

SWARNAJAYANTI GRAM SWAROZGAR YOJANA PROGRAMME ON RURAL DEVELOPMENT IN TAMILNADU – A STUDY

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The government of India launched the project for Development of Women and Children in Rural Areas (DWCRA) which was commenced in 1982 as an exclusive scheme for women, covering 161 districts out of 446. The scheme operates with 28,000 women's groups covering 4.6 lakh women. As pointed out in the eight plan document of government of India, The operation of the scheme had inadequate impact and therefore, failed in organizing cohesion within & among the groups to identify the activities that could generate sustained income. Considering the importance, Swarnajayanti Gram Swarozagar Yojana (SGSY) was evolved and implemented. Of women and lacunaes were in rural development programmes.

Implementation of SGSY Scheme

SGSY came into existence from first April 1999 duly merging the schemes of Integrated Rural Development Program - IRDP, Training for Rural Youth under Self Employment -TRYSEM, Development of Women & Children in Rural Areas -DWCRA and Supply of Improved Toolkits to Rural Artisans-SITRA. And currently Ministry of Rural Development, Government of India has initiated National Rural Livelihood Mission (NRLM) by restructuring Swarnajayanti Gram Swarozgar Yojana launched on April 1, 2013.¹ SGSY programme was 'Allocation Based scheme' on BPL criteria. In order to work with the new scheme NRLM, it is important to understand the ground realities existing with the SGSY implementation and progress. NRLM Mission will be using the infrastructure and ground work done through SGSY and improvise from there on by overcoming the short coming of the SGSY and focusing on the NRLM Mission related implementation.²

In 2010-11 a sum of Rs.148.04 crores has been allocated for the implementation of this scheme with a credit target of Rs.243.936 crores. In order to implement the scheme in a more purposeful manner, the following initiatives will be taken in 2008-09:³

- i) A major portion of the Scheme component will be utilised for the disbursement of the subsidy component of Revolving fund to the eligible SHGs formed under Mahalir Thittam.
- ii) To encourage the marketing of products produced by SHGs, Calendar of Exhibitions of SHG products for the Districts have been prepared and arrange the exhibitions will be accordingly conducted as per the schedule charted out in the Calendar.

iii) The implementation of SGSY scheme was so far monitored by Director of Rural Development and Panchayat Raj, whereas, the Mahalir Thittam and Vazhundhu Kattuvom Project that also focus on the empowerment of women, are monitored by the Managing Director of Tamil Nadu Corporation for Development of Women. In order to ensure that there is a convergence of activities taken up under SGSY scheme, Mahalir Thittam and the Vazhundhu Kattuvom Project, the monitoring of SGSY scheme has now been ordered to be transferred to the Managing Director, Tamil Nadu Corporation for Development of Women.

The seeds of socio-economic empowerment for the Tamil Nadu Women were sown by Tamil Nadu Corporation for Development of Women Ltd., through Mahalir Thittam Programme, Mahalir Thittam is based on SHG approach and is implemented in partnership with Non Governmental Organisations (NGOs) and Community based organization. In Tamil Nadu, the SHG approach was started in small way in Denkanikotta block of Dharmapuri district in the year of 1989 with the assistance of International Fund for Agricultural Development (IFAD). The scheme was further extended to the erstwhile Salem and South Arcot districts in the year 1991-92 and further extended to Madurai and Ramanathapuram in the year 1992-93. Following the success of IFDA project, Mahalir Thittam Project was launched with State Government funding from 1997-98 and was progressively introduced in all districts of the state. The SGSY fund is used to provide subsidy for the revolving fund (RF) and economic assistance to SHGs. Part of the scheme component is also utilized for formation of groups and conduct of training for their basic orientation and skill up gradation. Up to 20 per cent of the total allocation can also be spent on putting up of infrastructure required for promotion of activities of SHGs.⁴

Swarozgaries

Under Swarnajayanti Gram Swarozgar Yojana (SGSY), the beneficiaries are known as swarozgaries. The swarozgaries can be either individuals or groups. SGSY lays emphasis on the group approach under which the rural poor are organized into Self-Help groups. In either case, the list of BPL households identified through BPL census, duly approved by the Gram Sabha will form the basis for identification of families for assistance under the SGSY.⁵ The Self-Help Groups should also be drawn from the BPL list approved by the Gram Sabha. The scheme aims at establishing a large number of micro enterprises in the rural areas, building up on the potential of the rural poor. It is rooted in the belief that rural poor in India have competencies and, given right support can be successful products of valuable goods and services. SGSY has special focus on the vulnerable groups among the rural poor. Accordingly, the SC/STs would account for at least 50% of the swarozgaries, women for 40% and the disabled for 3% SGSY guideline, 2003.⁶

Awareness of Swarnajayanti Gram Swarozgar Yojana

Success of the Community Development Programme and the related Poverty Alleviation Programmes such as Swarnajayanti Gram Swarozgar Yojana depends upon the

awareness of the Programme implemented for the benefit of the people. In the sixth chapter an attempt has been made to analyze the awareness of the respondents about the Swarnajayanti Gram Swarozgar Yojana for its effective implementation. In this chapter an attempt has been made to the objective of the Swarnajayanti Gram Swarozgar Yojana (SGSY), selection of key activities, preparation of Project Reports, programme infrastructure, Swarozgaris, role of Self Help Groups, role of Non Governmental Organizations, linkage with the banks, identification and selection of individual Swarozgaris, safeguards for the weaker section, financing the investments - bank credit and subsidy, norms of lending, sanction of loans by the banks, asset creation by swarozgaris, principles and procedure for disbursement of assistance, repayment of loan, measures for affecting recovery, incentives and disincentives for recovery performance, refinance for Swarnajayanti Gram Swarozgar Yojana loans, insurance cover for various assets, skill upgradation, basic orientation programme, skill development training, Block Level Swarnajayanti Gram Swarozgar Yojana Committee, District Level Swarnajayanti Gram Swarozgar Yojana Committee, State Level Swarnajayanti Gram Swarozgar Yojana Committee, Central Level Coordination Committee, Setting up of Swarnajayanti Gram Swarozgar Yojana Cells in Banks, criteria for allocation of funds to the States, eligible items of expenditure and release of funds are analyzed.⁷

The responses of the respondents about their awareness of the various facets of Swarnajayanti Gram Swarozgar Yojana reveal that the majority of the respondents are not aware of the various facets of Swarnajayanti Gram Swarozgar Yojana. About 55% of the District Panchayat Chairman and Councilor respondents, about 72% of the Block Panchayat Chairman and Councilor respondents and about 79% of the Village Panchayat President and Member respondents are not aware of the objective of Swarnajayanti Gram Swarozgar Yojana; about 64% of the District Panchayat Chairman and Councilor respondents, about 82% of the Block Panchayat Chairman and Councilor respondents and about 73% of the Village Panchayat President and Member respondents are not aware of the selection of key activities; about 55% of the District Panchayat Chairman and Councilor respondents, about 74% of the Block Panchayat Chairman and Councilor respondents and about 74% of the Village Panchayat President and Member respondents are not aware of the preparation of Project Reports;⁸ about 73% of the District Panchayat Chairman and Councilor respondents, about 69% of the Block Panchayat Chairman and Councilor respondents and about 78% of the Village Panchayat President and Member respondents are not aware of the Programme Infrastructure; about 55% of the District Panchayat Chairman and Councilor respondents, about 67% of the Block Panchayat Chairman and Councilor respondents and about 80% of the Village Panchayat President and Member respondents are not aware of the Swarozgaris; about 64% of the District Panchayat Chairman and Councilor respondents, about 66% of the Block Panchayat Chairman and Councilor respondents and about 83% of the Village Panchayat President and Member respondents are not aware of the role of Self Help Groups; about 64% of the District Panchayat Chairman and Councilor respondents, about 69% of the Block Panchayat Chairman and Councilor respondents and about 84% of the Village Panchayat President and Member respondents are not aware of the role of Non Government

Organizations; about 73% of the District Panchayat Chairman and Councilor respondents, about 75% of the Block Panchayat Chairman and Councilor respondents and about 80% of the Village Panchayat President and Member respondents are not aware of the Linkage with the Banks; about 64% of the District Panchayat Chairman and Councilor respondents, about 81% of the Block Panchayat Chairman and Councilor respondents and about 75% of the Village Panchayat President and Member respondents are not aware of the identification and selection of individual Swarozgaris; about 73% of the District Panchayat Chairman and Councilor respondents, about 76% of the Block Panchayat Chairman and Councilor respondents and about 77% of the Village Panchayat President and Member respondents are not aware of the Safeguards for the Weaker Section; about 64% of the District Panchayat Chairman and Councilor respondents, about 81% of the Block Panchayat Chairman and Councilor respondents and about 78% of the Village Panchayat President and Member respondents are not aware of the Financing the Investments – Bank Credit and Subsidy; about 55% of the District Panchayat Chairman and Councilor respondents, about 76% of the Block Panchayat Chairman and Councilor respondents and about 71% of the Village Panchayat President and Member respondents are not aware of the norms of lending; about 73% of the District Panchayat Chairman and Councilor respondents, about 72% of the Block Panchayat Chairman and Councilor respondents and about 83% of the Village Panchayat President and Member respondents are not aware of the sanction of loans by the Banks; about 55% of the District Panchayat Chairman and Councilor respondents, about 81% of the Block Panchayat Chairman and Councilor respondents and about 79% of the Village Panchayat President and Member respondents are not aware of the asset creation by Swarozgaris; about 73% of the District Panchayat Chairman and Councilor respondents, about 69% of the Block Panchayat Chairman and Councilor respondents and about 80% of the Village Panchayat President and Member respondents are not aware of the Principles and Procedure for Disbursement of Assistance;⁹ about 73% of the District Panchayat Chairman and Councilor respondents, about 66% of the Block Panchayat Chairman and Councilor respondents and about 71% of the Village Panchayat President and Member respondents are not aware of the repayment of loan; about 64% of the District Panchayat Chairman and Councilor respondents, about 76% of the Block Panchayat Chairman and Councilor respondents and about 74% of the Village Panchayat President and Member respondents are not aware of the measures for affecting recovery; about 55% of the District Panchayat Chairman and Councilor respondents, about 69% of the Block Panchayat Chairman and Councilor respondents and about 78% of the Village Panchayat President and Member respondents are not aware of the incentives and disincentives for recovery performance; about 64% of the District Panchayat Chairman and Councilor respondents, about 82% of the Block Panchayat Chairman and Councilor respondents and about 78% of the Village Panchayat President and Member respondents are not aware of the refinance for Swarnjayanti Gram Swarozgar Yojana loans; about 73% of the District Panchayat Chairman and Councilor respondents, about 67% of the Block Panchayat Chairman and Councilor respondents and about 80% of the Village Panchayat President and Member respondents are

not aware of the insurance cover for various assets; about 55% of the District Panchayat Chairan and Councilor respondents, about 72% of the Block Panchayat Chairman and Councilor respondents and about 80% of the Village Panchayat President and Member respondents are not aware of the skill upgradation; about 55% of the District Panchayat Chairman and Councilor respondents, about 81% of the Block Panchayat Chairman and Councilor respondents and about 73% of the Village Panchayat President and Member respondents are not aware of the Basic Orientation Programme; about 64% of the District Panchayat Chairman and Councilor respondents, about 75% of the Block Panchayat Chairman and Councilor respondents and about 73% of the Village Panchayat President and Member respondents are not aware of the Skill Development Training; about 64% of the District Panchayat Chairman and Councilor respondents, about 74% of the Block Panchayat Chairman and Councilor respondents and about 77% of the Village Panchayat President and Member respondents are not aware of the Block Level Swarnjayanti Gram Swarozgar Yojana Committe; about 64% of the District Panchayat Chairman and Councilor respondents, about 76% of the Block Panchayat Chairman and Councilor respondents and about 84% of the Village Panchayat President and Member respondents are not aware of the District Level Swarnjayanti Gram Swarozgar Yojana Committee; about 64% of the District Panchayat Chairman and Councilor respondents, about 72% of the Block Panchayat Chairman and Councilor respondents and about 75% of the Village Panchayat President and Member respondents are not aware of the State Level Swarnjayanti Gram Swarozgar Yojana Committee;¹⁰ about 55% of the District Panchayat Chairman and Councilor respondents, about 76% of the Block Panchayat Chairman and Councilor respondents and about 74% of the Village Panchayat President and Member respondents are not aware of the Central Level Coordination Committee; about 73% of the District Panchayat Chairman and Councilor respondents, about 67% of the Block Panchayat Chairman and Councilor respondents and about 79% of the Village Panchayat President and Member respondents are not aware of the setting up of Swarnjayanti Gram Swarozgar Yojana Cells in Banks; about 64% of the District Panchayat Chairman and Councilor respondents, about 81% of the Block Panchayat Chairman and Councilor respondents and about 78% of the Village Panchayat President and Member respondents are not aware of the criteria for allocation of funds to the States; about 73% of the District Panchayat Chairman and Councilor respondents, about 69% of the Block Panchayat Chairman and Councilor respondents and about 77% of the Village Panchayat President and Member respondents are not aware of the eligible items of expenditure; and about 55% of the District Panchayat Chairman and Councilor respondents, about 67% of the Block Panchayat Chairman and Councilor respondents and about 78% of the Village Panchayat President and Member respondents are not aware of the release of funds.¹¹

The SHGs, after first grading, are provided with a RF of Rs. 50,000 for first linkage (bank loan Rs. 50,000 and Rs. 10000 as subsidy) Rs one lakh for second linkages and Rs. 1.5 lakhs for third and subsequent linkages. After the second grading, the successful groups are provided with economic assistance, the maximum eligible subsidy being 50 per cent of the project cost with a ceiling of Rs. 1.25 lakhs.

Table 1 Financial Allocation of SGSY Scheme in Tamil Nadu

Sl.No	Year	Financial allocation Rs. in crores
1	2000-01	62.52
2	2001-02	36.17
3	2002-03	36.17
4	2003-04	49.97
5	2004-05	62.56
6	2005-06	62.56
7	2006-07	69.39
8	2007-08	105.87
9	2008-09	125.16
10	2009-10	128.14

(Source: Government of India, Ministry of Rural Development.)

Table 2 shows the details of the financial given to the SHGs through this scheme throughout Tamil Nadu. A maximum of 128.14 crores is given to the SHGs through this scheme through Tamil Nadu.¹²

Table 2 District-Wise Group Formation under SGSY for the Year 2011-2012 in Tamil Nadu

Sl. No.	District	Target	Achievement	%
1	Ariyalur	200	200	100
2	Coimbatore	200	200	100
3	Cuddalore	450	450	100
4	Dharmapuri	400	400	100
5	Dindigul	350	350	100
6	Erode	250	250	100
7	Kancheepuram	350	350	100
8	Kanyakumari	200	200	100
9	Karur	250	250	100
10	Krishnagiri	350	350	100
11	Madurai	450	450	100
12	Nagapattinam	300	300	100
13	Namakkal	400	400	100
14	Nilgiris	100	100	100
15	Perambalur	150	150	100
16	Pudukkottai	350	350	100
17	Ramnad	250	250	100
18	Salem	400	400	100
19	Sivagangai	200	200	100

20	Thanjavur	250	250	100
21	Theni	200	200	100
22	Thiruvallur	350	350	100
23	Thiruvannamalai	500	500	100
24	Thiruvarur	250	250	100
25	Thoothukudi	250	250	100
26	Tirunelveli	400	400	100
27	Tirupur	250	250	100
28	Trichirapalli	350	350	100
29	Vellore	550	550	100
30	Villupuram	750	750	100
31	Virudhunagar	300	300	100
	Total	10000	10000	

(Source : Tamil Nadu Corporation for Development of Women Ltd, Mahalir Thittam, Project Officers' Review, Progress up to 23.4.2012.)

Survey about district-wise group formation under SGSY for the year 2009-10 is undertaken. Table 4.3 encapsulates the details of the survey. The findings arrived at from the survey are *ÿ* Totally 10, SHGs are formulated in 31 districts of Tamil Nadu for the year 2011-12. *ÿ* All the districts achieved their target level. Among 31 districts survey, Villupuram district ranks first by forming 750 groups, Thiruvannamalai ranks second by forming 550 groups and Madurai and Cuddalore ranks third as they form 450 groups.¹³

The present research study is about the Poverty Alleviation Progarmmes on Rural Development with reference to Swarnajayanthi Gram Swarozgar Yojana. With the introduction of the 73rd Constitutional Amendment Act, it is believed that the Poverty Alleviation Programmes such as Swarnajayanthi Gram Swarozgar Yojana could be properly implemented in rural areas with the effective participation of the representatives of the Panchayati Raj Institutions. The present research study shows that majority of the respondents are not aware of the various facets of Swarnajayanthi Gram Swarozgar Yojana, the works carried out and funds allocated to the Swarnajayanthi Gram Swarozgar Yojana and majority of the respondents have not effectively participated in the discussion relating to the works carried out and funds allocated to the Swarnajayanthi Gram Swarozgar Yojana. The Government should take steps to train the representatives of the Panchayati Raj Institutions to have sufficient knowledge about the various Poverty Alleviation Programmes such as Swarnajayanthi Gram Swarozgar Yojana and to effectively participate in the discussions relating to the works carried out and funds allocated to the different Programmes so that Poverty Alleviation Programmes could be properly implemented and real Rural Development could be realized.

End Notes

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3. G.O (MS) No. 29, Department of Tamilnadu, 24 February 2012.
4. L.Lalitha, "Women in Panchayat Raj System Empowerment through SHGs" *Dynamics of New Panchayat Raj System in India*, Vol. IV, Empowering Women Publishing Company, New Delhi pp 233-234.
5. G.O (MS) No. 25, Department of Tamilnadu, 24 February 2011.
6. Government of India, Ministry of Rural Development, Guidelines SGSY, 141/DRDA, 2000.
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9. Background Note, Ministry of Rural development Govt. of India, January 2010,p-141.
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11. Ibid., p.3.
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13. Evaluation and Applied Research Department, "Tamil Nadu an Economic Appraisal 2011-12 to 2013-14", Government of Tamil Nadu, Chennai, 2014, p.108