

# Effectiveness Of The SGSY Programme For Self Help Groups

Amita Yadav<sup>1</sup>, Nikita Bisht<sup>2</sup>, Amardeep<sup>3</sup>

<sup>1</sup>School of Agriculture, Lovely Professional University, Jalandhar (144411), Punjab (INDIA)

<sup>2,3</sup>Gobind Ballabh Pant University of Agriculture and Technology, Pantnagar, Uttarakhand (INDIA)

Email: [amitayadavgbpuat@gmail.com](mailto:amitayadavgbpuat@gmail.com)

## Author Note

Amita Yadav, Assistant Professor, Department of Agricultural Economics and Extension, School of Agriculture, LPU, Jalandhar (144411), Punjab (INDIA)

Nikita Bisht, Research Scholar, Department of Agricultural Communication Gobind Ballabh Pant University of Agriculture and Technology, Pantnagar, (263145), Uttarakhand (INDIA)

Amardeep, Associate Professor, Department of Agricultural Communication Gobind Ballabh Pant University of Agriculture and Technology, Pantnagar (263145), Uttarakhand (INDIA)

**Abstract:** *The present research study was carried out to find out the effectiveness of the scheme of Swarnajayanti Gram Swarajgar Yojna (SGSY) in Udham Singh Nagar district of Uttarakhand. On the basis of the collected data it is clear that how much the programme was effective to its beneficiaries i.e. swarajgaris and to the SHGs. The knowledge about important issues such as overall project cost, loan and subsidy that can be availed by different groups of society was missing in some cases. This information remained confined to the group leader, because of ineffective leadership and due to ignorance on the part of SHG members. But in most of the cases, SHGs 75 per cent were well acquainted with this aspect. The progress of SHG needs to be periodically reviewed and monitored to isolate the hindering factors and enabling smooth functioning of the unit. A block level committee is formed for this purpose. Although all the surveyed areas had this committee but their functionality was questionable, because some of the SHGs 37.5 per cent were unaware about this reporting unit. So it was not functional in some of the cases and did not play its role as it should. When it comes to the income of the SHG members, half of the surveyed SHGs had no knowledge about the stipulated guidelines of the government on monthly income.*

**Keywords:** *Effectiveness, SGSY, Beneficiaries, Women, Self Help Groups,*

## 1. INTRODUCTION

In India poverty is one the most urgent problem that needs to be eradicated. Poverty is the state where people feel a lack of certain amount of material possessions or money. In present time, a large number of Indian populations survive below poverty line that is not able to meet their basic need of food, clothing and shelter. Many efforts have been made in successive plans by the Economic planning bodies of India to decrease the incidences of poverty. Therefore various anti-poverty programmes have been launched by Government of India from time to time (Anand et al., 2017; Trukhanov et al., 2018). But most of them could not lead to balanced and overall development of rural and poor people. So with a view to remove this

bottleneck, Government of India introduced the Swarnajayanti Gram Swarozgar Yojana (SGSY) in the year 1999.

The programme seeks to integrate the implementing agencies such as DRDAs, Banks, line Departments, Panchayat Raj Institutions, NGOs. It aims at providing self-employment to villagers through the establishment of Self-help groups (Mahesh et al., 2014; Singh et al., 2015; Ansari et al., 2016).

SGSY was launched to promote self-employment among the poor people and its main aim was bring several people with similar socio-economic backgrounds into groups i.e. Self Help Group (SHGs) where they can start making a revolving fund from their own savings as well as some grant and loans from state funds (Gupta et al., 2014; Tandon et al., 2019). In initial stage, these members need to borrow money from it for any of their various credit needs. Once the group members learn how to manage that fund, they take up some productive enterprise and mostly with the group as a whole. In this, these groups are to be helped by some government and semi-government agencies. Advanced trainings are provided to the members in appropriate skills (Tandon et al., 2018a, 2018b; Bashary et al., 2020). The banks play a crucial role in ensuring that the groups and their activities are viable. Above all, they are to instill banking habits among the participants and provide adequate credit to ensure that the activities undertaken by the SGSY beneficiaries are run at an optimal scale (Banerjee and Sen, 2003; Usman et al., 2019; Singh et al., 2019).

The main aim of this programme is to assist families (*Swarozgaries*) above the poverty line in the time duration of three years by providing them opportunities of income-generating assets through a mix package of bank credit and government subsidy. The monthly income from the activity to be undertaken should not be less than Rs. 2000/- (Government of India, "SGSY Guidelines", 1999).

## 2. MATERIALS AND METHODS

The study was focused on analysing the effectiveness of Swarnajayanti Gram Swarjgar Yojana on Self Help Groups (SHGs). The selection of the district was purposive while block, village and SHGs were chosen randomly. The study was conducted in four villages Shantipuri, Danpur, Bhagwanpur, Bagwala of Rudrapur and Gram Gori Kedaa, Sidha, Balkeda, Nakuliya of Sitarganj block of Udham Singh Nagar District of Uttarakhand. Total four SHGs namely Jagriti, Deepak, Ujaala, and Roshini were selected from the respective villages of Rudrapur and Jannat, Pooja, Dari Udyog and Laxmi were from Sitarganj block. Descriptive research design was used to fulfill the set objectives for the research work. The data was collected through interview guide.

### *Research design*

A research design is the arrangement of condition for collection and analysis of data in a manner that aims to combine relevance purpose with economy in procedure. In present investigation exploratory research design was used to fulfil the objectives set forth for the study.

## 3. RESULTS

### *Indicator wise Effectiveness of SHGs (on the basis of awareness) under SGSY*

Under this study, the eight SHGs were assessed for their effectiveness in terms of six indicators i.e. credit and subsidy availability, increase in income, skill development training, marketing support, infrastructure facility and micro-enterprise development.

*1. Credit and Subsidy*

This indicator focuses on to the knowledge of the *swarojgaris* about the credit given to the SHGs, subsidy provided to the SHGs and to the different categories of the individual in society. It was also used to see the recommended amount of loan and subsidy was distributed to the different SHGs or not. Data regarding this indicator has been presented in table 5.2

Table 1: Awareness of Credit and Subsidy

Indicator	n= No. of SHG, n=8	
	Yes	No
I) Project Cost	6 (75.00)	2 (25.00)
II) Subsidy to individual	4 (50.00)	4 (50.00)

III) Subsidy to SHG	4 (50.00)	4 (50.00)
IV) Subsidy to SC/ST	5 (62.50)	3 (37.50)

Note: Figures in parenthesis indicate percentage of total SHGs

It is clear from the table that 75 per cent SHGs knew the project cost and 50 per cent each SHGs knew the subsidy given to the individual and to the whole SHG. It was also found that only 62.50 per cent SHGs were aware of subsidy to SC/STs of SHG under SGSY.

Data can be concluded with the fact that, SHGs who were in close contact with the DRDA, Block Office, banks and other agencies were more benefited and knowledgeable.

### 2. Increase in Income

Data regarding effectiveness on increase in income has been presented in table 2 indicates that the *swarajgaris* knowledge about income status on the basis of guidelines, which was, the beneficiaries must earn monthly income of at least Rs. 2000/- per month. Another one was like if they know about the block SGSY Committee, was accountable to monitor, every month, the progress of SHG members and whole SHGs income.

Table 2: Awareness of Increase in income

Indicator	n= No. of SHGs, n=8	
	Yes	No
Monitoring Committee	5 (62.5)	(37.5)
Increase in Income	4 (50.00)	4 (50.00)

**Note: Figures in parenthesis indicate percentage of total SHGs**

As if, the table represents that 62.5 per cent of the SHGs had information related to the monitoring by block SGSY Committee and 50 per cent SHGs knew about the minimum standard set by the Government on income of per person of SHG. The reason behind the lack of information about both the aspect was less interest of some of the members and SHGs too and specially regarding income after getting one time loan from the bank some of the SHGs and members lost their interest from group work.

### 3. Skill development training

Data regarding the skill development training has been presented in Table 3 with number of training provided, topics on which trainings conducted the organizer of trainings and fund utilized for the trainings.

Table 3: Effectiveness on the basis of Skill development Training

Indicators	n= No. of SHG, n=8	
	Yes	No
Skill development Trainings		
No. of trainings	6 (75.00)	2 (25.00)
Topics of training	5 (animal husbandry) (62.50)	handicraft) (37.50)
Organiser of training	6 (75.00)	2 (25.00)
Fund utilised	2 (25.00)	6 (75.00)

**Note: Figures in parenthesis indicate percentage of total SHGs**

As the table clearly reflects 75 per cent SHGs got skill development trainings and knew about the organizer of training, while 62.50 per cent of SHGs got training in animal husbandry remaining 37.50 per cent on handicrafts. It was further revealed that 75 per cent SHGs had knowledge of allocated fund for the trainings.

The reason behind more no. of training on animal husbandry was the easy implication of this activity, while training on handicraft needs hard work. Most of them did not know about the allocated fund because of the unsupportive behaviour of the higher authorities.

*4. Market Support*

Data regarding this indicator has been presented in Table 4. From the perusal of the table it is clear that it explains the different sub- parameters related to market availability like place to sell the product, market survey to select product, selection of the activity and linkages with apex bodies.

Table 4: Awareness of Market Support

Indicator	n= No. of SHGs. n=8	
	Yes	No
Market Support		
Place to sell product	fair, haat) (25.00)	personally) (75.00)
Market survey	3 (37.50)	5 (62.50)
Choose activity	aste based) (37.5)	y skill based) (62.50)
Organizational help	4 (NGO) (50.00)	4 (50.00)

**Note: Figures in parenthesis indicate percentage of total SHGs**

From the data it can be concluded that 75 per cent of the SHGs sell the products personally and 62.5 per cent SHGs did not go for market survey and choose the activity without survey. Data further reveals that 50 per cent SHGs had the support of NGOs to sell the products.

Thus the participation of the NGOs and Block Office helped the SHGs to earn more than normal which was not with other SHGs because of less interaction.

**5. Infrastructure Facility**

Data regarding infrastructure facility has been presented in Table no. 5 in which points are based on to the availability of the infrastructure to the SHGs, type of additional facilities with this, fund utilized and allocated.

Table 5: Awareness of Infrastructure Facility

Indicator	n= No. of SHGs, n=8	
	Yes	No
Infrastructure Available	2 (25.00)	6 (75.00)
Other facility provided	1 (12.50)	7 (87.50)
Fund provided	-	-
Fund for renovation	-	-

**Note: Figures in parenthesis indicate percentage of total SHGs**

It is evident from the table that 75 per cent of the SHGs did not get any infrastructure facility for their meetings and activities followed by 87.50 per cent those who did get any related facility whereas none of the SHGs knew about the allocated fund for infrastructure and its renovation.

This condition was due to the negative attitude of the officials towards the progress of SHGs and depicts misuse of the allocated money.

**6. Micro- enterprise development**

Data regarding micro- enterprise development has been presented in Table No. 6 indicates activity undertaken by the SHG i.e. in a group or at individual level, any kind of special support provided to the weaker section of the SHG, subsidy and assets provided to them. The last one is profit earned by the person and group given to the SHG in equal sharing basis.

Table 6: Awareness of Micro- enterprise development

Indicator	n= No. of SHGs, n=8	
	Yes	No
Group or Individual activity	(Group) (37.50)	Individual) (62.50)
Special support to members of low financial status	2 (25.00)	6 (75.00)

Facility given to members	2 (25.00)	6 (75.00)
Distribution of Profit to SHG	of work done) (37.50)	personal) (62.50)

**Note: Figures in parenthesis indicate percentage of total SHGs**

The cumulative figure indicates that 62.5 per cent SHGs were engaged in the individual enterprise not in group, followed by those 75 per cent SHGs from which none of them provide special support and facility to the weaker section of their group and in majority of SHGs 62.50 per cent profit was not shared with the SHG. Thus, the problem which occurred was working individually by the SHG members, their activities and less devotion to the SHG.

#### 4. DISCUSSION:

Training of SHG members is an essential and compulsory component of the programme as it ensures that the *swarozgaris* possess the minimum skill required to undertake the activity. Not all the SHGs 75 per cent received vocational trainings. Involvement of all the members of the group in the training was found to be missing from those SHGs who received trainings. In some cases, 25 per cent SHGs, members exhibited ignorance and lack of interest in SHG activities, thus, do not take the full advantage of the programme. Most of the trainings 62.5 per cent were organized on dairy and poultry which was an easy task for all the beneficiaries. Block office conduct such trainings as this was known to more than half of the SHGs. But some of the SHGs 75 per cent did not know about the fund allocated for the trainings. To sell products no suitable market was provided to the SHGs by the government, most of the SHGs 75 per cent sell the product personally and basically in the nearest local market. The activity of the SHG 62.5 per cent was chosen on the basis of availability of ready market such as dairying and more specifically on the basis of the skills they already have. Half of the SHGs got the support of the other organizations and agencies to the sell the product. In absence of proper support from external organizations and agencies for marketing, the choice made to sell the product in nearby places was appropriate. Several provisions have been made in the programme for infrastructure development. None of the SHG members were aware about the amount, the fund entitled for infrastructure development. Only infrastructure to 25 per cent and related facilities to 12.5 per cent SHGs had it. Lack of proper infrastructure under the programme negatively affected the progress of SHGs. Lack of proper attention to this item has been one of the drawbacks of IRDP and many prior rural development programs.

#### SUPPORTING FINDINGS

□ The findings of the study are in line with Government of Haryana (2012) who reported that maximum of the SHG had information regarding the standard income stipulated by the Indian Government for beneficiaries.

□ The findings of the present study are in line with Planning Commission (2009)

reported that majority of the SHGs opined that they market their products personally. □ The findings of the present study are in line with Prasad and Rajanikanth (2011) found that majority of *swarozgaris* felt that impact of the SGSY has more on their entrepreneurial skill.

## 5. CONCLUSION:

Micro enterprise development is the ultimate desired result for which the SHGs were mobilized under the programme but this goal was achieved only in few cases. Surveyed SHGs 62.5 per cent were working on individual level, which was not the exact aim of the SGSY programme. Only of the 25 per cent SHGs took advantage of the special support, loan, subsidy and assets in most of the cases.

More than half of the SHGs 62.5 per cent had no provision of equal profit distribution and very few 37.5 per cent distribute the profit but on the basis of the work done by the member. Thus, it is necessary that all the members should have thorough and up to date knowledge about the SHG activities in order to be an effective unit. From the study on effectiveness of the programme it can be stated that all the SHGs got the loan, training, increased income, micro- enterprise but no infrastructure facility. They were well aware about the project cost and loan given by the bank but had no information regarding the subsidy provided. SGSY helped majority of the SHGs to improve financial status to some extent, trainings were only on some common issues pulled the growth of the SHGs one step back along with lack of information related to the programme and negative attitude of some of the members decreased the improvement rate of the other members also. Programme could have done a great job as if the guidelines were prepared for this but the effectiveness of the programme on SHGs was of medium level.

## REFERENCES

- [1] Anand, A., Patience, A. A., Sharma, N., Khurana, N. (2017). The present and future of pharmacotherapy of Alzheimer's disease: A comprehensive review. *European journal of pharmacology*, 815, 364-375.
- [2] Ansari, K. R., Quraishi, M. A., Singh, A., Ramkumar, S., & Obote, I. B. (2016). Corrosion inhibition of N80 steel in 15% HCl by pyrazolone derivatives: electrochemical, surface and quantum chemical studies. *RSC advances*, 6(29), 24130-24141.
- [3] Available online on <http://www.lse.ac.uk>
- [4] Available online on <http://www.un.org>
- [5] Banerjee, Nirmala. and Sen, Joyanti. 2003. The Swarnajayanti Gram Swarozgar Yojana A Policy in Working. Accessed on: <http://www.gender-budgets.org> 25-9-2013(1:25)
- [6] Bashary, R., Vyas, M., Nayak, S. K., Suttee, A., Verma, S., Narang, R., & Khatik, G. L. (2020). An Insight of Alpha-amylase Inhibitors as a Valuable Tool in the Management of Type 2 Diabetes Mellitus. *Current Diabetes Reviews*, 16(2), 117-136.
- [7] Government of India. Department of Economics. Population Research Centre. 2009. Evaluation Report On Swarnjayanti Gram Swarozgar Yojana (SGSY) Jammu & Kashmir. New Delhi, Population Research Centre. 8p.
- [8] Government of Haryana. Department of Economic and Statistical Analysis. 2012. Evaluation Study of Swarnjayanti Gram Swarozgar Yojana. Haryana, Planning Department. 4p.

- [9] Gupta, V. K., Guo, C., Canever, M., Yim, H. R., Sraw, G. K., & Liu, M. (2014). Institutional environment for entrepreneurship in rapidly emerging major economies: the case of Brazil, China, India, and Korea. *International Entrepreneurship and Management Journal*, 10(2), 367-384.
- [10] Mahesh, K. V., Singh, S. K., & Gulati, M. (2014). A comparative study of top-down and bottom-up approaches for the preparation of nanosuspensions of glipizide. *Powder technology*, 256, 436-449.
- [11] Prasad, R.R. and Rajanikanth, G. 2011. Impact of SGSY and IAY programmes on Minorities: An Evaluation study. National Institute of Rural Development. pp. 1-223.
- [12] Singh, A., Lin, Y., Obot, I. B., Ebenso, E. E., Ansari, K. R., & Quraishi, M. A. (2015). Corrosion mitigation of J55 steel in 3.5% NaCl solution by a macrocyclic inhibitor. *Applied Surface Science*, 356, 341-347.
- [13] Singh, H., Satija, S., Kaur, H., Khurana, N., Sharma, N., Vyas, M., Singh, TG., Mahajan, S., Mehta, M. (2019). Novel Drug Delivery Approaches for Guggul. *Plant Arch*, 19, 983-993.
- [14] Tandon, R., Luxami, V., Dosanjh, H. S., Tandon, N., & Paul, K. (2018). Insulin therapy for diabetes epidemic: a patent review. *Current drug delivery*, 15(6), 777-794.
- [15] Tandon, R., Singh, I., Luxami, V., Tandon, N., & Paul, K. (2019). Recent advances and developments of in vitro evaluation of heterocyclic moieties on cancer cell lines. *The Chemical Record*, 19(2-3), 362-393.
- [16] Tandon, Runjhun., Tandon, Nitin., Gupta, N., & Gupta, R. (2018). Art of synthesis of desired polymorphs: A review. *Asian J. Chem*, 30, 5-14.
- [17] Trukhanov, S. V., Trukhanov, A. V., Salem, M. M., Trukhanova, E. L., Panina, L. V., Kostishyn, V. G., Darwish, M.A., Trukhanov, A.V., Zubar, T.I., Tishkevich, D.I., Sivakov, V. (2018). Preparation and investigation of structure, magnetic and dielectric properties of  $(\text{BaFe}_{11-x}\text{Al}_x\text{O}_{19})_{1-x}(\text{BaTiO}_3)_x$  bicomponent ceramics. *Ceramics International*, 44(17), 21295-21302.
- [18] Usman, B., Sharma, N., Satija, S., Mehta, M., Vyas, M., Khatik, G. L., Khurana, N., Hansbro, PM., Williams, K., Dua, K. (2019). Recent developments in alpha-glucosidase inhibitors for management of type-2 diabetes: An update. *Current pharmaceutical design*, 25(23), 2510-2525.