

Research Article

# Impact of Swarnajayanti Gram Swarozgar Yojana with reference to credit utilization for agriculture among the beneficiaries of Rewa district

■ N.S. KHEDKAR AND S.S. DHAKAD

**ARTICLE CHRONICLE :**

**Received :**

13.08.2014;

**Revised :**

01.09.2014;

**Accepted :**

15.09.2014

**SUMMARY :** The Swarnajayanti Gram Swarozgar Yojana (SGSY) is a major-self-employment and credit cum subsidy programme under implementation in the country and the scheme has been funded by the centre and the states govt. in the ratio of 75:25, respectively. The present study was conducted during 2006-07 in Rewa block in Rewa district Madhya Pradesh. The total sample for the study consisted of 120 beneficiaries of marginal and small farmers. The study concluded that the association of attributes like education, land holding, size of family, social participation, personal experience of credit utilization pattern, attitude towards credit utilization under SGSY programme, economic motivation, contact with development agencies and mass media was observed highly significant with increase in annual income of the beneficiaries. The co-efficient of multiple determinations (R<sup>2</sup>) indicated that only 83.03 per cent of variation in the annual income increased of the respondents could be explained due to 10 independent variables.

**How to cite this article :** Khedkar, N.S. and Dhakad, S.S. (2014). Impact of Swarnajayanti Gram Swarozgar Yojana with reference to credit utilization for agriculture among the beneficiaries of Rewa district. *Agric. Update*, 9(4): 489-493.

**KEY WORDS :**

Swarnajayanti Gram Swarozgar Yojana, Agriculture, BPL, Poverty alleviation, Self help group

## **BACKGROUND AND OBJECTIVES**

In India for the last five decades, national leaders and planners have been making efforts to develop the strategies and programmes for the upliftment of people. About 32 crores population (1993-94) of India is living below the poverty line in which 24.4 crores (76.25%) people are living in rural areas and 7.6 crores (23.75%) living in urban areas, are leading a miserable life (GOI, 2004). The intensity of problems is found more in rural areas than urban areas. The schedule caste and schedule tribes are poorer than the people of other caste. The problem of unemployment has also become grave in these sections very much. The unemployment situation in the country is indeed grave and calls for immediate attention of our planners and policy makers. In the past, various

employment-oriented programmes were experimented and some of these are still continuing though in a modified and synthesized form. These programmes have definitely relieved the pressure to some extent but their overall impact seems to be very little when compared to the magnitude of the unemployment situation in rural areas. It is also recognized that wage employment cannot be a solution to the problem of unemployment. We shall have to depend more and more on discovering fresh avenues of self-employment in all section of the rural economy. In this context Govt. of India started IRDP with its main objective being to uplift the standard of the poorest section of the society and to alleviate the poverty among the people in the rural areas. The central government has restricted the self-employment programme by merging IRDP, TRYSEM, DWCRA,

**Author for correspondence :**

**N.S. KHEDKAR**

Krishi Vigyan Kendra (RVSKV), SHAJAPUR (M.P.) INDIA

See end of the article for authors' affiliations

SITIRI, GKY, MWS and launched a special programme known as "Swarnajayanti Gram Swarozgar Yojana (SGSY)" from 1<sup>st</sup> April, 1999. The SGSY covers all aspects of self-employment such as self-help group, training, credit technology, infrastructure and marketing. The aim of this new scheme is to cover 30 per cent of below poverty line (BPL) families from each block with the objective of bringing them above the poverty line within a span of three years by increasing their monthly income. The scheme has many special activities based on topographical situation prevailing in the district. The SGSY is a credit cum subsidy programme. The scheme has been funded by the centre and the states in the ratio of 75 : 25. It is implemented by District Rural Development Agencies (DRDAs) through the Panchayat Samitis. The process of planning, implementation and monitoring are integrated with the banks and other financial institutions, the PRIs, NGOs as well as technical institution in the districts. Mundra (1992) revealed that there was remarkable difference between that number of women trained and number of women accepting the trade as a means of self employment. As many as 7.03 per cent women trainees under TRYSEM have not yet accepted the trade as a source of self employment. Gupta and Sadhu (1995) found that education of the beneficiaries had positive association with increase in income. Tiwari (1997) reported that the family size was not correlated with the adoption of improved animal practices. Baghel (2003) concluded that 55.38 per cent of the total cropped area was increased after the induction of SGSY. The majority of the tribal beneficiaries (70.84%) had low level of cropping intensity before the induction of SGSY but majority (60%) of tribal beneficiaries had reached at medium level of cropping intensity after the induction of major irrigation activity under SGSY Meshram *et al.* (2005) reported that beneficiaries of dairy have increased their income level after the implementation of programme. The majority of the beneficiaries get more employment due to Swarnajayanti Gram Swarozgar Yojana (SGSY). To start an enterprise, finance is a serious problem for a poor which ultimately results in increasing demand for credit. Keeping this in view, the present study was conducted on impact of Swarnajayanti Gram Swarozgar Yojana (SGSY) with reference to credit utilization for agriculture among the beneficiaries of Rewa block of Rewa district (M.P.).

## RESOURCES AND METHODS

The Rewa block is located in the center of the Rewa district. Rewa block comprises of 204 villages covering an area of 704.2 sq. kilometer. The Rewa district consists of nine blocks and out of these blocks, Rewa block was selected purposively as maximum numbers of poor families (190) have been benefited there in agriculture enterprise under Swarnajayanti Gram Swarozgar Yojana (SGSY). A complete list of the villages of Rewa block under Swarnajayanti Gram

Swarozgar Yojana (SGSY) was obtained. Out of these villages, 12 villages were selected on the basis of maximum number of beneficiaries benefited in agriculture enterprise. For each selected village, a list of landless beneficiaries, marginal farmers/beneficiaries and small farmers/beneficiaries was prepared. For each selected village a list of beneficiaries was prepared with the help of list of beneficiaries, obtained from DRDA, PRIs, line department and financing agencies and beneficiaries of each village were selected randomly by using sample random method. Thus, the total sample for this study consisted of 120 beneficiaries' respondents. The data were collected through a well structured and pre - tested interview schedule.

### Statistical analysis of data analysis :

Data collected were qualitative as well as quantitative. The quantitative data were interpreted in terms of percentage and qualitative data were tabulated on the basis of approved categorization method as described earlier, the following statistical techniques were used in the study.

### Chi-square test :

The association of different attributes of beneficiaries with their increase in income was tested by Chi-square test ( $\chi^2$ ). For this purpose the following formula:

$$2 N \sum \frac{(O - E)^2}{E} \text{ with d.f. } (r - 1)(c - 1)$$

where,

O = observed frequency

E = expected frequency

$\Sigma$  = summation over all differences

r = number of rows

c = number of columns on the contingency table

Calculated  $\chi^2$  values were noted with references to the  $\chi^2$  value at 5 per cent and level 1 per cent of probability at appropriate degree of freedom. When any cell expected frequency was less than 5 in r x c contingency table, the row in which that frequency lies was combined with the adjacent row which ever deemed appropriate to make the expected frequency of the cell greater than 5. Extent of association has been calculated by using Karl Pearson's formula for co-efficient of association (C).

$$C = \sqrt{\frac{2}{2 + N}}$$

where,

$\chi^2$  = value of chi-square

N = total number of observation

C = co-efficient of association.

For practical explanation of the extent of association co-efficient, values were interpreted as :

- 0.00 to 0.20 (negligible association)

- 0.21 to 0.40 (fair association)
- 0.41 to 0.60 (good association)
- Above 0.60 (excellent association).

## OBSERVATIONS AND ANALYSIS

The study was conducted to know the impact of Swarnajayanti Gram Swarozgar Yojana (SGSY) programme on poverty alleviation among the farmers. Socio-personal, socio-economic, communication and psychological traits have been considered to know the impact of Swarnajayanti Gram Swarozgar Yojana (SGSY) with reference to credit utilization for agriculture development among the farmers was assessed with the extent of increase in their annual income. Frequency distributions of respondents according to their personal, socio-economic, psychological and communication attributes are presented in Table 1. The majority of the respondents (50 %) belonged to middle age group (36 to 50 years) followed by young age group (25 to 35 years) 31.67 per cent and the respondents belonging to old age group (>50 years) were 18.33 per cent. The higher percentages of the respondents (29.17%) were educated up to middle level, whereas 23.33 per cent primary level, 20 per cent high school, 15.83 per cent above high school and 11.67 per cent of the respondents were illiterate. The majority of respondents (46.67%) belonged to O.B.C. group, followed by 38.33 per cent respondents of SC/ST group and 11.00 per cent of the respondents belonged to general group. The major (56.67%) of the respondents had marginal size of land holding (<1 ha) and 43.33 per cent of the respondents were of small size (1-2 ha). The majority of the respondents (54.17%) belonged to small size (<5 members) followed by 34.17 per cent respondents belonged to medium size of family (5 to 8 members) and 11.67 per cent of the respondents belonged to large size of family (>8 members). The maximum (46.67%) of the respondents had medium level of social participation. The percentages of participation regarding too low and high level were observed 43.33 and 10.00 per cent, respectively. The most of the respondents (48.33%) belonged to agricultural labour with farming occupation, followed by 35.00 per cent respondents possessed caste occupation with farming and 16.67 per cent of the respondents belonged agriculture farming of occupation category. The most of the respondents (55.00%) had partial satisfaction of credit utilization pattern under SGSY programme, followed by 35.00 per cent respondents were in not satisfaction category and 10.00 per cent of the respondents had complete satisfaction of the SGSY programme under their personal experience. The higher percentage of the respondents (51.67%) had medium attitude towards SGSY, 25.83 per cent low and 22.50 per cent of the respondents had high attitude towards SGSY programme. The economic motivation, maximum of the respondents (40.00%) had medium economic motivation,

**Table 1: Frequency distribution of respondents according to their personal, socio-economic, psychological and communicational attributes (n=120)**

Sr. No.	Attributes	Respondents	
		Frequency	Percentage
1.	Age		
	Young (20-35 years)	38	31.67
	Middle (36-50 years)	60	50.00
2.	Education		
	Old (> 50 years)	22	18.33
	Illiterate	14	11.67
3.	Primary	28	23.33
	Middle	35	29.17
	High school	24	20.00
	Above high school	19	15.83
4.	Caste		
	General caste	18	15.00
	OBC	56	46.67
5.	SC/ST	46	38.33
	Land holding		
	Marginal (<1 ha)	68	56.67
6.	Small (1-2 ha)	52	43.33
	Size of family		
	Small (< 5 members)	65	54.17
7.	Medium (5-8 members)	41	34.17
	Large (>8 members)	14	11.67
	Social participation		
8.	Low	52	43.33
	Medium	56	46.67
	High	12	10.00
9.	Occupation		
	Agriculture farming + labour	58	48.33
	Caste occupation + farming	42	35.00
10.	Agriculture farming	20	16.67
	Personal experience of credit utilization pattern		
	Not satisfactory	42	35.00
11.	Partial satisfactory	66	55.00
	Complete satisfactory	12	10.00
	Attitude towards credit utilization under SGSY programme		
12.	Low	31	25.83
	Medium	62	51.67
	High	27	22.50
13.	Economics motivation		
	Low	40	33.33
	Medium	48	40.00
14.	High	32	26.67
	Risk orientation		
	Low	44	36.67
15.	Medium	49	40.83
	High	27	22.50
	Contact with development agency		
16.	Low	46	38.33
	Medium	48	40.00
	High	26	21.67
17.	Mass media exposure		
	Low	52	43.33
	Medium	44	36.67
18.	High	24	20.00

followed by low (33.33%) and high economic motivation (26.67%). The majority of respondents (40.83%) reported that they had medium risk in the use of credit facility under SGSY programme, followed by low and high risk with 36.67 and 22.50 per cent, respectively. The majority of the respondents (40.00%) belonged to medium category of contact with development agency, followed by low and high level contact with development agency with 38.33 and 21.67 per cent of the respondents, respectively. The majority of respondents (43.33%) possessed low mass media exposure, followed by 36.67 and 20.00 per cent respondents possessing medium and high mass media exposure, respectively.

Impact of SGSY in terms of increase in annual income of beneficiaries is presented in Table 2. The data in Table 2 indicate that in case of before credit utilization under SGSY programme more than half of the beneficiaries (51.67%) belonged to low income group (<Rs. 20,000) followed by 30.83 per cent of for medium income group (Rs. 20,000 to 40,000) and percentage of high income group respondents (>Rs. 40,000) was 17.50 per cent only. Whereas, after utilization the credit/loan facility for agricultural activities under the SGSY programme a highest percentage of the beneficiaries (40.00%)

belonged to medium income group (Rs. 20,000 to 40,000) followed by 38.33 per cent beneficiaries belonged to high-income group (>Rs. 40,000) and 21.67 per cent of them belonged to low-income group (<Rs. 20,000).

Table 3 presents the constraints faced by the beneficiaries in acquiring benefit of the SGSY programme. Table 3 indicates that most of the beneficiaries (75.83%) reported the problem of complicated process in getting credit followed by short duration of repayment of loan (73.33%), non-availability of water level in boring of well (70.83%), non-availability of good breed of animals (63.33%), delay in getting loan (61.67%), problems in selling milk (58.33%), partiality between illiterate and educated member to include in the programme (56.67%), high cost of feeding material (55.00%), non-availability of information regarding to SGSY programme in time (53.33%), problems faced in obtaining record from Patwari (51.67%), non-issuance of certificate of under poverty line to proper persons by Panchayat (40.00%) and problems faced in filling the bank application form (38.33%). Garg *et al.* (2012) has been also reported the impact of Swarnajayanti Gram Swarozgar Yojna on poverty alleviation in Morar Block of Gwalior district of M.P. Similar work to the related topic

**Table 2: Impact of SGSY in terms of increase in annual income of beneficiaries**

Sr. No.	Income group (Rs.)	Beneficiaries			
		Before		After	
		No.	%	No.	%
1.	Low income (<Rs. 20,000)	62	51.67	26	21.67
2.	Medium income (Rs. 20,000 to 40,000)	37	30.83	48	40.00
3.	High income (>Rs. 40,000)	21	17.50	46	38.33
	Total	120	100.00	120	100.00

**Table 3: Constraints faced by the beneficiaries in acquiring benefit of the SGSY programme**

Sr. No.	Constraints	Beneficiaries		Rank
		Number	Percentage	
1.	Non-availability of information regarding to SGSY programme in time	64	53.33	IX
2.	Non-availability of water level in boring of well	85	70.83	III
3.	Partiality between illiterate and educated member to include in the programme	68	56.67	VII
4.	Problems in selling milk	70	58.33	VI
5.	Complicated process in getting credit	91	75.83	I
6.	Short duration of repayment of loan	88	73.33	II
7.	Non-issuance of certificate of under poverty line to proper persons by Panchayat	48	40.00	XI
8.	Problems faced in obtaining record from Patwari	62	51.67	X
9.	Problems faced in filling the bank application form	46	38.33	XII
10.	Delay in getting loan	74	61.67	V
11.	Non-availability of good breed of animals	76	63.33	IV
12.	High cost of feeding material	66	55.00	VIII

was also done by Badodiya *et al.* (2008) and Nagayach (2007)

### Conclusion :

Most of the beneficiaries belonged to middle age group (36 to 50 years), middle level in education, medium social participation, partial satisfaction of credit utilization pattern, medium attitude towards SGSY programme, medium economic motivation, medium risk orientation, medium contact with development agencies, OBC caste category, marginal land holding, small size of family, agriculture farming plus labour occupation and low mass media exposure. In case of before utilization of SGSY programme, most of the beneficiaries belonged to low income group (<Rs. 20,000) followed by medium income group (Rs. 20,000 to 40,000) and percentage of high income group (> Rs. 40,000) respondents was 17.50, whereas after utilization the credit/loan for agriculture development under the SGSY programme a higher percentage of the beneficiaries belonged to medium income followed by high income group. It shows the positive impact of SGSY on credit utilization for agriculture purpose among the beneficiaries in the Rewa district of Madhya Pradesh.

Authors' affiliations :

**S.S. DHAKAD**, Krishi Vigyan Kendra, (RVSKVV), SHAJAPUR (MP) INDIA

### REFERENCES

**Baghel, P.K.S.** (2003). A study on impact of Swarnajayanti Gram Swarozgar Yojana (SGSY) with special reference to credit utilization

for minor irrigation among the tribal farmers of Dewsar block of Sidhi district (M.P.) M.Sc. (Ag.) Thesis, Jawaharlal Nehru Krishi Vishwa Vidyalaya, Jabalpur, M.P. (INDIA).

**Badodiya, S.K., Shakya, S.K. and Daipuriya O.P.** (2008). A study on Swarnajayanti Gram Swarozgar Yojana reference to increase in annual income of swarozgaries. *Bharatiya Krishi Anusandhan Patrika*, **3-4** : 184-189.

**Garg, S.K., Badodiya, S.K., Daipuria, O.P. and Rawat, U.** (2012). Impact of Swarnajayanti Gram Swarozgar Yojana on poverty alleviation in Morar Block of Gwalior district. *Indian Res. J.Extn. Edu.*, **1** :189-191.

GOI (2004). Swarnajayanti Gram Swarozgar Yojana Guidelines, Ministry of Rural Development, NEW DELHI, INDIA .

**Gupta, S.K. and Sadhu, A.N.** (1995). IRDP in hill areas (a case study in J&K). *J. Rural Develop.*, **14**(1): 53 - 64.

**Meshram, Vishal, Pyasi, V.K. and Saxena, V.K.** (2005). Impact of Swarna Jayanti Gram Swarozgar Yojana on beneficiaries of Mandla district, M.P. *Indian Res. J. Extn. Edu.*, **5** (2&3): 148-149.

**Mundra, S.N.** (1992). Impact of TRYSEM amongst women beneficiaries. *Indian J. Extn. Edu.*, **28**: 50-65.

**Nagayach, U.N.** (2007). A study on Swarnajayanti Gram Swarozgar Yojana with reference to credit utilization for dairy enterprise among the farmers of Lahar block of Bhind district (M.P.). M.Sc. (Ag.) Thesis, J.N. Krishi Vishwa Vidyalaya, Jabalpur, M.P. (INDIA).

**Tiwari, R.K.** (1997). A study on factor influencing the adoption of improved animal husbandry practices by the farmers of Dharsiwa block in Raipur district of M.P. M.Sc. (Ag.) Thesis, Indira Gandhi Krishi Vishwavidyalaya, Raipur, C.G. (INDIA).

★ ★ ★ ★ ★ of Excellence ★ ★ ★ ★ ★  
9<sup>th</sup> Year