

SWARNJAYANTI GRAM SWAROJGAR YOJNA (SGSY)

The Swarnjayanti Gram Swarojgar yojna (SGSY) has been launched with effects from 1st April, 1999 as a new self employment programme with the coming into effects of the SGSY, the earlier programme, integrated rural development programme (IRDP), Training of rural youth for self employment (TRYSEM), Development of Woman And Children In Rural Areas (DWCRA), the Ganga Kalyan Yojna (GKY) as well as the million wells scheme (MWS) are no longer in operation.

Objectives:

The objective of the SGSY is to bring the assisted poor families (Swarozgaris) above the poverty line providing them income - generating assets through a mix of bank credit and government subsidy. The programme aims at establishing a larger number micro enterprises in rural areas based on the ability of the poor and potential of each area.

Salient Features:

1. The Salient features of the Swarnjayanti Gram Swarozgar Yojna (SGSY) are given below. The SGSY aims at establishing a large number of micro - enterprises in the rural areas, building upon the potential of the rural poor.
2. The assisted families may be individual or group, however, emphasis is on the group approach. Generally the groups are formed with the members of BPLfamilies only. In some cases 20% and in exceptional cases 30% of the group members may belong to APLfamilies, but the APL members of the groups are far from being office bearer and will not be entitled to get subsidy.
3. 50% of the group formed in each block should be exclusively for women who will account for at least 40% of the swarozgaries.
4. For selection of key activities, approval of the panchayat samity at the block level and DRD cell zilla parishad at district level are necessary.

5. The scheme ensures upgradation of technology in the identified activity cluster. The technology intervention seeks to add value to the local resources, including processing of the locally available material for local and non-local market.
6. SGSY provides for promotion of marketing of the goods produced by the swarozgaries.
7. SC/ST accounts for at least 15% of the swarozgaries and disabled for 3%..

The SGSY emphasizes 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 adopt a projects approach for each key activity projects are to be preparing in respect of each identified key activities the banks and other financial institutions have to be closely associated and involved in preparing these project report, 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 investments have to be made up under the SGSY, subject to a ceiling of 20% (25% 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 groups (Self - Help Groups). The SGSY however favours the groups approach.

The Gram Sabha authenticates the list of Below Poverty line 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 organisation of the poor into self-help groups (SHGs) and their capacity building. Efforts have to be made to involve women members in each SHG. Besides, exclusive 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 self-help groups.

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. The area to be involved closely in the 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 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-designated 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% of the SGSY allocation on training. This may be maintained as SGSY- Training Fund.

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

The SGSY provides for promotion of marketing of the goods produced by the SGSY Swarozgari, which involves provision of market intelligence, development of markets and constancy service, as well as institutional arrangements for marketing of the goods including exports.

The SGSY is implanted by the DRDAs through the Panchayat Samitis. The process of planning implementation & monitoring integrate the Banks and other financial institutions, the Panchayati Raj Institutions (PRIs), Non- Government Organisations (NGOs), as well as Technical Institutions in the District.

Target Group

Below the poverty line 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% benefits for SCs/STs, 40% for women and 3% for disabled persons.

The initial scheme Swarnajayanti Gram Swarozgar Yojana (SGSY) was launched in 1999. It was renamed as National Rural Livelihood Mission in 2011. Finally they were merged into DDU-AY.

The SGSY was somewhat intended to provide self-employment to millions of villagers. The programme aims at bringing the assisted poor families above the poverty line by organising them into self-help groups (SHGs) through a mix of bank credit and government subsidy. The main aim of these SHGs was to bring these poor families above the poverty line and concentrate on income generation through combined effort. The Swarna Jayanti Swarozgar Yojna (SGSY) has been renamed as National Rural Livelihood Mission (NRLM). With this the scheme will be made universal, more focussed and time bound for poverty alleviation by 2014

SOURAV DAS

Assistant Professor & Head

Department of Geography

Asutosh College

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