the Swarozgaris to derive the maximum advantage from their investments. The provision of infrastructure is essentially the responsibility of the State Government, who will strive to provide for necessary investment as part of their plan efforts of the respective departments.

Figure 6.5

<table>
<thead>
<tr>
<th>Infrastructural facilities</th>
<th>yes</th>
<th>no</th>
<th>don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure facilities</td>
<td>7.1</td>
<td>78.7</td>
<td>11.3</td>
</tr>
</tbody>
</table>

Source: Field Study
The figure 6.5 shows that 78.7 per cent of the beneficiaries says that the infrastructural facilities are inadequate for maintain the schemes while 7.1 per cent says it is adequate and 11.3 per cent do not know about it.

The infrastructural activities should enable SGSY swarozgaris to make full utilization of their assets. Marketing linkages should be given priority. The proposals should emerge out of the specific activities being taken up by the Swarozgaris. The aim of the programme is to conserve the local resources. Those group functioning at the beginning level, have to be trained suitably to utilise the local resource.

The lack of proper attention to this item has been one of the drawbacks of IRDP. The drawbacks continue to be seen under SGSY also. The identification of existing infrastructure and the additional infrastructure that needs to be created has not been made. Close monitoring to infrastructure needs and their fulfilment has also not been done by the DRDA.

➢ Training and Capacity Building:

It has been well recognized that for the success of self-employment endeavours and also for their sustainability, the required skill to successfully run the enterprise is a pre-requisite. The contribution of SGSY towards training of swarozgaris for building entrepreneurial capacity is the basic and essential component. The swarozgaris have been provided with an opportunity to better their practical, serviceable and entrepreneurial skills through one or two days orientation programme. In this basic training, the beneficiaries are familiarised with the goals, responsibilities and aspects of book keeping, as prerequisite for swarozgaris to seek institutional fund
support. They were imparted knowledge of marketing, familiarity with cost and pricing models and also financing by the banks. The poor who join SHG are helped to acquire capability and competence to maintain and manage their groups in a productive way.

The nature of training is a general exposure about the SGSY scheme and its details. Few received the critical input in the training i.e., the bookkeeping skill, which is the threshold level requirement for micro-enterprise operations. The general awareness training lasts for one or two days. The beneficiaries’ response regarding to the effectiveness and usefulness of the training is low as 36 per cent of the respondent did not find the training useful due to too much focus on the general details of the schemes. It is observed that 42 per cent of the respondent found the training useful and productive, while 22 per cent felt that the training was somewhat effective in pursuing micro enterprise activity. Capacity building of the SHG members was not done at an optimum level resulting in the poor members not acquiring sufficient risk taking ability to run the respective trades on commercial lines. It is also observed that in the absence of training inputs to run group enterprise, the members were not able to manage the activity as a single enterprise.
Marketing support:

For any goods or services that are produced, existence of a suitable market is essential. It is necessary that the project profile of every key activity identify the market availability. The SGSY guidelines emphasized the need for preparation of project profiles of key activities based on scientific understanding of the potential markets. The incidence is low if one had access to market intelligence. In spite of the fact that market surveys are essential to identify viable activities to be taken up by the Swarozgaris, it is found that the recommendation of key activity is not preceded by the much needed market survey. Professional market survey for swarozgaris products was not carried out. The DRDA and other developing agencies were not able to assess the size of the market. The Swarozgaris take decisions on the basis of their experience and this is why most of them concentrates on local village markets since the key activities is not preceded by the much needed market survey. Majority of the Swarozgaris took up piggery and poultry that could find market within the village or nearby village. The ultimate success in promotion of self-employment lies in understanding the market and positioning the product accordingly. Networking could be possible through linking up with and strengthening of rural infrastructure such as the roads, telephone, and storage facilities.

The marketing of goods outside the district requires an intermediary agency. This can be governmental, non-governmental or private. The one aspect that requires to be taken care of is the stability of the agency, own competence and their capacity to ensure that the rural producer is getting fair share of the profits. The presence of the intermediary agency is not felt.
Condition of the Schemes:

While looking into the condition of the schemes, it was found out that most of the activity taken are in running condition while only a few have stop functioning. It is observed that even those scheme that are in running conditions are not productive and sustainable.

Figure 6.6

![Condition of the schemes](source: Field Study)

The figure 6.6 shows that 75 per cent of the activities taken are still in running condition while 25 per cent of the activity taken up has stop functioning due to various reasons.

It has been observed that many of the groups were very active and strong before they were granted loan. Even though the reasons for this is not exactly circle out, but it seems that there seems to be some kind of internal
problems within the groups. It is also observed that many beneficiaries have changed the scheme to better and productive one. The figure 6.7 shows that 7.7 per cent have change the schemes to more practical schemes, while 30.8 per cent of the group were not active after receiving loan. It was found that 40.4 per cent have stopped functioning due to lack of experience in running the schemes, while 21.2 per cent of the respondent says that they have no idea how to go on.

Figure 6.7

- **change of schemes**
  - Change the scheme to more practical scheme: 7.7%
  - Group not active after receiving the loan: 30.8%
  - Lack of experience in running the scheme: 40.4%
  - Have no idea how to go on: 21.2%

Source: Field Study
Role of SHGs:

SGSY focus on the organization of the poor at grassroots level through a process of social mobilization for poverty eradication. SGSY’s approach to organize the poor stems from the conviction that there is a tremendous potential within the poor to help themselves and that the potential can be harnessed by organizing them into self-help groups. Social mobilization enables the poor to establish their own organizations in which they participate fully and directly and take decisions on all issues concerning poverty eradication. Social mobilization is not a spontaneous process. It has to be induced. DRDAs are expected to initiate and sustain the process of social mobilization for poverty eradication by formation, development and strengthening of the SHGs.

Self-employment is a significant step to have sustained incomes and remove the shackles of poverty. Various economic activities have been pursued by the group in the sampled district in which it was observed that activities requiring lesser amount of forward and backward linkages have been more successful. Those activities like handicrafts, broom cultivation, J handlooms etc., requiring more linkages and service inputs have not been successful to that extent. There is no doubt that SHGs has generated substantial increase in the incomes of Swarozgaris in the sample districts though a high level of income was not observed. A small increase in income has resulted in a significant rise in the group income.

The programmes emphasis on group approach based on the rationale that a poor in a group can substantially benefit from collective strength, mutual help and scale of economies. It was observed in some blocks, the quality of SHGs had been built with great care and devotion. In most cases
the enterprise were reported as group enterprise for record purposes both at the Bank and DRDA level. Practically, though the swarozgaris shared the group loan, subsidy, and revolving fund they have been pursuing the economic activities individually. However, group approach is used in terms of repayment of loan. Also in the opinion of the Bankers and the PIAs, group approach was preferred for its relative merit.

Figure 6.8

Source: Field Study

The figure 6.8 shows that 89.7 per cent is content with the working of their respective group. The group in many ways have created an impact especially stronger social bond among the members of the group.
Group Meetings:

The SHGs drafted their own constitution according to their conveniences as per guidelines. This constitution became their guiding principles for running the business of the group. Meeting are held regularly where in most of the cases reports are given about financial status of the group and discussion on the future activities of the group. When this group meets they made it a custom to contribute a certain amount to the group savings.

It is observed that most of the SHGs have regular monthly meetings while only a few groups have both weekly and monthly meetings. It is observed that those groups that meet regularly with strict member’s attendance are more active, cohesive groups compare to those that occasionally have group meetings.

Figure 6.9

<table>
<thead>
<tr>
<th>Axis Title</th>
<th>Daily</th>
<th>Weekly</th>
<th>Monthly</th>
<th>Quarterly</th>
<th>Half yearly</th>
<th>Irregular</th>
<th>Both 1&amp;2</th>
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</thead>
<tbody>
<tr>
<td>Series 1</td>
<td>1.3</td>
<td>23.8</td>
<td>43.7</td>
<td>4</td>
<td>8.6</td>
<td>18.5</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Study

The figure 6.9 shows that group meeting is regularly held with 43.7 per cent having regular monthly group meetings and that 17.2 per cent have
weekly meetings, whereas there are 18.5 per cent who have regular weekly and monthly meetings.

**Contribution:**

Generally, a sum of rupees 20 and 30 is regularly contributed to group funds during weekly and monthly group meetings. During repayment of loans, some groups increase the amount of contribution. At times the contribution goes up-to one thousand rupees (1000). SHG have created a strong emotional bond among its members which is the result of the group activities and action and their involvement in the common interest. It is observed that those groups who meet regularly and contribute without fail are seen to be more active, cohesive and are performing better than those groups who rarely have group meetings. Women SHG are likely to perform better than Men SHGs.

![Figure 6.10](image)

**Source:** Field Study

The figure 6.10 shows the trend of contribution made by the groups. 21.9 per cent contribute 30 rupees regularly, 20.5 per cent have contributed
20 rupees regularly, and 19.9 per cent have contributed 100 rupees regularly for group funds. The SHGs maintain their own account in the banks. In case of withdrawal of money from the bank, a provision is made by the group which requires two members like the President and the Secretary to withdraw from their savings. A single member is not allowed to do so unless the group meeting permits him/her. This way the group protect the manipulation of the group funds. During group meetings, the financial position and the existing balance are read out to aware the members about their financial conditions. The SHGs has made it a practice to deposits their savings in the bank. In the absence of any banking network in the village, they go to the nearest in the nearby village.

➢ Role of VCs:

The role of village council is limited to some extent in selection of swarozgaris and monitoring because they were not much involved in the identification and selection of key beneficiaries. Only 2.6per cent is involved in identifying the beneficiaries. According to the objectives of the programme, the Village Council were supposed to play an important role in selection of swarozgaris and monitoring the performance and repayment by the swarozgaris.

Their involvement in monitoring is not visible in any stage of the programme. Only 6.6per cent of the beneficiaries fell that the VC are helpful. The low rate of involvement of the VC in these programmes is because of the direct contact with the beneficiaries in the village by the PIAs. The VCs awareness to the programme of self-employment is very low. Many of the VCs are not sure about the objectives of the programme. The VCs have a very little say regarding the formation of SHGs. When the BDO asked them to organise few groups which include some BPL families, they orient their motives towards forming group of that sort in order to obey
the BDOs request. They do what they are told to do without knowing the objectives of the programmes. At this point we witnessed the interference of local politics when the VCs take their chances to include their family members, friends, party workers. This has also resulted into frequent changes in the BPL list where they include some of the families who were previously not on the list and exclude some who are on the list mainly because that person or family were not favouring them during VC election. The beneficiaries feel that the VCs are using their local power to manipulate the BPL list, to favour their families, friends and party workers, etc.

Figure 6.11

The figure 6.11 shows that the Village council role in formation of the group is 6.6 per cent, whereas personal efforts of the beneficiaries are 30.5 per cent.

Majority of the VC President and Secretary, Young Mizo Association President of the sample areas does not believe in the high rate of success of
the programme. When asked to comment and rate the success from 1-100, most of them rate it below 10. Many of the VCs comment that we only do public announcement to call the attention of the beneficiaries whenever we get information from the BDOs. Thus, the objectives of the programme are not taken into consideration resulting into a minimum involvement and participation from the local bodies. The importance of involvement of Panchayati Raj Institutions in every rural development programme has been increasing during the recent past. In SGSY, the elected representatives of these institutions did not have a pivotal role to play in the implementation process.

- **Role of the Bank**

It is seen from figure 6.12 that 93.4 per cent of the beneficiaries applied for loan facilities under SGSY programme. It is natural for the SHGs to apply for loan once they are organised into a cohesive SHGs. However, it is also observed that 6.6 per cent of the SHG did not avail for loan because of a very high interest rate of the loan offered by the bank.

**Figure 6.12**

![Pie chart showing loan application status](source: Field Study)
It is observed that sanctioning of loan is one of the biggest problems under SGSY. Sometimes it required an influential person of the village, politicians is needed to have their loan sanctioned. Many of the bank officials are overburden with their works and have failed to show professional relationship with the people.

Figure 6.13

![Pie chart showing loan sanction]

Source: Field Study

It is seen from figure 6.13 that 78.1 per cent of the SHGs were granted loan, while 19.2 per cent were not. Some group are reluctant to apply for loan because of the high interest rates and also because of the unfriendly behaviour of the bank officials.
Mizoram Rural Bank has the largest Banking network in Mizoram and many of its branches are operating in the interior villages. It is seen from figure 6.14 that the SHGs bank account are maintained by the Mizoram Rural Bank as the figure shows that most of the loan application is process by Mizoram Rural Banks with 97.9 per cent.

Figure 6.14 Banking Network

Source: Field Study
It is observed that many of the beneficiaries feel that it is very complicated towards the procedure for getting banks loan. This is mainly because of the unfriendly behaviour of the Bank personnel and the very long procedure for loan application. Lack of trust on the part of the Banker towards the poor beneficiaries is also one of the factors. It is found that only a few groups find it simple because they have good relation with the Bankers which makes it obviously easier for them. Other reason is the good performance of the group and recommendations from the PIAs and NGOs. The figure 6.15 shows that 77.2 per cent of the beneficiaries feel that it is very complicated to avail loan while 18.8 per cent says it is simple.

The loan application normally processed for a very long time. Loan process usually takes a very long time. It took one month to sanctioned 28.6 per cent of loan application under SGSY. It took more than one year to sanctioned 9.3 per cent of the loan application. The sanctioning of loan
depends upon the wishes of the Bank. But in many cases as you can see, it usually takes a very long time leaving the poor beneficiaries to give up their hopes in their activities which are totally dependent on the banks finances.

Figure 6.16

<table>
<thead>
<tr>
<th>Duration of loan sanction</th>
<th>one month</th>
<th>two month</th>
<th>three month</th>
<th>five month</th>
<th>one year</th>
<th>more than a year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>28.6</td>
<td>15</td>
<td>8.6</td>
<td>18.6</td>
<td>17.9</td>
<td>9.3</td>
</tr>
</tbody>
</table>

Source: Field Study

The figure shows the duration of loan sanction as some loan sanction takes a very long time. It took one year to sanction loan to 17.9 per cent of the beneficiaries while it took more than a year to sanction loan to 9.3 per cent of the beneficiaries.
The figure 6.17 shows that 81 per cent of the beneficiaries are able to repay their loan whereas only a few were not able to repay their loan.

![Repayment of loan](image)

Source: Field Study

It is important on the part of the beneficiaries to repay their loan amount to the bank. It is essential that the group is a standing guarantee for the repayment of loan to the bank. It was found:

- that 8.9 per cent repay their loan from the income of the scheme
- that 7.3 per cent repay their loan from group savings
- that 36.3 per cent repay from both income of the scheme and self-savings
- that 47.6 per cent repay from self plus group savings and also group action (Hnatlang).
- The figure 6.18 below shows the source of repayment mode.
Loan from group savings:

Loan from group savings has become a very important instrument of relief for the members of the SHGs. Apart from that, it is an important source of income for the group in the form of loan interest paid by the loanee from the members and non-members.
It is observed that 93.1 per cent of the SHG members have borrowed from group savings. Most of them find it much easier and more flexible to borrow from the group savings. The purpose of borrowing is mainly for family and private (93.1 per cent), which clearly shows that the group has been very meaningful and effective to meet the social and financial needs of the members. In case of hospitalization and severe cases of illness, the group acted in such a way that they pay all the hospital bills and other charges from the group savings when their members is not able to pay his or her bill. Some of the SHGs even allowed non-members to borrow from the group savings with interest higher than the group members. The figure 6.19 clearly have shown the purpose of group loan borrowed by the members.

Source: Field Study
Perception of PIAs

In the implementation process of any program, several stakeholders were supposed to be involved. A program can be implemented only when all these partners have a common understanding of the process and objectives of the program. The involvement of officials in the implementation of SGSY is crucial. SGSY guidelines envisaged different roles to different officials including DRDA, BDO, VDO and other line department officials at all the levels. The officials perceived that there was a lack of awareness on SGSY at all levels and the training for skill up gradation and lack of sufficient staffs were impeding the process.

Figure 6.20

<table>
<thead>
<tr>
<th></th>
<th>helpful</th>
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</tr>
</thead>
<tbody>
<tr>
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<td>7.9</td>
<td>89.4</td>
<td>2.6</td>
</tr>
</tbody>
</table>

Source: Field Study

It is seen from the figure 89.4 per cent find that the programme functionaries are not helpful at all. While 7.9 per cent think that the programme functionaries are helpful.
The line department officials opined that regular monthly meetings with all the banks and other important stakeholders can be beneficial in sorting out important issues and help in drawing fruitful solutions. Unfortunately, such initiatives are not seen at all.

➢ **Role of DRDA**

The real leadership and direction for the programme implementation comes from the PD, DRDA. Hence, the DRDA perception was crucial for understanding the way the programme was being implemented. It was heartening to note that the majority of the PDs, DRDA felt they had adequate flexibility, discretion and access to fund support to implement the programme. Other district level officials, particularly the lead bank manager, did not share the perception of PDs, DRDA with regard to the number of the key activities under SGSY clusters in the district in similar manner. The study team observed clear variations with regard to the key activities. Majority of the PDs, DRDA felt that the SHGs had not acquired adequate maturity to participate in planning as well as networking of SHGs to develop federations. PDs believed that the quality of SHGs should be improved to streamline the implementation of SGSY. This had to be accomplished through frequent, need-based training, exposure/field visits leading to capacity built up. Other important suggestions of the PDs in this regard were imparting entrepreneurial skills, providing market support. The synopsis of the suggestion given by PDs and DRDAs is given in the table below: PDs, DRDA felt that bankers’ cooperation was absolutely necessary for the successful programme implementation. However, very few of them (7%) extended cooperation to the bankers in loan recovery
operations. The PDs, DRDA believed that frequent, regular and effective district level coordination committees (DLCC) meetings could help in ensuring better coordination with the bankers. The bankers did not share this view. They believed that, apart from the DLCC meetings, the DRDA’s presence at the field level in recovery operations made huge impact as it had sent very effective signals among the swarozgaris. In this context, it is worth-mentioning the view of PDs, DRDA who said that it was their responsibility to ensure higher recovery rate while urging the bankers to extend maximum credit assistance to swarozgaris. Most of the ZP chairpersons interviewed felt that their involvement in SGSY implementation was very limited because it did not figure high in their list of priorities. They suggested that they were more interested in covering larger number of swarozgaris under the scheme rather than in identifying viable economic activities and monitoring the implementation of the programme.

The present chapter discussed the poverty alleviation programme called the Swarnajayanti Gram Swarozgar Yojana (SGSY) which was started during the ninth plan period replacing the erstwhile Integrated Rural Development Programme (IRDP). It highlighted the features and objectives of SGSY which clearly present the overall concept and idea of the SGSY programme. In the later part of the chapter, the discussion is based on the empirical study. The data collected from the field study in relation to the working of SGSY have been co-defined, compiled and analyzed according to the basic statistical principles.