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**Rural Non-Farm Economy Project**

# **Orissa State Case Study**

## **Nyagarh District fieldwork report**

**PHASE ONE**

*(February 2002 to April 2002)*

*Conducted by*

**CYSD, Bhubaneshwar**

*For*

**Natural Resources Institute, University of Greenwich**

*The views of this document are solely those of the authors  
and not necessarily those of the DFID or World Bank*



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## Executive summary

This report contains the results of field work in two blocks of Nyagarh District, and includes case studies of four villages (and their significant hamlets in some cases), Self-Help Groups, and individual entrepreneurs. There is a parallel study of a similar sample in Bolangir District (NRI Report No. 2715), and this summary is common to both. These all help to illustrate both the personal struggles of many of the people in the District, and also some of the more general issues affecting the potential of non-farm activities and income-generating activities (IGAs). The report is part of a study of the factors that can contribute to the expansion of the non-farm rural economy in India, which also includes a case study in Madhya Pradesh. The purpose is to identify policy interventions that can expand non-farm activities through the understanding of how to promote peoples' access to them, and how to provide the governance framework that is most conducive to their promotion.

A notable feature of the fieldwork is how significant *seasonality* is in peoples' livelihoods, even for those not working directly with farm products. In some cases this is a reflection of the climate: some tasks are not easily done in the *rainy season*, and so those activities are suspended. The highs and lows of agriculture also have a marked effect on how much demand there is for other goods and services (because customers' income goes up and down). They even affect whether some artisans are available or not to work: in almost all these case studies, the people have some land and *engage in farming* even when non-farm activities are their main livelihood activity. They cannot afford to relinquish cultivation entirely, and may have family members who remain in farming but who need assistance at busy times. The fieldwork in Nyagarh therefore confirms much work elsewhere which demonstrates that people do not necessarily see a non-farm activity as a *replacement* for cultivation, but that farming remains as an adjunct and safety net, with access to land a significant feature. It is unlikely that policies to increase non-farm activities at the expense of agriculture will be welcomed. In almost every village, the significance of wage labour is highlighted as a crucial part of the livelihood strategy for many poor people, whether or not they have adequate land or non-farm IGAs. Going away to work, or finding wage work locally, are essential to the smoothing of seasonal variations, and as the source of cash within farming households.

Households perceive different livelihood activities as part of a range of opportunities that create different income streams and reduce risks. Linked with that, groups which are restricted in the range of IGAs that they can pursue are likely to be most at risk of seasonality and fluctuations in demand for their outputs (whether through fashion, competition or breaks in the marketing chain). Often these restrictions of opportunity are because activities are defined in caste or gender terms. But there may be new dangers in the increased dependence of some groups on activities such as leaf-plate making, where the marketing is highly dependent on one official buyer, and where the very process of expanding the activity is bringing the resource base into crisis (as the leaves become more and more scarce). This connection between sustainable use of natural resources and expanded IGAs deserves greater attention. But also some activities are constrained because of bureaucratic and expensive barriers (whether licenses or bribes) to the use of available forest products.

Of the constraints on the expansion or initiation of IGAs, *credit* emerges as a key factor, for both initiating and maintaining non-farm activities. The individual case studies (Annex) tend to be of the relatively successful entrepreneurs (those who fail and decline are less obvious candidates for interviews). Notably, several of them obtained start up credit from within the family, so that risks and costs were lower. The difficulty of getting further credit in order to

expand apparently fairly successful enterprises seems significant in some cases. On the other hand, many entrepreneurs and artisans are critical of the expectations that their customers have of being allowed credit or delayed payments, and this seems to disrupt their cash flow and also their ability to take risks and make further investments. However, it is clear that some also are quite willing to organise purchasing cartels in order to reduce prices they have to pay to producers (e.g. of agricultural produce), while at the same time many smaller artisans and SHGs complain that having better access to markets and less reliance on middlemen would increase their income significantly.

The functioning of these markets is seen as unfair by some, and essential for their success by others, and it seems that simplistic claims that better access to markets and what is in effect a plea for the reduction in power of merchants and traders is more complex than seems admitted. Linked to this is the plea that some rural (cottage) industries deserve protecting and would flourish if they had better access to markets and/or the ability to retain some of the later value-adding processes locally. The economics of this need to be worked out a lot more thoroughly: if some young men are willing to migrate a thousand miles to Kashmir to work in textiles, it would seem to indicate that working locally in weaving is not an attractive alternative.

The acquisition of relevant skills is clearly crucial to the emergence of many of these enterprises, and notably they are all from private individuals who are already in the business (there are few examples of government training schemes in the fieldwork sample). In a number of cases, the current entrepreneur was willing to undergo months or over a year of apprenticeship, often with no or very low pay, in order to be able to establish themselves independently. It is probably important to look at the conditions in their family circumstances that enable such a sacrifice to be made. It is also clear that such entrepreneurs are fearful of creating competitors when they train others, and that government training initiatives should likewise take account of the potential problem of oversupply. The weaving SHG also illustrates the problem of official or NGO training, where women's enthusiasm to participate was not matched by the expansion of the equipment that would provide them with jobs.

In most cases, IGAs are being done by people who have relatively high levels of school education. It is possible that the education itself is not so significant as the confidence that it imparts, or even that the people who are inquisitive enough to pass in school are also open-minded enough to seek new opportunities. Several of the new artisan activities in the Annex are people who were inspired to take up their new trade by the example of others, and this informal demonstration effect seems important.

While caste-specific occupations and some gender discrimination (most of the entrepreneurs are men) are clearly still present in all the villages, among a few cases in the Annex it is evident that the mould has been broken, and a new IGA has enabled a few women and men to escape their traditional boundaries. However, these seem to be a result of initiative combined with need, and it is not clear what sort of policy intervention might enable this type of shift to be widened to the many thousands who remain constrained by custom.

The report is an edited and abbreviated version of the report of phase 1 of the field work completed by the local consultants in 2002.

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# INTRODUCTION

## **Background to the RNFE research in Orissa**

The role of rural non-farm sector in alleviating rural poverty has been widely acknowledged. It needs to be given due recognition in the policy framework at Central, State and local levels. The policy research project on the Rural Non-Farm Economy (RNFE) reflects a growing realisation within governments and development agencies that the conventional emphasis on the agricultural sector is an insufficient means by which to tackle rural poverty, and that an improved understanding of the non-farm components of the rural economy is also required.

Orissa is one of the case studies of the RNFE project in India. In Orissa the research is being conducted in Nayagarh and Bolangir districts. The former is relatively close to Bhubaneswar (the state capital), and is more advantaged agriculturally. Bolangir suffers frequent droughts and is regarded as one of the poorest districts in India. These two districts offer contrasts in agricultural conditions that might inform the analysis of RNFE, in particular the links between agriculture (in the broader sense) and non-farm activities. The Centre for Youth and Social Development (CYSD) is the local research partner organisation for research in Nayagarh District, while ActionAid is partner in Bolangir, where it has been well established for several years in village-level development and advocacy. This pilot study was conducted by CEPRA-CYSD in collaboration with the Natural Resources Institute (NRI). This report presents the findings of Phase I of research in Nayagarh district.

## **Purpose of the RNFE research in Orissa**

The main purpose of the present research is to inform and assist governments, the Department for International Development (the UK foreign aid ministry) and the World Bank in formulating pro-poor RNFE policies in India. This is in the context of the likely continued inadequacy of the agricultural sector to provide sufficient employment or other livelihoods, and the wish to avoid the negative environmental and social consequences of increased levels of migration into large towns and cities.

The research in Orissa has two components:

- Local Governance and the rural non-farm economy;
- Access to rural livelihoods and barriers to participation and diversification; and

The **Access component** will identify (a) factors that condition access to rural non-farm employment for the poor and (b) mechanisms for integrating these research results into relevant policy processes. Its focus is the household-level or individual-level factors that hinder or facilitate participation in rural non-farm activities.

The **Local Governance (LG)** component analyses how institutions (constitutional and informal, public and private) operate at the local level (small towns and districts) in relation to non-farm activities. It is concerned with understanding what conditions and what type of wider political and economic framework is best for improving and expanding the RNFE. This involves examining the potential positive and negative impacts of local governance on the RNFE.

More specifically, the LG component will investigate two related hypotheses. One is that the RNFE is susceptible to positive and negative influences depending on the characteristics of local governance. The other is that decentralisation may have beneficial effects on the RNFE by enabling forms of supportive local governance.

## **Definitions**

Research on the rural non-farm economy is sometimes thwarted by definitional debates. It is therefore useful to clarify terms at the outset:

- “Employment” here refers to wage and self-employment, whether on own farm or as wage labour on someone else’s farm;
- “Non-farm” is defined by what it is not – it is not primary agriculture (crops or livestock), nor does it normally include forestry or fisheries (though in practice, non-timber forest products are often a source of raw materials for some non-farm activities).

The research centres on *non-farm* activities that contribute to rural livelihoods. Income from migratory activities is included where the individual is considered to still reside in rural areas (rural-rural migration, daily commuting from a rural area to local town, or seasonal or weekly commuting). In all these situations migration could be viewed as part of a rural household livelihood strategy. Where permanent migration has occurred, or where migration has taken a former household member to a larger city, and remittances are sent back to the rural area, this would be captured as a rural household asset and income stream, rather than as non-farm activity.

## NYAGARH DISTRICT CHARACTERISTICS

Nayagarh District was carved out of Puri district in 1993. The district is located towards the west of Puri district and its neighbouring districts are by Cuttack in the north, Phulbani in the west, Ganjam in the south and Khurda in the east. The river Mahanadi that flows in the eastern boundary is the natural boundary between Nayagarh district and Cuttack district. Much of the district is hilly. It has a monsoon climate, with the average annual rainfall of 1550 mm mainly falling from June to September, with the remaining part of the year being very dry. Soils are red laterite, gravely laterite, and a major portion of the area endowed with a varied soil like loom, sandy loam, and in particular locations with heavy soils. The net irrigated area in the district is 44,589 ha. (canals for 23,225 ha, wells for 7,230 ha and other sources like water harvesting structures for 14,134 ha). Despite its potential for development, Nayagarh has not made much progress in irrigation, and most agriculture here is rainfed. The state government has attempted to improve irrigation potential through increased private investments, and optimising existing irrigation infrastructure through Water Users Associations (WUAs), of which there are 17 operating in the district at present.

### **Political and Administrative Structure:**

Nayagarh District is divided into one Municipality, four Tahsils, two notified area councils (NACs), eight community development blocks, 143 gram panchayats, 9 police stations and 1707 census villages. The four Tahsils (Nayagarh, Khandapada, Dasapalla, and Ranpur) are ex-princely states. The District Collector is the administrative head of the district, and is also designated as District Magistrate and chief functionary under various Acts. He is assisted by an Additional District Magistrate (ADM) for revenue functions, and a Sub-collector in general functions. The Tahsils are headed by a Tahsildar belonging to the Orissa Administrative Services. The collection of land revenues devolves directly on the Tahsil staff like revenue supervisors, revenue inspectors, collection Moharirs.

The Project Director (PD) of the District Rural Development Agency is officer in charge of rural development activities under the collectorate. Each community development block has a Block Development Officer (BDO) who is overall in charge of the block with a number of department officers (Agricultural Extension Officer, Social Education Organiser, Veterinary Extension Officer, Block-level Extension Officer, Sub-Assistant Engineer) under him, each being a specialist in his respective sphere.

### **Demographic characteristics**

Nyagarh District has a population of around 864,000 (Provisional Census, 2001), an increase of about 11 percent from the 1991 census, which is less than the 14 percent growth over the previous decade. Of the total, 96 percent are regarded as living in rural areas. There are different definitions of poverty in use in India, which mean there are various assessments of poverty numbers. With a poverty line defined as income below Rs.11,400 per annum, nearly 68 percent of the District's rural population are regarded as being poor (*District wise abstract of BPL survey, 1997*). In a more recent study, NABARD criteria put about 60 percent of the people in Nayagarh below its poverty line (NABARD, 2002)<sup>1</sup>.

Scheduled castes (SC) are 13.8 percent of the total population. People in scheduled tribes (ST) are only 6 percent of the total (unlike some other districts in Orissa, which have about half),

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<sup>1</sup> *Potential Linked Credit Plan, 2002-03 to 2006-07, NABARD*. The poverty line is here defined as income below Rs.15,000 per annum.

the largest tribe being the Kandhas (or Konds/Gonds). They are concentrated mainly in Nayagarh, Daspalla, Ranpur and Odagaon blocks of the district. These tribes mostly follow Hindu customs, observing several festivals round the year. Over 99 percent of the district's population are regarded as Hindu. Oriya is the predominant language, and is spoken as mother tongue by the vast majority of people. The literacy rate of the district is 71 percent with the female rate 58 percent and for males at 83 percent. The literacy rate among SCs and STs is 40 percent and 32 percent respectively (1991 Census). The sex ratio of the district is 939 females per 1000 males (2001 Census).

## **METHODOLOGY AND SAMPLING TECHNIQUE**

### **Sample selection**

The research has used a complementary and iterative mix of existing and new quantitative and qualitative data collection tools. It included village level survey on existing income generating activities and the potentials for rural non-farm economy and assessment of policies affecting the rural economy, especially the non-farm-based economy.

The first phase of the research covered two villages in each of Odagaon and Dasapalla blocks, which are the best-irrigated in Nayagarh District. Out of the total irrigation potential created in the District, major/medium projects cover 3,783 ha in Kharif and 2,383 ha. in Rabi in Daspalla block, and 3,458 ha in Kharif and 637 ha in Rabi in Odagaon. Apart from these two blocks, major/medium irrigation projects cover only one other block in the district (Nayagarh block), and that is only for Kharif crop (Source: District Statistical Handbook, 1997-Nayagarh). Dasapalla has the greatest irrigation potential (9,757ha.) followed by Odagaon (8,312ha.) with major/medium/minor and lift irrigation projects. Agriculture is quite developed in these two blocks, with main produce being paddy, black gram, green gram and vegetables.

Besides agriculture, Odagaon has also been famous for its handloom industry, which has for many years been losing its relative importance in competition with the modern factory sector. Odagaon still has the largest number of looms and members of weavers co-operative societies. Daspalla, like Odagaon has agriculture as its main activity but it also has plenty of other resources, especially dense forest for income generation in areas other than agriculture. Government initiatives have assisted in establishing Leaf plate making as a major trade activity in the block.

Two villages were selected in each of the blocks taking into account the degree of development of road communication, distance to town markets, and GO/NGO development programmes related to non-farm sector. Satajhari and Poibadi villages were selected from Daspalla block and Tulapi and Udaypur were selected from Odagaon. Poibadi and Udaypur well connected to the block headquarter with better roads, and are closer to markets, schools, hospitals etc. These villages did not have a Scheduled Tribe (ST) population, so it was decided to include other villages with an ST population. Satajhari and Tulapi, the tribal villages, were not very well connected on roads to the block headquarter, especially Tulapi of Odagaon. These villages have no or very little access to market, hospitals, schools etc. Some government programmes for non-farm activities had benefited the villages, while others have failed. These villages also had NGO intervention, which has helped them in certain ways.



## **Tools/Techniques**

During phase one of the research various PRA tools combined with semi-structured interviews were used for collecting primary information on the rural non-farm economy. These include:

- Village-level
  - a. Social and resource mapping
  - b. Focused group discussions
  - c. Wealth ranking
  - d. Seasonal calendar
  - e. Venn diagrams (combining mobility map)
  
- Village, block and district level
  - f. Key informant interviews with government and NGO staff
  - g. Semi-structured enterprise interviews

Due to time constraints, it was not possible to employ all the above methods in all the villages during this initial research phase. Mobility maps were combined with the Venn diagrams due to time constraints, the period of data collection being the harvesting period. Besides this, of the four case study villages, two were scheduled tribe villages, which were relatively smaller and distant from the block headquarters, with less infrastructure development.

### **a. Social and resource mapping**

Participatory social and resource mapping offers a good introduction to the case study villages. It allows the research team to obtain an initial understanding of the social structure of the community and the availability and location of key resources, including land, rivers, irrigation, livestock, forests, social and economic infrastructure, and so on. A good perspective on access to, and control over, these resources can also be obtained by combining these two maps.

In addition, a combined social and resource map is an important tool for structuring and conducting subsequent fieldwork. First, it can provide useful clues regarding important research topics. Second, it can form the basis for selecting groups and individuals within the community for focused discussions and semi-structured interviews. Finally, it can be used to facilitate group or individual discussions.

The social maps were drawn by a relatively small group of well-informed villagers, the role of the researchers being to facilitate the process. Women did not participate in this exercise. In the case of the two larger case study villages, mapping of different hamlets was done separately and then brought together into a single map.

### **b. Focus group discussions on income-generating activities at village level**

This exercise was conducted in every case study village with a purpose to identify the main income generating activities (IGAs) undertaken by households and individuals in the community, as well as key problems and enabling factors associated with these activities. Ranking of activities, the enabling factors and problems faced in each IGA was also carried out.

In the two larger case study villages, different hamlets comprised people from different castes

and sub-castes. The exercise was to be carried out initially with good representation of each community in the meetings. But since the social dynamics prevented constructive interaction amongst different groups (scheduled castes and general castes), the group discussion for each hamlet was carried out separately, with relatively homogenous caste groups. Besides this, the group discussion with women in the general caste hamlets had to be carried out separately, as women were restricted by their traditions and customs from participating in discussions with men. The group discussion was carried out with the following objectives:

- i. Identification of different income generating activities (IGAs) in the community, including farm and non-farm activities;
- ii. Listing the problems (barriers) they face with these IGAs.
- iii. Identifying three most important IGAs for the participants.
- iv. Assessing the three major problems faced in these activities
- v. Identifying a list of factors which have enabled some IGAs/businesses to start up and/or continue successfully.
- vi. Discussion on how these enabling factors can be promoted/strengthened.

After thanking the community for their presence, the researchers introduced themselves and explained the purpose of the research and the meeting. The villagers were given the opportunity to ask questions to the research team. Signing attendance was not possible for two reasons – first not all the participants were literate, and second it would have raised expectations and they thought they would get something in return. People were critical about this as in past some agencies have got their signatures and had not done anything for them. Taking all this into consideration and for free flow of information, taking signatures was avoided.

To start with, the group was asked to *list the income generating activities (IGAs) in the community*. This included farm as well as non-farm activities. The various activities identified by the group were written down on coloured cards. Icons were used for all activities for the illiterates in the group. The cards were then laid out on large pieces of paper on the ground. Following this, the group was asked to *volunteer a list of problems (barriers) they faced with the IGAs listed*. Identified problems were written down on separate cards. Icons were used wherever possible for convenience of those who were unable to read.

In the larger villages, this exercise was carried out separately for the scheduled castes and general castes, and also with men separately from women. In the tribal villages the group was also divided on a gender basis. Each group was assigned to one set of cards with the IGAs and each person was given three stones, which were used to *vote by placing the three markers on cards representing the three IGAs, which were most important for them*. The scores were written down in a notebook. One representative of each group presented his/her sub-group's findings back to the whole group. In villages where the people found it difficult to explain the findings, they were assisted by the researchers. The process was repeated separately for each caste and gender group. Overall conclusions, differences and similarities were then discussed. The ranking and discussion process was then repeated with respect to the *problems faced*.

Following this, each sub-group was asked to *identify a list of factors which enabled some IGAs/businesses to start up and/or continue successfully*. Participation of different members of the group in the discussion was ensured. Following this, a discussion on *how these enabling factors could be promoted/strengthened* was also done. The research team finished the session by thanking the group for their participation and asking whether there were any topics, which had been overlooked. The group was also given the opportunity to ask particular

questions to the research team.

### **c. Wealth ranking and income generating activities at village level**

The objectives of wealth ranking in the context of the present research were:

- i. To refine our understanding of the socio-economic structure within the community;
- ii. To classify and define different wealth/well-being groups according to local perceptions;
- iii. To identify which wealth/well-being groups undertake each IGA identified in previous discussions with the community; and
- iv. To identify the reasons behind participation in different IGAs and the factors which explain access to these activities.

Wealth ranking exercise was carried out in each of the village with representation of all hamlets in the groups, except in Udaypur where joint meeting of SCs and general caste could not be organised due to the caste dynamics. Also, women in the bigger villages did not participate in the group discussion: only men voted on the IGAs of the various categories of well-being groups. The research team introduced the process and expected outputs, and explained the objectives of wealth ranking. The participants were asked to *describe how many types of wealth/well-being groups existed in the community* (e.g. rich, medium, poor and very poor). The categories identified were posted on coloured cards at the top of columns on a large sheet of paper.

The group was then asked to *present a profile of each of these groups* (e.g. housing, land, animals, money, food, etc). Definitions for each wealth/well-being category was written on post-its and placed underneath the appropriate category in the large sheet of paper. These definitions were then confirmed by the whole group through further discussion and clarification and modifications were made based on the agreed features. Following this, the group was asked *how many households in the community fell under each wealth/well-being category*. This number was posted above each category on the paper. This was again confirmed by the whole group through further discussion and clarification.

Drawing on the list of IGAs identified in focused group discussions, a matrix was constructed listing these different activities down one side of a new sheet of paper and the wealth/well-being categories along the top. *Prioritisation of the IGAs* based on the wealth/well being category of people could be done only in Tulapi village due to the dynamics of the villages. For this exercise each individual was given three tamarinds collected from the forest and asked to *prioritise those IGAs that they felt were carried out by the first wealth/well-being category of people*. Having placed the tamarinds, the total was added up and written down. The exercise was then repeated for the remaining wealth/well-being groups. Men and women did this separately. The results were added up (separately for men and women) for discussion and clarification with the whole group.

Following this discussion, the whole group was asked *how the highest wealth/well-being group had achieved that level* (enabling factors). They were also asked about the access constraints that prevented other community members from reaching the same level of wealth/well-being. The result of the exercise was then discussed and further comments were invited. After thanking the group the exercise was closed.

### **d. Seasonal calendar**

Seasonal diagrams were used to understand the seasonal aspects of income generating

activities in the community, including:

- farm and non-farm wage labour,
- migration,
- crop production and marketing,
- crafts,
- forestry product collection and marketing,

It was difficult to draw seasonal maps by key informants or small groups in the community. Thus the researchers facilitated a group discussion on the points listed above and presented it on the chart paper by using icons for them to see and verify. Modifications were made according to their suggestions from time to time.

#### **e. Venn ('chappati') diagrams**

Chappati diagrams illustrate the roles of different people and formal and informal institutions in the community, thus providing important insight into governance and access to non-farm activities by different community members. Circles represent individuals and institutions, and their size is an indication of their respective importance for them. Overlapping circles indicate overlap in decision-making and interactions between individuals and institutions. The extent of overlap indicates the extent of interaction and influence. Distance between the circles shows the accessibility of the institutions. The areas of particular interest to the current research included:

- local government structures and institutions
- government/NGO/donor development programmes and initiatives
- education
- credit

Venn diagrams were drawn by a small group of villagers. The research team facilitated the whole exercise to ensure that the information contained in the diagram was relevant and accurate. This exercise was carried out in different hamlets of the village where the importance of the institutions varied for the communities. This also combined mobility mapping exercise for the different groups though in an informal way.

#### **f. Enterprise interviews**

Semi-structured interviews with individual or group enterprises at village, block or district level offer insight into both access and governance issues and can generate very interesting case studies. Two enterprise interviews were carried out in this phase (one rice mill owner and one woman shopkeeper) operating all year round on a full-time basis. (The list of questions/issues included in the checklist is given in an annexe)

#### **g. Government official/NGO interviews**

Government and NGO staffs are useful sources of information regarding governance and access issues. Five government officials – Project Director, DRDA; AGM, NABARD, AGM, Textile; BDO, Daspalla and BDO, Odagaon were interviewed in this context. Two NGO functionaries in the district were also interviewed – SANCHAR, Daspalla and SAMBHAV in Odagaon.

## **DISTRICT ASSETS RELEVANT TO LIVELIHOOD DEVELOPMENT**

The following sections contain information that is mostly compiled from district handbook sources. It provides some indication of the infrastructure and socio-economic resources available in Nayagarh that may have some bearing on the issues of access to livelihoods, and the adequacy of local government in providing the right type of framework for livelihood diversification. The picture that emerges is not surprising: the district is like many in Orissa, with generally poor and sparse facilities that make access to key services difficult (involving time, effort and money), especially for the rural poor.

### **Finance**

Formal Credit Delivery System: National Bank for Agriculture and Rural Development (NABARD) is the main financing body that works with commercial banks for rural development. Its main functions include extending finance at ground level through commercial banks and development of schemes with 90-100 percent finance in certain priority areas (decided by central government) like cold storage (100 percent), micro-finance, Non-Farm Sector like handlooms etc. where minimum finance is 90 percent. NABARD is also involved in promotional measures for training in farm and non-farm sectors, and ensuring additional rural employment through self-help groups (SHGs) with the help of Nayagarh Action Group.

NABARD has its district office at Nayagarh, and works with eleven Nationalised Banks having 30 branches, Puri Gramya Bank with 26 branches, Nayagarh Co-operative Bank with 10 branches, Khurda Central Co-operative Bank with one branch and one CARD Bank. State Bank of India is the lead bank of the district responsible for co-ordinating with other banks in the district to design the Development Action Plans (DAP). The bank branches are well distributed throughout the district.

The achievement of Nayagarh Central Co-operative Banks (CCB) under Development Action Plan has been better than all commercial banks and regional rural banks in Nayagarh. The credit deposit ratio of CCBs has been 123 percent (*Annual Credit Plan, 2001-2002, State Bank of India*). However, the achievement in respect of loans outstanding, investment, working capital owned funds, deposits, borrowings, profit/loss, transaction cost and recovery of loans have fallen short of the DAP target for 2000-01.

The Puri Gramya Bank (PGB), had accumulated loss during the years 1997-2000 but since then it has improved its performance and been able to adhere to most DAP targets. The CARD bank's performance in the year 1999 was more miserable with heavy accumulated losses. Due to fund constraints they have stopped lending completely and recovery of earlier loans so far remains negligible.

Informal Credit Delivery System: This is better suited to improving the accessibility of the rural poor to credit and encouraging them in banking habits. This is an alternative channel for credit disbursement to poor people, which was already experimented with success, and slowly gaining acceptance by the bankers, the rural poor people and the NGOs. These methods save people from going through the detailed formalities of banks to get a small loan. A Microfinance Development Fund has been set up in NABARD, with a contribution of Rs.40 crores (400 million) each by NABARD and the Reserve Bank of India (RBI). This provides finance to Micro Finance Institutions (MFIs), and infrastructure support for training, systems management and data building. Vulnerable sections including women/SC/ST and Other Backward Castes (OBCs) and SHGs have been given special emphasis for promotion of micro enterprises in rural areas.

There are more than 150 NGOs in the district working on developmental activities. Most of these are involved in rural areas in education, health, nutrition and other social programmes. Though a number of NGOs have formed SHGs, they have not been able to promote thrift and credit activities or economic improvement of the members. Only occasional conscious efforts have been made to link the groups with banks. This may be because of lack of awareness, lack of interest in availing bank credit, or because of poor utilisation experience of savings already mobilised in the district. Only NGOs like SWORG, Adhikar, Samuha Vikas, Gania Sishu Raija, CART, and Dahi Khai Jubak Sangha have taken up micro-finance as their core activity. The Puri Gramya Bank and Bank of Baroda have taken a lead in the district in linking with SHGs. The Government's interest has also been diverted towards the Swarna Jayanti Grama Swarozgar Yojana (SGSY – a credit-based rural development initiative of the central government, discussed below in section 5) and Mission Shakti.

### **Infrastructure**

At present there is no cold storage, market yard or storage godown (warehouse) in the district, apart from storage godowns of the State Warehousing Corporation, MARKFED and RCMS. The district has good motorable roads linking various places with the district headquarters on 131 km of State Highways, on district roads for 138 km and on other roads for 235 km. There are about 7,000 km of other roads under other localities, towns, panchayat and villages. The number of motor vehicles registered in Nayagarh has increased to 14,6104 in 1997-98 from 11,4866 in 1995-96.

During the year 2000-2001 provisions have been made from the SGSY infrastructure fund for setting up of Krushak Bazaars (mini market yards) at Nayagarh, Odagaon, Ranpur, and Kishoreprasad at a total cost of about Rs.35 lakhs (3,500,000). Out of the total 1,707 villages in the district, 1,178 are electrified and there is no problem regarding availability of diesel. There is one Head post office in Nayagarh town, and 26 sub-post offices and 178 branch post offices in different blocks.

### **Health**

There is only one district headquarters hospital (Medical College) in Nayagarh. There are 10 other hospitals, 4 community health centres, 34 Primary health centres. The district does not have any mobile health unit or sub-divisional hospital. It has 19 homeopathic dispensaries and 13 Ayurvedic (herbal and traditional medicine) dispensaries. The homeopathic dispensaries have 19 doctors and 19 assistants spread over all the blocks of the district except Khandapara, while the 13 Ayurvedic dispensaries have 13 Kabirajs (doctors) and 13 distributors in all the blocks of the district except Daspalla.

### **Education**

There are 808 primary schools in the district with an average of 3.48 teachers per school (better than the State average of 2.6). Each of the 344 middle schools in the district has an average of 3.2 teachers, about the norm for Orissa. But the 161 secondary schools have 7.7 teachers on average, which is below the State average of 8.5. The gender balance is very unequal in all levels of education, with female students between 30 and 40 percent of the total (unusually, the female participation rate is higher in secondary school than in earlier years). There are also 15 colleges for men, but only one for women. Participation in education generally declines rapidly with age, so that the number of students in secondary school is only 17 percent of primary school attendance. The literacy rate is 57 percent, with a male rate of 73 percent and female literacy rate at about 40 percent. The literacy rate for SCs was given as 40 percent and for STs was 32 percent as per Provisional Census 2001.

## LIVELIHOODS

The working population of the district constitutes about 2.5 lakh (250,000) persons out of which main and marginal workers comprise about 2.34 lakhs (234,000) and 0.16 lakhs (16,000) respectively. Agriculture is the main occupation of the district, with 116 thousand people designated as cultivators, and a further 66 thousand agricultural labourers. The number of people employed in livestock, forestry, fishing, hunting and plantation of orchards and allied activities is about five thousand. Mining and Quarrying employs over five hundred. while the manufacturing, processing, servicing and repairing units employ about 16,400 people. There are about 1,300 employed in construction, eleven thousand in trade and commerce, over 1,800 persons in transport, storage and communication and over 18 thousand in other services (Source: District Statistical Handbook, 1997; data disaggregated by gender is not available).

### Agriculture

Agriculture is the main source of livelihoods for people of Nayagarh. Out of the district's total area of 389,000 ha, the total sown area is 102,953 ha. However, as is common in India, the holdings of land are very unevenly distributed, with the largest holdings over 10 hectares having sown area equivalent to that of the 30 percent of farmers on the smallest holdings of less than a hectare (see table – while this data is more than ten years old, it is unlikely that the distribution has become more equal). The majority of holdings are small and marginal or semi-medium (sic) land holdings. With more than 90 percent of the people in Nayagarh living in the countryside, the size of the majority of farms suggests that agriculture is insufficient as the main source of livelihood for many people. There have to be alternative and diversified livelihoods, and so the expansion of non-farm activities may need to become the priority.

**Table: Farm holdings 1990 – 1991**

Farm Size Category	Size in hectares	Number of farms	Percentage of all farms
Marginal	Less than 1	32172	29.85
Small	1 – 2	32919	30.55
Medium	2 – 4	25899	24.03
Semi-medium (sic)	4 – 10	13571	12.59
Large	Over 10	3200	2.97
		107761	100

Source: District Statistical Handbook 1997

Paddy is the principal crop followed by sugarcane, wheat, Ragi, pulses (mainly green gram and black gram) and oilseeds. Odagaon and Daspalla are the largest paddy producing blocks, with production in 1996-67 of 211,577 and 139,035 quintals respectively, giving yields of 1172 kg/ha and 1278 kg/ha. The total paddy production of the district was 621,075 quintals, with a yield rate of 659 kg/ha (District Statistical Handbook, 1997). This means that just these two blocks produce well over fifty percent of the district total, with yields around twice the district average.

The important sugarcane producing areas are Bhapur, Gania, Khandapara, Nayagarh and Odagaon blocks. The total sugarcane production of the district (1995-96) was 2,846,926 quintals with a yield rate of 61,290 kg/ha. Lack of permanent irrigation and major sugarcane-

consuming industries prevents the expanded production of this crop, though the potential exists.

### **Plantation and Horticulture**

India is the second largest producer of fruits and vegetables in the world, but only one percent is processed, suggesting that there may be scope for increased livelihoods in this sector. The main crops that are normally grown in the district are mango, banana, guava, jackfruit, lemon, coconut, and cashew. . The soil and climate of Nayagarh provides ample scope for development of plantation and horticultural crops. There is also a potential for mushroom cultivation in the district.

### **Forestry**

The (legally defined) forests in Nayagarh are reported to cover 53 percent of the district, and include luxuriant growth of sal, piasal, sesame and other timber-producing trees. There are 57 community forest management groups working in four divided zones under Nagagarh Zilla Jungle Mahasangha (NZJM). These groups working in 627 villages are guarding more than 73,000 ha of forest area. In the NGO sector the BOJBP (Brikhya O Jeevan Bandhu Parishad) plays an important role with more than about 80 Bana Sanrakhyana Samiti (BSS- Forest Management Group). Forest resources are a crucial source of timber and non-timber assets for both organised enterprises and communities. Non-timber forest products (NTFPs) are essential components of livelihoods especially for poor people, including some groups of STs in parts of the district.

### **Fisheries**

There are five major reservoirs in the district: two in Odagaon, one in Dasapalla, one in Ranpur and one in Nuagaon. They have a total water area of 800 ha and production potential of 226 tonnes per year. Besides this, the production potential from tanks/ponds is 1885 tonnes per year. Fishermen number over twenty thousand, and there are 258 fishing villages, 409 fishermen families, and 10 fishermen societies with 775 members. There is no fish hatchery in the district at present, except one fish farm in Nayagarh town. There is also a complete lack of cold storage in the district.

### **Non-Farm Sector**

The total workforce of the district is about 253,000, which is around one third of the total population. Out of the total working force, 45 percent are cultivators, 26 percent agricultural labourers, 6 percent marginal workers and the remaining 22 percent belong to other categories. About seventeen thousand people are engaged in non-farm sector (NFS) and artisan activities, which includes 220 small units and 101 cottage and village units. The district has the following traditional and non-traditional industries:

<b>Name of Trade</b>	<b>Name of Block</b>
Brass and Bell Metal	Khandapada, Ranpur, Odagaon, Gania and Nayagarh
Dhokra Casting	Gania
Wood Carving	Khandapada, Gania, Ranpur and Daspalla
Ivory Wood	Khandapada
Appliqué Work	Nayagarh
Textile Industry	Nayagarh
Coir Making	Ranpur
Drama Dress	Nayagarh



The district also has certain places famous for traditional NFS activities throughout the State:

Brass and Bell Metal	Kantilo (around 210 families are engaged)
Drama costumes	Itamati
Wooden and Leather work	Daspalla (55 families are engaged in leather work)
Stone Work	Sarankul

There has been a marked change in the Nayagarh Handloom sector as it has seen non-traditional people taking up weaving as profession. The reasons for this interesting shift have not yet been investigated.

There is a long-standing role for government in regard to non-farm activities, especially in rural cottage industries and among these especially in handloom textiles. Within the district, a General Manager heads the District Industry Corporation (DIC) office at Nayagarh. An Industries Promotion Officers (IPOs) is stationed at each block headquarter. The major function of the DIC is identification of entrepreneurs, the promotion and establishment of small-scale units, making scarce raw materials available, arranging adequate finance with infrastructure facilities, providing marketing assistance, identification of sick units, the generation of self-employment through Prime Minister's Rozgar Yojana (PMRY), a scheme promoted by the PM (see next section), promotion of artisans, development of handicrafts, cottage and village industries.

### **Government Initiatives**

There are a number of government-sponsored credit programmes operating in the district which are intended to bring economic development for the people. Not all of these are directly intended to generate employment or livelihoods in rural areas, but may do so indirectly by generating demand for craftspeople (e.g. in house building and repair), and generally increasing local spending power.

**Swarna Jayanti Grama Swarozgar Yojana (SGSY)** began in 1999 under the central government. This scheme has replaced the earlier schemes of Integrated Rural Development Programme (IRDP), Development of Women and Children in Rural Areas (DWACRA), Training for Youth and Self-Employment Programme (TRYSEM), Supply of Improved Toolkits to Rural Artisans (SITRA), Jawahar Kamgar Yojana (JKY) and Million Wells Scheme (MWS). The important feature of this scheme is that it is be funded by the Central and State Government in the ratio of 75:25. Under the scheme, multiple doses of credit are provided so as to ensure a monthly net family income of Rs2000. Efforts are being made to cover 30 percent of the poor families in each block within next five years with a special focus on a group approach. The subsidy under the scheme is 30 percent of the project cost or Rs.7500 for general castes, 50 percent of project cost or Rs10,000 for SC/ST and 50 percent of project cost or maximum of Rs1.25 lakhs (Rs.125,000) for groups (SHGs). There is reservation for SC and ST (50 percent) for women (40 percent) and for disabled (3 percent). Out of 8 to 10 activities selected by each block committee, the district committee (depending on the resources available, occupational skills and marketing facilities) prioritises four or five key activities per block. Out of the groups formed in each block, 50 percent are reserved exclusively for the women. During the year 1999-2000 out of a total target of 3890, in 2545 cases loans were disbursed. During the year 2000-2001 the achievement as against target was 114 percent, i.e., 3915 against target of 3449. The district ranked fourth among all the districts in the State.

The **Prime Minister's Rozgar Yojana (PMRY)** is another important scheme under which subsidy of 15 percent of the project cost is provided, subject to a maximum of Rs.7500 per entrepreneur. The banks take margin contribution for remaining amount so that the subsidy and the margin contribution taken together are equal to 20 percent of the project cost. Under the scheme educated youth (who have passed level VIII) in the age group of 18-25, with family income less than Rs.24,000 per year are eligible. The cost of the project is limited to Rs.1 lakh (Rs.100,000) in case of business, and Rs.2 lakh (Rs.200,000) in case of industry and service and Rs.10 lakh (Rs.1,000,000) in case of groups. The scheme has not been very successful in the district, nor in any other part of Orissa. This is mainly due to the lack of entrepreneurial zeal, the inability of the DIC to co-ordinate the programme effectively, poor marketing arrangement, low recovery and disinclination on part of some banks to finance (Potential Linked Credit Plan, NABARD, 2000-01). The achievement in the year 2000-2001 has been very poor, with only one unit in Nayagarh (Rs.0.84 lakhs, Rs.84,000), one in Nuagaon (0.90 lakhs, 90,000) making a total of only 1.74 lakhs (174,000) in the whole district.

### **Jawahar Gram Samridhi Yojana (JGSY)**

The primary objective of JGSY is creation of demand-driven community village infrastructure, including durable assets at the village level and assets to enable the rural poor to increase the opportunities for employment (especially for those below poverty line). The scheme is implemented as a Centrally Sponsored Scheme on cost sharing basis between the Centre and the State in the ratio of 75:25. The wages under the programme are paid either in cash or as foodgrain. The village Panchayats are responsible for payment of prescribed wages to workers under the programme. Performance data for this scheme are not available).

**Swarnajayanti Sahari Swarojgar Yojana (SJSRY)** was launched in 1997, and replaced the earlier schemes of Nehru Rojgar Yojana (NRY), Urban Basic Services for the Poor (UBSP) and Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP). The scheme is funded 75:25 Central:State Government, and consists of (a) provision of wage and employment, (b) provision of employment through upgrading housing and shelter, and (c) a scheme of urban micro-enterprises (SUME). Under SJSRY a person can get a credit up to Rs.50,000, with subsidy of 15 percent of the project cost subject to a maximum of Rs.7500. During the year 2000-2001 a total of only Rs.3.57 lakhs (357,000) were sanctioned for 21 units. Through the SC/ST Action Plan in the district efforts are being made to sort out the operational problems.

**Employment Assurance Scheme (EAS)** of the government is the single wage employment programme to be implemented at the district/block level throughout the country. Under the EAS, funds are shared between Centre and States in the ratio 75:25. Under the programme, funds to the States are allocated in accordance with the criteria decided by the Government from time to time and also to the districts on an index of backwardness evolved at the Centre. Seventy per cent of the funds flowing to the district are allocated to the blocks and 30 percent are reserved at the district level to be utilised in areas of distress. Under the EAS the selection of works are done by Zilla Parishads after due consultation with MPs of that area. However, in the absence of elected bodies, a Committee comprising local MPs and Members of Legislative Assemblies (MLAs) and other elected representatives may be constituted for selection of works. The main aim of this programme is to ensure a minimum of 100 days employment to the BPL persons of the age group 18 to 60. Under this scheme only two persons from a family can get employed at a time in such a programme. Performance data not available.

**The Indira Awas Yojana (IAY)** is a major scheme for construction of houses for the poor, free of cost. However, an additional component has been added to this scheme, namely, conversion of unserviceable kutchha (poor quality) houses to semi pucca (good quality) houses at Rs.10,000 per unit utilising 20 percent of total available funds for IAY. The criteria for allocation of funds to States is having a poverty ratio of 50 per cent, and housing shortage of 50 percent. Performance data for this scheme are also not available.

## **INFORMATION ON THE FIELD WORK BLOCKS AND VILLAGES**

### **DASPALLA BLOCK**

Daspalla block has an area of 571 sq. km and is the biggest block of the district with 416 revenue villages (343 inhabited, 73 uninhabited) in 19 Gram Panchayats. The block has the largest area under forest (20,423 ha) and land put to non-agricultural uses (6179ha) in the district. It also has the largest area of barren and uncultivable land and fallow. The net sown area of the block is fourth highest among of all blocks (14,050 ha). The land utilisation pattern of the block has been shown in the table below (compared with Odagaon block):

<b>Land Utilisation pattern</b>	<b>DASAPALLA BLOCK, ha.</b>	<b>ODAGAON BLOCK, ha.</b>
Forest:	20423	1457
Misc.Tree crops & groves not in net area sown	424	738
Permanent Pastures and grazing land	1182	2054
Cultivable waste	102	2106
Land put to non-agricultural uses	6179	3576
Barren and uncultivable land	2650	3484
Current fallows	6152	1570
Other Fallows	4707	1371
Net sown area	14050	18770
<b>Total</b>	<b>55869</b>	<b>35126</b>

### **Demographic features**

The block has a total population of about 84 thousand, with highest concentration of Scheduled Tribe population (nearly 18 thousand, 21 percent) of all blocks. The Scheduled Caste population of the block is second highest, and is also about 21 percent. Out of 21 thousand families in the block, 76 percent are below the poverty line as stated by BDO.

### **Livelihoods**

As is general in the district, agriculture is the main source of livelihood. It has the highest yield rate of Paddy of 1248 kg per hectare (1997). The block also has the highest level of major/medium irrigation projects, and some minor irrigation and lift irrigation projects. Daspalla also has potential for production of fish and it produces around 567 tonnes every year, which is highest in the district (16.43 percent of the district's fish output).

### **Political and Administrative Structure**

The administrative head or the executive head of the block is the Block Development Officer (BDO). The political head is the block chairman who is the President of the Zilla Parishad. The chairman works with the Panchayat Samiti Members, which comprises of Sarpanches of

the 19 Panchayats of the block. The Sarpanch has ward members for each ward under each of the Panchayat for execution of the activities of the Panchayat at village level.

### **Education**

Looking at the available information on education facilities provides interesting insights into the problems of data collection and accuracy. According to the BDO (during fieldwork in 2001), Daspalla has 90 primary schools, 11 government upgraded middle schools, 9 high schools, and three colleges. The concentration of ST people is reflected in the provision of nine sevashrams (primary schools for tribal children) and one residential sevashram and kanyashram (high schools for tribal girls). There are also two tribal/rural welfare high schools in the region. A vocational training centre at Madhyakhanda is not functioning.

Yet according to the District Statistical Handbook 1997, there were 113 primary schools, 36 middle schools, 18 high schools and only one college (for men only) in the block. There seems to be a gap (not sufficiently explained by the different years) between the information procured from the block office in 2001 and the official district level records for 1996-7.

The District Statistical Handbook, 1997 also gives data for different categories of people attending education. It reveals that there were about 8686 boys and 3204 girls in primary schools out of which 2251 were SCs and 1785 were STs. There were 1927 boys 1365 girls in middle schools out of which 598 and 284 were SC and ST respectively. There were 1142 boys and 936 girls in secondary schools with 308 and 128 students from SC and ST communities each. There were also 618 boys and 190 girls in college out of which 115 were SCs and 26 were ST. One the whole these figures suggest that there is a gap between the enrolment of boys and girls in educational institutions like other blocks of the district and the number of girl students is less than half the number of boys in secondary schools and less than one third in college. Not only this, the enrolment of STs is very low at all levels starting from primary schools to college. SC enrolment is also very low in comparison to the total number of students in the block.

### **Infrastructure**

In 1997, there were nine commercial bank branches in the block, four sub-post offices and 16 branch post offices. Road communications in the block are not very good, as most areas are not well connected to main roads, especially in the rainy season. There is no railway station in the block. The main development priority of villages after agriculture and irrigation is road construction.

Daspalla Block headquarter is the main market, and people in all villages generally need to come there for buying and selling in the biweekly *Hats*. It is difficult to know whether the limitations of the market restricts trade, or whether the timing of the market reflects the level of business to be conducted.

### **Development projects**

The SHG movement has been very successful in the block, and new entrepreneurial activities have been established. These include a leaf plate making/pressing unit at Buguda colony, woollen carpet weaver's co-operative at Daspalla etc. The main thrust of government has been leaf plate making. NGOs have been very active in formation of SHGs and the promotion of income-generating activities through them. This has not been very successful because of the poor infrastructure and road connectivity. Road construction is the main priority, which

would also generate employment under Employment Guarantee Scheme in the lean (summer) period.

### **ODAGAON BLOCK**

Odagaon is only 26km from the district headquarter of Nayagarh. Its area is 342 sq. km, making it the 4th largest of the eight blocks of the district. It has 220 villages (19 of them uninhabited) under 38 Panchayats (recently increased from 26 Panchayats) for which the political head is Zilla Parishad Chairman and administrative/executive head is the BDO. The block has about 26 thousand households.

Odagaon has the second largest area under forest after Daspalla. It has the largest net sown area of the district with 18,770 ha and second highest cultivable waste (2,106 ha). The land utilisation pattern of the block is shown in the table above.

### **Demographic features**

The block has a total population of about 140,000, with the highest share of SC (13 percent) out of all other blocks. The Scheduled Tribe population of the block constitutes only 1.52 percent. Over 99 percent of the people are listed as Hindu.

### **Livelihoods**

Agriculture is the main source of livelihood of the block and the block has 21,000 people listed as cultivator main workers, and a further more than 14 thousand as agricultural labourers. It also has the second highest yield rate of Paddy in the district (1,172 kg per ha in 1996-7: District Statistical Handbook, 1997). Major/Medium Irrigation Projects in the block also occupy second position in the district. The block also has more working tubewells for drinking water than any other block in the district.

Non-farm activity are not flourishing in the block, and there is a lack of marketing networks (whether the former are restricted by the latter, or the latter reflecting the poor development of the former needs further investigation). But despite this, Odagaon has been famous for its household industries, which employ over 2000 main workers in the sector and put it in second place in the district. These include the largest number in the district of main workers in Mining and Quarrying (162 persons). Other main workers in the block are also employed in livestock, forestry, fishing, hunting, plantation or orchard and allied activities (724 main workers); construction (226 main workers); Transport, Storage and Communication (364 main workers).

Odagaon, employs many people in fishery and has been capable of producing over 500 tonnes of freshwater fish every year, (16 percent of the district output). Dairy and goatery enterprises have not been successful in the block. It is considered that there is potential for development in agriculture processing activities, with proper training in sophisticated hygienic packaging of crops like green gram, other pulses and paddy. Mushroom cultivation has also been promoted by SAMBHAV (a local NGO) and some groups are benefiting from this.

### **Education**

The official block data show that there are 125 primary schools, 55 middle schools and 25 secondary schools. The total number of students in primary and middle schools in the block is the highest of all blocks in Nayagarh (21,318 and 4,240 respectively). Unusually, the ratio of boys to girls is much higher for primary (1.7:1) than in middle school (1.2:1). The block also

has the highest number of girls in primary and middle schools in comparison to other blocks. The number of students in secondary schools in the block is 2558 (1250 boys and 1308 girls, making it the second highest among all blocks for girls). The number of college students is 1382 (with 1012 boys and 370 girls) which is highest in comparison to other blocks in the district except urban Nayagarh.

### **Health**

There is no Medical College or sub-divisional hospital in the block. There is one allopathic hospital in the block headquarters, and seven Primary Health Centres (PHCs). There are also two homeopathic dispensaries, and three ayurvedic dispensaries.

### **Infrastructure**

There are 10 commercial banks branches. The BDO considers that finance for agriculture development has not been sufficient in the block. A significant number of SHGs have emerged, and they are being supported in taking up initiatives in household sector. More than 400 SHGs have been financed with such initiatives in the block in activities related to agriculture.

The main problem identified in the block is lack of proper market. There are only local markets, which are insufficient to consume the produce of the block. Lot of infrastructure development is taking place and *Krishak Bazars* (farmers' markets) have been organised in the last one or two years for agriculture and allied activities. It is considered that inadequate markets remain the main barrier to development in Nayagarh district as a whole. However, there seems to be little analysis of why there is no greater spontaneous emergence of markets if there really is the stated unfulfilled demand and willing supply of commodities to match it.

### **Development projects**

SGSY has been the main scheme that has been given priority in the block, and it has financed 400 SHGs. New initiatives like mushroom cultivation have been taken up by the SHGs. There has also been construction of SGSY Training Centre in the block headquarter for courses in agriculture and allied activities like mushroom cultivation. Efforts are also being made to revive the handloom sector, which has been losing its importance due to competition with the cheap machine made goods and also due to mismanagement of the co-operatives. But here again the respondents in the fieldwork maintain that the development of better markets remains the first priority, although there is no sense as to why these do not emerge spontaneously in response to demand. Concomitantly, there is little sense among local officials as to the economic logic of activities like handloom weaving can re-emerge if the competition from outside manufactures provides an attractive alternative to local or outside consumers.

## **DASPALLA BLOCK VILLAGES**

### **SATAJHARI VILLAGE PROFILE**

Satajhari is about 11 km from the block headquarters of Daspalla. The bus stand for the village, the Saliagochha bus stand, is 2½ km away from the village and 8½ km from Daspalla. There is no transport to Satajhari from this bus stand. People either walk down to the village or use bicycle for local conveyance on *kutchha* (earthen) road to the village. This limits the access of villagers to places outside.

There are 23 households in the village with a total population of 118 (62 male and 56 female). It is a tribal village with inhabitants only from *Basu Sabar* tribe who migrated from Pingu hilltop and settled in this village about 65 years ago. Most of them belong to the same kin and have almost same socio-economic status except for seven landless families who depend on others' land for survival. They either share-cropping or help in processing of the products and earn their share. Poorer families in the village also take care of others' household chores and earn their living.

Satajhari is one of the wards of *Sariganda Panchayat* of Daspalla block. People in this village generally do not participate in Palli Sabha, and on the rare occasions they do, it is only a few people who go. The only representative of the villagers in such meetings is the ward member, who is a resident of the village. There is no female representation in the Panchayat. The Sarpanch lives 6km away from the village and has no role to play in their lives though the villagers consider him important. The main problem associated with governance in Satajhari is the dominance of elected representatives/politicians. Panchayati Raj Institution (PRI) here has affiliation with political parties and so there is a lot of manipulation at all levels starting from the selection of beneficiaries for any strategic decision at Panchayat level. Lack of awareness of the PRI system and its functioning restricts people from accessing Panchayat benefits for development.

There is one women's Self-Help Group (SHG) with 16 members, facilitated by SANCHAR, the local NGO.

### **Livelihood assets**

Satajhari is surrounded by hills on three sides, and these are covered by dense forests with *baunso* (bamboo), Mahul, *Khajuri* (date palm), *Ambo* (mango), *tentudi* (tamarind), *panuso* (jackfruit), siali and sal trees etc. These forests are the second main source of livelihood for the people throughout the year, agriculture being seasonal. The village also has three big jackfruit, and a few guava and tamarind trees. These fruits are used for self-consumption and are a source of income in the lean period (March to June) through sales to a middleman.

The main source of livelihood in Satajhari is agriculture. All villagers, except seven families, own land about one to five acres. The richest man owns 70 acres but lives outside village. People here also depend on his land for shared cultivation, which is determined by their capacity to invest and produce. They produce dhana (paddy), Mooga (Green gram), Biri (Black gram), suriso (mustard seeds), and vegetables depending on the seasons. But these are produced mainly for self-consumption. Barter still exists in the village, with the exchange of surplus produce for items produced by others. For sales they are totally dependent on two to three middlemen who come to the village from time to time. Villagers sell the products only in times of emergency (e.g. when needing medicine), and for festivals etc. The middleman has his own monopoly and the villagers have no regrets and they are satisfied with whatever they are paid. The distance from market (only at Daspalla), the high cost of transport (and only two buses a day), and the villagers' lack of business attitude stops them from getting involved in trade directly and hence their income also gets limited. The villagers also believe that business is not meant for tribal people as it involves manipulation, which a tribal person cannot do.

### **Education**

There is no school in the village. There is primary school 2km away, but many children start going very late because of the distance, and girls generally do not go to school. Even if they

do go, it is only for a year or two and after that they get engaged in their household chores and forest produce collection. Only a few people in the village have got education up to class V. Though education has first priority (as revealed in chappati diagram), only one villager has passed high school. Financial constraints and long distance of 6km to the high school limits access to education. Most of the villagers viewed high school education as expensive and said that they cannot afford it.

### **Infrastructure**

The soil conservation department has constructed a water harvesting structure (WHS) that is used for agriculture. There is a pond used for bathing in the middle of the village which separates the *badasahi* (big hamlet) and *sanasahi* (small hamlet). There is only one tube well in the village in the *badasahi*, which is used for drinking water. All the houses are thatched, but the concept of cleanliness and hygiene keeps the village very clean. There is one temple at the entrance of the village, which is a common point of worship for the villagers.

The village is at a distance of 2 ½ km from the bus stand, and is connected to it by a kutchra (earth) road. It is very difficult to reach the village on a four wheeler. The distance and poor means of transport and communications are instrumental in limiting their access to market and other government offices, which are located at Daspalla. There is one grocery shop in *badasahi* and a pan shop at *sanasahi*. These shops cater to all the immediate needs of the village. Besides this, itinerant traders also come to the village to sell their consumer items, clothes, utensils etc.

People here generally do not go to hospital (at Daspalla). The local primary health centre is at a distance of 6 km and they generally do not even go to that, and seem to avoid all medical institutions because of their superstitions. They do visit the school during immunisation camps, when the lady health worker comes there to immunise children and pregnant women. This health worker has never visited the village. In case of emergency in rare cases they go to Daspalla hospital directly and not the PHC. The compounder (health assistant) visits the village at least once a week and the villagers dependent on him for medication.

For the people of Satajhari village, illness is a curse and punishment from god for some bad deeds of the previous life. For treatment they prefer not to go to hospitals, and believe that if they pray with a clear soul they will be cured with god's blessing. But for this they have to offer chicken or goat to god in the temple once they are cured. They have a feast on such occasions in which all the village members are invited. But people die of diseases like malaria and diarrhoea due to their superstition. Besides this, every household has goats, chicken, sheep etc which are kept only for such occasions and killed only for these feasts. These are also assets for use in emergencies, and they sell them at prices offered by the traders. Their tradition restricts them from engaging in animal trade also, though there is a potential for a business in it. Cultural practices that are evident in attitudes to illness often act as barriers in development and promotion of developmental activities.

### **Credit**

As already mentioned, the villagers have not taken any loan, as they fear they will not be able to pay back with interest. Whatever kind of finance they have taken up includes only the schemes which include an amount as subsidy. They have been financed under SGSY scheme recently for making leaf plate for trading. Of the total project cost of Rs.10,000, 50 percent is a subsidy for STs. Sixteen women have joined this but have limited the assistance to the subsidy alone. The beneficiaries were provided with a sum to contribute to the cost of equipment to make the leaf plates, and also working capital. They are not interested in taking the loan of Rs.5000 from the bank as they will have to repay it and they do not want to take



any risk. Ignorance and lack of access to market has kept them unaware of the actual benefits of the program. All the working capital has been consumed in day-to-day expenditure rather than investment in the trade for profit.

The poverty alleviation schemes, though reaching people, are not benefiting them due to lack of awareness about the provisions under government poverty alleviation and development programmes. The banks on the other hand also are not interested in motivating the people or releasing the loan amount to avoid defaulters. The villagers are also happy with the amount or benefit that they get without any investment.

ORMAS, the government-marketing agency collects all the machine-made leaf plates and sells it to Annapurna Agency at Hyderabad. The government vehicle goes near the village (2km away) where the villagers carry the bundles of leaf plates. They are not paid any labour charges for that. Since all the production is taken away, there is no problem in marketing. But the people raised concern that siali leaves are reducing day-by-day due to large-scale production, and will not be available always. Also making leaf plates is a traditional activity in the village, and now other women suffer, as there is no demand for the hand-made leaf plates, which most of the women produce. There is a need to reflect on the significant trades identified by the state and look for alternatives for long-term engagements in such trades

### **The Gender Context**

Early marriage is a very common feature in this village. Women attaining puberty are married and bear children at an early age to perform multiple tasks inside and outside the household. Because family responsibilities are not shared by men and women, and also traditional beliefs and superstitions, women are unable to participate in decision-making. There is also a concept of purity in the village that restricts women's mobility and participation in many gatherings: menstruating women (called "chhoon") are not supposed to enter their house for seven days. They stay outside on the platform of the household, and only after taking bath and washing their hair on the seventh day they are clean and allowed to enter the house. In this period they are not supposed to touch any other individual in the village and those who by mistake touch them have to take bath to be clean again.

Gender discrimination also becomes obvious when women, who work more hours than men inside and outside, and in income generating activities, and in the care of income generating resources (land, animals, shops etc.) do not have any control of the resources or income from them: decision-making authority lies with the men.

### **Seasonality and gender**

Agriculture, keeps the villagers fully occupied only in the months of July and August (paddy transplantation) and from mid November to mid January in harvesting. The other crops grown are also in the same season. The lean period for them is from February to June, and there is no work at all done by men during April to June. Men go outside the village if there is any waged labour available in road construction. Women keep themselves engaged throughout the year, in transplantation, harvesting and processing, and leafplate making throughout the year (except in February and March when the leaves are not available in the forest). During this period, they keep themselves busy in collection of other forest products like *mahul*. Fruits like mango are collected in the month of May and June, and also some edible roots from the forest during the lean period (Feb-March) for self-consumption and for sale if there is demand from the middleman.

Men have no work during February to March and from September to October. Another

feature observed in this village is that though women give a helping hand in all activities of men, men play no role in their income generating activities like leaf plate making, forest produce collection etc.

Seasonal availability of work (especially in agriculture and forest produce collection) makes the villagers vulnerable to exploitation in hands of the contractors and traders who offer them lower wages in the lean period. Not only this, their returns to labour involved in forest produce collection (involving long distances with heavy head-loads) are very low, as the villagers are not involved in any of the value-addition in processing and trading themselves. As tribals, they believe that business is unethical and that they cannot and should not engage in trading themselves.

### **Village Income Generating Activities**

Agriculture is the main source of livelihood for all the residents. For some it provides food security for up to 6-8 months, while for others only for two months. Agriculture remains the main source of income, as those owning less or no land engage in share-cropping or wage labour in agriculture in Satajhari and nearby villages. For the villagers, cultivation whether on their own land or on that owned by others has the same importance: all have only marginal or small landholdings. Also, they engage in other activities only in the lean period (February to June).

In addition to agriculture, the villagers identified eight income-generating activities (IGAs) which are important to them. The activities are presented in the table, which illustrates that there is a gender difference in the importance attached to them. It is obvious that though agriculture is the main activity for the village, women ranked leaf plate making slightly higher in importance (30 percent), than cultivation (28 percent). The collection of non-timber forest products (NTFP) was also very significant for women at 21 percent). The most important activity for men was agriculture (46 percent), followed by wage labour in construction (21 percent), and NTFP collection and sale (17 percent). Mat making was important only for women (7 percent) while activities like animal trade (8 percent), thatched house construction (6 percent) were important for some men. Shop keeping (2 percent) was important only for two persons.

### **Leaf Plate Making**

Mrs Rajani Majhi, wife of Siba Majhi, is about 30 years and is just literate. She has a son (11) who is studying in class II and a daughter (8) studying in Class I. Leaf plate making is a traditional and pioneer income source for her throughout the year. She collects siali and sal leaves from the forest with other women in the village. Sometimes her daughter assists her in collection and stitching. Previously she used to make sal leaf plates for selling and siali leaf plates for own consumption. At present they are sewing siali leaf plates by machine and sal by hand using bamboo sticks for sales.

ORMAS opened a leaf plate-pressing unit 1999. To strengthen the centre and collect siali leaf (raw materials) for continuity of centre, ORMAS has given sewing machines at nearby villages through State Bank of India, Daspalla. Rajani, being a beneficiary, has received a sewing machine, threads (10 bundles) and working capital of Rs500 through SBI in 2001. A Village Level Worker along with the ORMAS representative, SBI staff had visited the village, organised a meeting and selected the beneficiaries. 16 out of 21 households have received the machine through loan.

Mr Subash (ST) comes from a nearby village to provide training to the women for two month. Threads are supplied by ORMAS, and the cost of thread is deducted from the cost of the leaf plates. The price of 1 bundle (100 piece) of 16 inches is Rs20, 18 inches is Rs22, and 20 inches is Rs25. Hand made siali leaf plates bundle containing 80 pieces of leaf plates is sold for Rs6 per bundle.

Rajani stitches about 70-80 leaf plates per day. In a week, 2 days are spent in collection of siali leaves, 2 days for drying them up and 2 days for stitching. Around 1200-1400 pieces are produced in a month. ORMAS collects the leaf plate bundles from the village by truck or mini truck to the pressing unit, which is around 10 km from Satajhari. Payment is made at the time of collection of the bundles in a place nearby village. The trade depends upon the availability of leaves. From February to April leaves get dried up and are infected sometimes that is why they are not suitable for sewing. From May to January the leaves are available in abundance.

Apart from the sewing the leaf plate Rajani does household chores and agricultural work. During July to September sewing leaf plates is secondary to agriculture.

Degradation of forest is a serious threat to this profession according to Rajani. She is interested in learning tailoring so that she could use the machine it in future when leaf plate trade becomes difficult.

Rajani assessed that she will earn around Rs4000 from leaf plate stitching per year if it continues.

An important point to be noted here is that though agriculture is important for the village as a whole, it is mainly for self-consumption, and any trade that occurs is entirely conducted through middlemen. All other trades also done only through middleman, except the grocery shop for which the owners go to Daspalla and do their purchasing.

The main problems that men gave in conducting IGAs for the village were illiteracy (31.25 percent), delay in payments of up to two years after depositing Kendu leaves in the godowns (25 percent), and the lack of capital (18.75 percent). For women, the main problem was that they earned very little in relation to the amount of labour involved (47.37 percent). Long distances of travel to the forest, and the seasonal availability of work were the second main problem for the women in Satajhari with 26.32 percent votes for each.

**Table: Satajhari village ranking of significance of IGAs (votes percentages)**

<b>Income generating activities</b>	<b>Men</b>	<b>Women</b>
Cultivation	46	28
Leaf Plate Making	0	29
Mat making	0	7
Thatched House	6	0
Animal trade in emergency	8	0
Grocery Shop	2	0
Waged Labour	21	14
NTFP collection and sale	17	21
Total (rounding of figures excluded)	<b>100</b>	<b>100</b>

### **Wealth ranking and IGAs**

A wealth ranking exercise was carried out on a different day at a time convenient for the villagers. Four categories of people were identified: *Dhani* (Rich), *Madhabita* (middle class), *Gariba* (Poor) and *pura gariba* (very poor). Their definition of these categories of well-being was mainly based on land ownership and the period of food security in months. The richest man in the village with 70 acres of land ownership, who is a non-tribal and does not stay in the village but still they consider him a part of the village. Of the other three categories 43 percent (10 households) were considered poor, 35 percent (8 households) were middle class while 28 percent (5 households) were very poor.

Members of households in all the categories engage in the same IGAs, and the only difference that was considered to affect being in the different well-being groups was the amount of production or income due to the number of workers in a family. On other grounds all the households were had similar socio-economic status.

Leaf plate making was identified as a potential trade in the village, as they had received assistance from the government two months before. All the produce was being taken away by ORMAS, the government-marketing agency, and they were also getting good returns on the leaf plates. Before the introduction of the machine, they used to get Rs.5 for 80 bundles of 21 leaves, but they now got Rs.20 for 100 bundles, and can make 200 to 300 bundles in a week. Previously, they could make up to 80 bundles of leaf plates by hand in a week and earn only Rs.5 per week. Using the machine they can now earn Rs.40 to 60 a week. Selling through ORMAS is new, and only one pick up had been made at the time of the fieldwork. The trade seems profitable to the villagers, but only 16 girls are involved with the machine. They considered that the hand-made leaf plate trade is suffering and due to lack of demand of such plates they are sometimes forced to sell a bundle for as little as Rs.4. The villagers also showed concern on how long this trade would continue as siali leaves in the forest were decreasing.

### **Non-Timber Forest Products collection**

Mrs Pramila Pradhan, wife of Mr. Suratha Pradhan, is about 35 years old and is just literate. She has 3 sons (17, 15 and 13 years) and twin daughters (6 years). She has two acres of land and she is a scheduled tribe staying in Satajhari village.

According to Pramila, until 12 years ago, the village was surrounded by dense forest. But illegal cutting of big trees has denuded the forest resources. Several varieties of forest produces were available earlier but at present only few NTFP are collected. Pramila collects only Mahua flower and Mahua seeds (for liquor), Tamarind, Kendu leaf, sal and siali leaf. Apart from this, certain roots like *Kadaba*, *Cheranga*, *Masiha*, some varieties of potato and bamboo sprout (karadi-local name) are also collected.

Pramila reported that at present amla, sal seeds, hill broom, honey, resin, etc. have disappeared from the forest. Mahua flower and mahua seeds, tamarind, kendu leaves, sal, siali leaves are in demand. Two petty traders from Daspalla come to the village and purchase the goods. In 2002 she has collected 60 kg of mahua sold for Rs350, and 12 kg of tamarind sold at the price of Rs50.

There is a kendu leaf collection centre at village Rangamatia, which is 2½ km away from the village. The rate is fixed by the government, and they get Rs20 for 100 bundles. Manshi is appointed to collect the kendu leaf. The pluckier people go to centre to deposit the collected leaves. Payments are made once in a week. From kendu leaves she earns Rs400.

Hadibandhu Sahu of Sariganda village collects the sal leaf plates. Pramila along with the other women carries the sal leaf bundles on her head to Sali Gochha village, which is 2½ km from the village and Hadibandhu brings a truck to Saliagochha village to pick up the things. One bundle contains 80 pieces of leaf plates, for which they get Rs.5. Average 10 bundles sal leaf plates are produced per week from her house and they earn at least Rs50 in a week. After delivery Hadibandhu immediately pays them the price. The production of sal leaf decreases during July to October due to engagement in agricultural field. According to Pramila she can earn about Rs.2, 500 from the sal and siali leaf plates.

The women in Satajhari do not collect sufficient hill broom because Satajhari forest area is nearest to Daspalla and women from Andharkota, Barapalli, Saliagochha, Rangamatia also collect hill broom from Satajhari forest area. Also, some landless people have encroached the forestland for cultivation leading to reduction in the germination of hill broom. She reported that now the hill brooms are being replaced with brooms made of date palm leaves and bamboo sticks.

Another potential area for them was forest produce collection and sale (Mahul, Kendu leaves, bamboo etc). But due to delay in payments at government offices, they were not engaging in such activities very often. They only chose such activities in lean periods. The village does not engage in any non-farm activity except leaf-plate making and wage labour in road

construction. Seasonal availability of work and long distances of travel were the main concerns of the villagers.

### **POIBADI VILLAGE PROFILE**

Poibadi village is about 8km from the block headquarters of Dasapalla, and is under Tendaguda Panchayat. It is well connected by road to Dasapalla, and is 5km from the bus stand. This village is also surrounded by hills at a distance of about 15km.

The village has about 300 households with a population of about 1700, having representation of general castes, OBCs and scheduled castes. There is no Scheduled Tribes community in this village. Different castes form six main hamlets in the village: Do mosahi (SC: 60 HH), Panasahi (SC: 15HH), Totasahi (OBC & General: 46 HH), Kurmosahi (General & OBC: 77 HH), Malisahi (General: 42HH), Goudosahi (OBC: 60 HH). Agriculture is the main occupation of all but one hamlet, irrespective of their land holdings. But each hamlet has its own additional traditional (caste-based) livelihood, apart from Panasahi for which the main occupation is stone/chips cutting and not agriculture.

The village falls under Tendaguda Panchayat and the panchayat office is in the village. The sarapanch and the ward member belong to the village and represent the village in the Panchayat. Educated villagers and service holders do attend palli sabha and gram sabha meetings, but women do not. The male members of the village criticise 33 percent reservation for women in Panchayat and say 'women just for the sake of reservation are coming up but due to lack of their knowledge and capacity panchayat functioning is affected'. There is a youngster club located in the Kurmosahi or Badasahi of the village, which is formed by volunteer youth who raise funds for social and religious events. They also engage in sanitation activities of the village.

### **Livelihood assets**

Agriculture is the main source of livelihood for the village with some caste-specific occupations as their other main occupation. Agriculture is highly seasonal, with only one crop for the majority in the village, the main products being paddy, vegetables and sugarcane. Besides this green and black gram are also grown by some in small quantities.

There is only one pond in the village, which was previously used for bathing but is not used any more. Kusuma gadia (canal) passes behind Totasahi hamlet, but most of the time there is not enough water available for agricultural purposes. The forest in the hills about 15 km away has bamboo, Khajuri, Mahul, Mango, Tamarind, Siali, Sal trees etc. The village has berry trees, mango trees, jackfruit trees and guava trees.

### **Education**

There is one primary school in the village, and the high school is in Tendabadi gram panchayat about 2km away. At present there are about 15-20 High school pass students and about seven women who attended high school. There is also a college at Dasapalla which some of the villagers have attended especially from Kurmosahi or Badasahi. There are four or five graduate men (no women) in the village (the villagers could not give the exact number).

### **Infrastructure**

The village is well connected on *pucca* road from the Panchayat Office to Block Headquarter. All the hamlets of the village are electrified except Panasahi. Seven households in Malisahi and three in Badasahi have televisions. Five households have personal dish antenna. The

village also gained a telephone connection in 2002 in Kurmosahi. A noticeable feature of the village is that the road that passes through the Malisahi to Panasahi deteriorates as it approaches the scheduled caste area. There are five tube wells in the village and six dug wells. The village also has a post office, a homeopathic dispensary, and six grocery shops which cater for immediate needs. There are three temples in the village.

The European Commission has a rehabilitation programme in canal construction in the village for 570 beneficiaries. This programme was suspended for some time due to internal conflict between the beneficiaries, and the low quality work of the village level associations. That conflict has been resolved and the water service was expected to be in operation by 2002.

### **Credit**

A bank opened in the village in 1991 but after only six months it was moved to Daspalla. Some people from the general caste have borrowed for business purposes such as the rice mill. Some others have taken loans supposedly for agriculture, but have spent them on household consumption or for marriage of their daughters.

Women in this village have not formed any SHG. Fourteen women of Domosahi had received benefits under DWACRA, but were not used for income generating activity, and the group broke up after sometime. They have not been trained in any skill and there is no facility for training in the village. Even those engaged in tailoring have acquired the skill informally through others. Five houses of Domosahi have got Indira Awas Yojana houses only because they had campaigned for and had supported the political party and its candidate who won in the panchayat election. The PRI election in the village is highly politicised and the supporters of the losing parties suffer under the party that comes to power, which gets all the benefits under various government programmes.

### **The Caste Context**

The *caste system* still has a very dominant role in the village. Each hamlet is specific to one caste or community, and these have different traditional occupations. Each member of the family is engaged in the traditional caste-based occupation in one way or another, with skills acquired in their family and no outside training. For example Domo castes (SC) are engaged in bamboo crafts; Pana (SC) in stone/chips cutting; Kumuti (general) in business; Gaudio (OBC) in dairy. The general caste is mainly engaged in cultivation, with some service activities. Women of upper castes (general) are restricted to their households and are not involved in any IGAs. Even in other hamlets where the women are involved in production, they have no access to marketing of the products. They are engaged in waged labour only in agriculture. Only women from Panasahi engage in waged labour outside the village, in stone cutting on a hill 15km away.

*Untouchability* has an important role in Poibadi. Caste differentiation becomes very obvious in a social gathering where people from all castes come together. The *Domo* and *Pana* are not supposed to sit on the same platform with the general castes, nor touch them. They either keep standing or have to sit at a distance on the floor without mat if with general caste people. The *gaudio* have more freedom, and can at least touch the general caste people. These people are untouchables and none of the general castes would take food from them. Besides this, the barbers (*barik*) would touch the other castes but would not offer food to them.

It is very difficult to carry out a village level meeting with representation of all segments. The same is true in palli sabha and gram sabha meetings where even if SCs are present, their

voices are suppressed by the upper castes. It also makes the lower castes dependent on the upper caste people, who have become the decision-making authority for them. *Dowry* among the general castes is a problem that has led to the collapse of the agricultural credit co-operative society in the village. Even a groom employed as a waged labourer demands dowry of Rs.40,000 to 50,000. People take out loans for marriage of their daughters ostensibly for agriculture or business, and are unable to pay it back as they have not invested the amount in productive activity. Many have mortgaged their land or properties for the marriage of their daughters.

### **INCOME GENERATING ACTIVITIES IN POIBADI VILLAGE**

Agriculture, the main source of livelihood keeps villagers employed for only five months a year. July-August in transplantation, harvesting in November-December. February to June is the lean period, and some men migrate for wage labour in construction outside generally from April to June. Brick making is another occupation for Malisahi hamlet, and this is more common from December to March. Some people also collect Mahul from February to March and get immediate payments from the alcohol-producing units. Women keep themselves busy in paddy processing from January to April, and the rice mill also makes its greatest profit in this period. There is no stonecutting/chips cutting work for the *Pana* castes in the rainy season (July to September).

Poibadi is a large village with about 300 households in six hamlets each with its own caste-based non-agricultural livelihood activity. It was considered appropriate to carry out group discussions in each hamlet separately. The problems associated with IGAs were different in each hamlet, specific to each activity. Discussing them together would dilute the importance of each IGA and also the significance of the problems for each caste group, whether SCs, General castes and OBCs

*Migration* is very common from this village. Some are in government service in Bhubaneswar or other towns where they work as peon or clerks. Their families remain in the village and receive income from monthly remittances. Others have gone as far away as Surat (in Gujarat) or even Jammu & Kashmir, to labour in textile mills. These are generally the educated youth who have abandoned their traditional occupations of agriculture and have gone out in search of work. Besides this, there are many (mainly men) who go daily beyond the village for wage labour in construction.

The village used to experience attacks by animals from the forest, including tigers until the 1960s. Bear bites have been very common, with at least one or two attacks every year, although before it was up to 12. This has decreased with the reduction in sugarcane cultivation after the closing of the sugar mill at Nayagarh (bears are fond of sugarcane and used to come to village for that in the season). It is also likely that the number of bears in the forest has been reduced. Changes in the level of these attacks are likely to alter peoples use of the forest resources.



Due to lack of awareness of government provisions, people get harassed at various levels. The government has laid down provisions for procuring NTFP but since the villagers are not aware of such conditions, if they are caught procuring goods without license the guards harass them for bribes. To avoid this, SC people smuggle the goods from the reserve forest, as the main activity of their caste is bamboo craft. They are not aware that if they spend Rs100 on a license they would be able to procure some listed items, although there is a lengthy procedures at the government offices.

### **Cycle Repair Shop**

Mr Rabinarayan Behera (Rabi) is in the milkman (gaudo) caste, is unmarried and about 21 years old. He has attended school up to class seven. He learnt cycle repairing while working for three years (without payment) in a workshop at Trinath Market, Daspalla. Rabi then joined another cycle repair workshop at Durgamarket, Daspalla for three months with a daily allowance of Rs10 per day. In March 1999, Rabi hired a public address system for Rs200 for 15 days for use at a local festival. He got Rs700 as rent and so earned a profit of Rs500, which he invested in purchasing minimum cycle repairing equipment and spare parts, and started a workshop of his own at his residence. In this process he came to know about the TRYSEM toolkits scheme of the government in which tool-kits are offered to rural artisans. He approached the block, deposited Rs300 and got more equipment and started a full-fledged cycle repair workshop at his residence. His decision to open the workshop in the village was guided by the fact that the road to Daspalla from Poibadi, Dhipisahi, Khalisahi and other nearby villages goes through his hamlet, Nuagaon and most of the people travelling to Daspalla have cycles. Traders and ordinary people needed such a workshop in the village and to start with he would not have to pay rent.

He now earns an average daily income of Rs15 to 20. He still does not have sufficient spare parts to run the workshop efficiently. However, he does buy spare parts from Daspalla on special orders from the cycle owners. The peak period for his business is summer. The workload decreases in rainy season and winters but he engages himself in agriculture to support his father and brothers in that period. Besides the lack of spares, the main problem is having to do work on credit and the low prices the villagers are willing to pay.

There have been offers for Rabi to join in the workshops at Daspalla but now he has plans for his own shop there. Already a cabin is under construction, which has not been completed due to financial constraints. He needs about Rs3000 to 4000 to open it, for which he is planning to approach a bank. If he does not get any help there he will go for a loan in the village and start the work by the end of this year with additional equipment like welding machines in his new shop.

### **Domosahi hamlet: Scheduled Castes**

The main income generating activity of the *domo* SCs in this hamlet is bamboo. Though they are involved in other occupations like cultivation, waged labour in agriculture and band party, bamboo craft is often the main family occupation and only skill, and the main source of cash income throughout the year. Bamboo craft involves procuring bamboo from forest, peeling the bamboo, cutting into required size and then making the baskets. A lot of time is needed, and hands are injured quite often. Compared to this labour the amount that they get for each piece is very low.

Both men (33 percent) and women (47 percent) considered bamboo craft to be the main IGA. Men voted for agriculture as their second main source of income (31 percent) followed by animal trade (14 percent), cultivation on own land (12 percent) and band party (9.5 percent). For women, the main activities besides bamboo craft were wage labour in agriculture (42 percent) and cultivation on own land (11 percent). Women are limited to their households and are engaged in such activities only due to their lack of access to market. Men, on the other hand can move out and have direct access to the *local hat* at Daspalla twice a week for sales of their household produce, including goat and chicken. These people do not produce enough crops for sales. Barter is very common in this community as the bamboo goods are exchanged for rice in the shops.

**Table: Percentage Ranking of IGA significance by Domosahi hamlet**

Percentage voting for activity	Males	Females
Bamboo Craft	33	47
Band Party	9.5	0
Waged Labour in Agriculture	31	42
Cultivation	12	11
Animal trade	14	0

The main problem for this community differs for men and women. For men the main problem was unavailability of bamboo in forests (28.5 percent) and harassment by the forest officials in procuring bamboo and local hooligans while marketing (they take the products by force and do not pay). The next important problem for them was lack of capital. For women the most important problem was the low income compared to the labour involved (31 percent), the seasonal availability of work (27 percent), and harassment by officials in sales of bamboo products (20 percent). Low wages in agricultural labour was also one of the important problems for women (15.5 percent).

**Totasahi hamlet: General and OBC**

This hamlet generally comprised of the landless people and those who had migrated to towns in search of job and their families were staying in village. The most important activity for both men (65 percent) and women (62 percent) was wage labour both in agriculture and construction in nearby areas depending on the availability of work (road construction and maintenance, house construction, canal construction etc). The next important activities for men were vegetable vending and NTFP (Kendu leaves, Mahul) collection and sale with 8 percent votes for each activity. These vegetable vendors purchase vegetables from Daspalla market or from villagers, and sell from door to door. For women, besides wage labour leaf plate making was the most important activity (14 percent). They mainly sell these leaf plates to the shopkeepers in the village.

**Table: Percentage ranking of significance of different IGAs in Totasahi hamlet**

	Males	Females
Waged Labour	65	62
Leaf Plate Making	4	14
Carpentry	2	0
Shop	4	5

Vegetable vendor	8	5
Barber	4	3
NTFP collection/sale	8	0
Sale of Dairy products	0	6
Blacksmith	0	3
Temple priest	2	0
Mason	2	0
Artisan	2	1.5

The perception of important problems was almost same for men and women in this hamlet: lack of capital was regarded as the most important problem (65 percent votes by men and 41 percent votes by women). The next important problem was lack of land ownership with 18 percent votes by men and 28 by women. Lack of work was also an important problem for men (16 percent) while for women seasonal availability of work had third importance (11 percent). Since people in this hamlet had been displaced from another village, they lack land ownership and are therefore poor though they belong to the general caste community. Lack of land ownership leads to food insecurity and hence waged labour and migration of men in search of work in the slack season (to Daspalla, Bhubaneswar, Puri, Khurda etc).

#### **Prafulla Kumar Dangua, Carpenter**

He is an unmarried man of 23 years, educated up to class eight. He learnt carpentry from Lochan Maharana in a nearby village for two years till 1998. After training he continued with him for another 16 months and then moved to Bhubaneswar, where he worked at Ganesh Furniture for eight months. His experience has made him well known for different furniture items like sofa sets, beds, dining table sets, dressing table, chairs, almirah, and doors. His initial investment in the business was Rs300 for purchase of basic tools, but now he has equipment worth about Rs3000. Most of the time he works on contract basis but sometimes also works on daily wages of Rs100. He goes to nearby villages like Dedhasara, Dhipisahi, Kamarsahi, Similisahi. For the contract work he works at his own house and supplies the items to Phulbani, Bhubaneswar, and Sambalpur. He gets work throughout the year, but the marriage seasons (November to July) are very busy, and it decreases in the rainy season. Prafulla employs two men from adjoining villages, whom he pays Rs800 and Rs2400 [assumed per month].

He has not obtained a license for collecting wood from the forest, and instead he pays a bribe of Rs500 if he is caught there. Apart from obtaining wood, his main problems are the irregular payment by clients and having to give credit. At present customers owe him Rs.20,000 to 25,000.

Apart from his carpentry work, Prafulla has two acres of land and also helps his family in farming. At present he lives in a mud house with thatched roofing but four new rooms with brick and cement walls are under construction. He has contributed Rs33,000 to this construction work for the family. Now he has plans to open a proper workshop as he is expanding his work. He would need more equipment to improve his work which would cost around Rs10,000.

### **Malisahi and Kurmosahi Hamlets: General caste**

People from these two general caste hamlets were covered in one meeting. The main source of income is agriculture, and processing and trade of agricultural products. Discussion with women of these hamlets had to be done separately in the backyard of one of the households, as their custom does not allow them to sit in a public gathering with men. This hamlet was involved in a lot of non-farm activities. The main income for men was cultivation on own land (49 percent) followed by wage labour in agriculture (32 percent). Those with bullocks and carts are able to engage in business, with bullocks rented for ploughing and bullock carts used for transporting loads, ranking as 21 percent. Shopkeeping scored 14 percent.

Besides this, people in this hamlet also did trade with animals, rice milling (see case study below), tailoring, brick making etc. All these trades were done at household levels engaging only the family members. None of the villagers were employed in any such activity done by others. Women were not engaged in any income generating activity. However, the main IGA as perceived by them was paddy/rice processing (36 percent), and cultivation (33 percent) followed by badi, papad, pickle production and sale (18 percent). Though they were involved in processing of agricultural products, they had no access to market themselves, nor any decision-making authority over the sales of the products.

#### **Gramadevi Self Help Group, Domosahi, Poibadi**

This women's SHG has 15 members from the same SC community (Domo caste) and who are regarded as below the poverty line. The main occupation of them all is bamboo crafts. The SHG was formed in January 2001 with an initial deposit of Rs30 per member and later a monthly saving of Rs20 per member. The Village Level Worker (VLW), Mr. Parida had organised a meeting in Poibadi to inform them about the government's Mission Shakti Programme focusing on SHGs. They also came to know about the leaf plate pressing unit at Buguda colony and other SHG successes at Duargaon, Similisahi etc.

Both the group Secretary, Mrs Minakshi Nayak, who is 24 years old and the group President Mrs Ali Nayak, who is 45 years old have education up to class five. Minakshi is a dynamic person who leads the group in all meetings. The present cash balance in the SHG account is Rs2802. Recently the group has taken membership of Matrushakti, a block level SHG federation promoted by government, and has contributed Rs100 as membership fee. They have also attended block level meeting of this group.

The women were always in financial difficulty before they became members of this SHG. Now they can take out loan in times of need without any delay or paying high interest rates. They take loan at 3 percent and the records are maintained by Sun Rise Club, the local NGO in the village. Minakshi hopes that in future they would be in a position to take some farm based IGA as well as to improve the bamboo trade, their traditional occupation.

The main problems for these two hamlets for men were lack of capital (37 percent) and crops being affected by pests (19 percent). For women, the main problem was social constraints that restricted them within their households (27 percent) followed by lack of capital (21 percent). Because of the social custom of dowry, these people have to invest huge amounts for their

daughter's marriage. If they themselves cannot afford it, they are forced to mortgage their property or take a loan making lack of capital their main concern. Women possess lots of skills though they are not trained formally. They make lot of embroidered, knitted goods at home but they are not sold, as they have to preserve them for their daughter's dowry (15 percent). Women are limited by their customs, multiple household responsibilities etc.

**Table: Percentage ranking of significance of different IGAs in Malisahi and Kurmosahi hamlets**

	Males	Females
Cultivation	49	33
Mason	3.5	0
Waged labour	32	0
Business with bullock cart	21	0
Brick making	2	0
Chips trading	3.5	0
NTFP sales	3.5	6
Rice Mill	3.5	3
Government Service	5	0
Shop	14	0
Badi, papad, pickle	2	18
Animal Trade	0	0
Rice Processing	5	36
Mike, light, tent house	2	0
Temple Priest	2	0
Tailoring	2	3

#### **Panasahi: Scheduled Castes**

Panasahi was the poorest hamlet, comprising harijans (scheduled castes) that were completely landless. They were dependent on the Malisahi traders for their day-to-day requirements. The stone chips traders of Malisahi employed them. Nine men and ten women participated in the group discussion in this hamlet. The main IGA for both men (52 percent) and women (57 percent) was chip cutting. Besides this they were also employed as wage labour in agriculture, mainly for ploughing and transplantation (29 percent votes by men and 10 percent votes by women). Women were more engaged in mat making and selling the mats (33 percent) inside the village or sometimes in the weekly market in Daspalla.

**Table: Percentage ranking of significance of different IGAs in Panasahi hamlet**

	Men	Women
Chips cutting	52	57
Mat making	0	33
Wage labour in agriculture	30	10
Wage labour in road construction	11	0
Animal Trade	7	0

Many problems were identified by this hamlet, but the main one to emerge was the seasonal availability of work. Chip cutting is not available in rainy season, while agricultural

employment is also not available throughout the year. Men gave 33 percent vote to seasonal availability of work, while women gave 47 percent. The next important problem for women was health hazard involved in the chips cutting employment (30 percent) while men voted equally for the lack of capital, and health hazards (22 percent votes to each). Some in the hamlet had lost their eyes because of the risk involved in the activity. Minor cuts were very common to all. The physical strain involved reduces their life expectation. Income after whole days of work is not more than Rs.20 to 30, which is very little for the amount of labour involved. They have no other option, as they will not be given any other work as they belonged to the *pana* caste.

#### **Nuagaon Hamlet (Gaudosahi): Other Backward Castes**

This hamlet lies at the entrance of the village and has recently been included in Tendabadi Panchayat. Women in this hamlet also did not participate in the group discussion with men, and had to be carried out with them separately. For men the main IGA was processing and sales of dairy products (26 percent) like ghee, milk, cheese, and yoghurt. The men ranked the other IGAs included grazing of animals of other hamlets (24 percent), wage labour in agriculture (21 percent) and renting out bullock carts (14 percent). Women on the other hand voted more for animal care and processing of dairy products at home (39 percent) wage labour in agriculture (30.5 percent). Sales of dairy products was important only for some of the women (14 percent). Women in this hamlet like other general caste hamlets were not directly involved in IGAs except wage labour in agriculture. They were involved in production and not in sales. They were responsible for delivery of the goods to households inside village only in absence of the male members of the family.

In problem ranking, the women identified multiple workload as their main problem (50 percent). Men on the other hand identified lack of capital as the main constraint (46 percent). Men also identified long distances of travel on foot or cycle (19 percent) as a constraint in their trade. Women on the other hand also identified long distances of travel (11 percent) as an obstacle, but gave more emphasis to low rates of pay (19 percent). For the people to be involved in dairy trades was determined by caste: they were milkmen by birth and so had to be involved in this trade. Some of them had taken up other potential trades like purchase and sales of vegetables, but not everyone could afford these. Lack of capital also restricted investment in better breed of cows for trade.

**Table: Percentage ranking of significance of different IGAs in Nuagaon hamlet**

	Men	Women
Dairy products	26	14
Animals grazing	24	0
Waged Labour in agriculture	21	30
Orchard guards	4	0
Carpentry	1	0
Mahul collection and sale	0	17
Cycle repair shop	3	0
Vegetable purchase and sales	4	0
Tailoring	3	0
Bullock cart on rent	14	0
Animal care	0	39

### **Mr Pitabas Behera, Vegetable Trader**

About 28, and passed class 10, he is a trader who deals with *parbal*, a green vegetable for which Daspalla is famous. His family has seven members: father, mother, grandmother and four brothers. His father and one of his brothers jointly started the business in 1990 after Pitabas was in Bhanjanagar market one day and got the idea. The family has 10 acres of cultivable land.

They transport *parbal* to Bhubaneswar, Cuttack, Puri, Bhanjanagar, Berhampur, Kabisuryanagar, and Pittal. The vegetable is collected from around 5 to 8 farmers in villages within a radius of about 20km. In the evening they pack them in bags of about 35 kg. They carry the load to Daspalla on cycles and bullock cart, and send it to different places by bus. The transport cost for each bag varies according to the distance from Rs12 to Rs45.

During the high production period (April to October) he jointly runs the business with other traders to avoid competition among themselves, and to purchase at a low price. The business transactions amount to about Rs40,000 to 60,000 per day in that period. They also appoint agents with daily wages of Rs50 to 60 at village level for collection, packing, transportation etc. The transport is also done with private carriers with trucks. In 2001, 11 small traders came together for group business. Sariganda (2km from Daspalla) was kept as the key collection centre. The price rates per kg during January – March vary from Rs.8 to Rs.10, and during April to November Rs.4 to Rs.6 at the field. The traders collect information about the market rates over phone. There is no production and so no trade at all in winter, from November to January. The godown holder charges 10 percent commission.

The daily business is around 10 to 15 bag of *parbal*. The business increases up to 400 to 450 bags daily during August to October. Mostly the vehicles are hired from businessmen at Daspalla or nearby places. They pay Rs1 kg as entry tax to municipality and toll tax of Rs40 to 50 per trip on the route. In 2001 the group had a profit of Rs120,000: the normal profit range in one trip is Rs10,000 per day. Sometimes businessmen from Daspalla also come to collect *parbals*. This leads to competition and it also results in loss, like the loss of Rs80,000 in one month in 2001. In case of individual business, profit ranges from Rs1000 to 2000 per day.

In Daspalla market their sales are very low, because local cultivators sell *parbals* directly there. So Pitabas prefers other markets as they can sell for more outside Daspalla. Sometimes they also have to pay a commission of Rs300 to Rs400 to outside businessmen to go back without purchasing in the local area.

Mr Pitabas reported that they occasionally pay advances of between Rs400 and Rs5000 to farmers to meet family and cultivation expenditures. The cultivator then sells the *parbal* at a rate that is 50 paise less than the market price. Mr Pitabas perceives that group business is better during high production period because they can keep the prices high. There are chances of loss due to detaining of vehicles in the route, decrease of market price, ripening of *parbals*, and *parbals* from outside coming to market.

Mr Pitabas has a plan to open a grocery shop at Daspalla (Trinath Bazar), which would require an investment of Rs100,000 of which Rs40,000 is required from the bank as loan. Two other men from Poibadi have started the same business as Pitabas, but they have lost Rs2500 to Rs3000 loss due to lack of market.

**Mr Promod Kumar Patra, Shopkeeper**

Promod is about 27, has passed B.S. College (Daspalla) and is unmarried, living with his parents, one brother and two sisters. All his brothers and sisters have attended school till class nine. His brother Pravat (25), also has a shop in Domsahi hamlet of the village. His grandfather, Mr Kasinath Patra (82) worked at Tendabadi co-operative society and retired in 1997. He belongs to a family of businessmen and all his grandfathers were engaged in businesses, including shops, pottery business etc. He started his shop in 1997, and the average transaction daily is about Rs300 (approximately Rs100 in money and Rs200 in grain). The initial investment for the shop was of Rs6500, which came from his father. He also has 3 acres of irrigated land, which produces 13 bags (75 kg/bag) of paddy. He has given the land for shared cultivation.

Once a week, mostly on Sunday, he purchases the ration from traders in Daspalla costing around Rs1000. The average income from the shop is around Rs1000 to 1200. It is a variety store having ration materials, stationary, vegetables, daily needs like soaps, detergents, oil, slippers, kerosene, potato, rice, onion, pickles, and sweets. The business makes most profit from November to February because that is harvesting period and people have purchasing power then. This decreases during July to September as people are engaged in agricultural activities and do not have so much to spend.

The present stock with the shop is valued about Rs2000. Within the last 3 years he has give Rs10,000 to his younger brother to open a grocery shop. He has purchased a bicycle for Rs1400 in 2001. He has also constructed a toilet on his own expense of Rs3000. Besides, he used to deposit Rs10 daily with Sahara India Savings Scheme. He has a balance of Rs2100 at present with Sahara India but the scheme has been discontinued. He also had taken a loan of Rs20,000 for agriculture in 1999 from Tendabadi Co-operative society but that amount was utilised for his sister's marriage. He has yet not repaid the loan. He has plans to expand the shop and to open a cloth shop at Poibadi.

**WEALTH RANKING IN POIBADI VILLAGE**

For the well-being exercise, a joint meeting with the representatives of all hamlets was organised. Women did not participate in the group discussion. Representation of all the hamlets was ensured in the meeting, but because the group was very large, ranking of well being on IGAs could not be done. Informal discussions on this were held with some members of Domsahi and Kurmosahi, and one teacher in the village.

The group identified five types of well-being groups: Rich, Upper middle class, Lower Middle Class, Poor and Very Poor. These groups were differentiated from each other on the basis of their income and assets. Nobody in the village was regarded as rich (defined as highly educated, service holders with four wheelers of their own, living in multi-storeyed buildings. They would have the capacity to employ and get their work done by others, and have large land holdings of more than 5 acres). Upper middle class comprised of people with government jobs like senior teachers, clerks and teachers; multiple sources of income, *pucca* houses, and income more than Rs5000 per month. About 15 households in the village belong to this category. Lower middle class comprises people with some land holding who have food



security at least for six months in a year. This group also has people employed in government offices as support staff or in *anganwadi*. 120 households in the village fall under this category. The poor are the marginal landholders who are employed as waged labour most of the time in agriculture or construction. They have food security only for two months or so. Barter is common in this group, and they are often paid in kind. This is the largest category of households, including many from *Domosahi*, *Totasahi* and *Panasahi*. There are only five households in the village in the very poor category, defined by no land ownership combined with physical handicap. They are the beggars who are completely dependent on others for survival.

There was some conflict in the group regarding the definition of poor and very poor initially, but with intervention of the facilitator the group came to a consensus on the characteristics of each category. Informal discussions were held with some key informants of the hamlets in ranking of IGAs under each well-being group. According to them the IGAs for the poor were mainly bamboo craft, chips cutting and wage labour in agriculture and allied activities. Employment by others in agriculture, and paddy processing in the households was important activity for lower middle class people. Cultivation was the main activity for upper middle class, followed by government employment.

The enabling factors for the rich and upper middle-class were large land holdings, education and multiple sources of income that helped them invest in business. The main constraint for others was caste. Caste did not give them enough space to improve in the village, and for those who have done, it is due to support from political parties with which they have close links. They benefited under schemes like *Indira Awas Yojana*, and *DWACRA* (Development of Women and Children in Rural Areas). Others were better off because of land ownership, or because their family members had migrated outside. Those living in the village were dependent on others for work, employment and livelihood. The only enabling factor as perceived by the poor would be to move out of village and get government employment or other salaried jobs.

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### More Case studies from Poibada

#### Mason

Mr Basant Sahoo (37) has education up to class seven. By sub-caste he is a *teli* (Other Backward Caste). His family consists of 8 members, including his parents. One of his brothers works in Punjab National Bank as peon on daily wages. Another, who is a matriculate, drives an auto-rickshaw at *Daspalla*, bought with a loan under Prime Minister's *Rozgar Yojana*. Basant himself has been rehabilitated from bonded labour under Integrated Rural Development Programme (IRDP) in the year 1985. He was given Bullocks with a cart financed by UCO Bank, *Daspalla* which costs around Rs4,000. In 1986 he went with a mason as daily waged labourer to assist in building work. Slowly, he learnt masonry, and initially he was employed for bricklaying and later for cement and sand mixture plastering etc. He then went to *Bhubaneswar*, *Paradeep* and *Phulbani* with a contractor to work as a mason in 1990. During that period he was earning Rs100, which is Rs40 more than the wage rate he was getting earlier.

Daily he earns Rs100 as wage both inside and outside the village. Generally he moves within 10 km radius of his village to work. Basant directly contacts the owners

and contractors for government construction work. In case of labour employment for construction he hires labourers as required for plastering and bricklaying. He has also trained another villager in masonry work.

There is sufficient work from February to June. From July to September the employment opportunity decreases because most of the rural people are engaged in agricultural activities and there is less construction in rainy season. From October the opportunity again increases. But even in the peak period there is not enough work, and he is employed for only about 10-15 days in each month. He has very limited implements like trowel, yard, hammer, plumb line and levelling instrument, which costs around Rs2,000. He requires better tools, and training in mosaic plastering, marble fitting, etc. He also needs a loan to purchase implements and machines for improving his work.

Apart from the construction work, he also assists his family in agricultural activities. The main hindrance of his job is credit with people, irregular payments, and insufficient employment opportunity.

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### **Pickle Making**

Subash Patra (35) is a matriculate from Daspalla High School. He has two daughters age 11 (studying in class six) and 9 (in class three). He and his family are engaged in pickle making business, using mango, lemon, tamarind, and berries.

In 1993, Subash came in contact with a Mr Shyam Sundar Patra of Berhampur. Influenced by him, he sold processed pickles packets at Odagaon to nearby towns. Then he decided to undergo training in pickle-making for a year in 1995. He was given Rs1,000 per month during the training period. After that he started processing pickle at Poibadi village, with a loan to make the initial investment of Rs2000 to purchase the raw materials from Poibadi and other nearby villages. At first he prepared mango pickle, made the packets and sold to the shop keepers of nearby villages, going by bicycle. The main pickles cost around Rs35 per kg.

During October to December, Subash purchases his ingredients in a large scale at wholesale price and starts processing. He gets a profit of Rs5 per kg. Mustard oil is the preservative for the pickles and it can be stored for a year. Most of the villagers prefer his pickles. He is unable to fulfil all the demand. He is confident about the quality of his pickles and says that he can challenge his pickles to be better than the processed company pickles. But high and middle class people do not prefer his pickles because it does not have a brand name and the packaging is not very neat.

He employs a man and a woman from Poibadi village for about 8 months on a wage of Rs30 per day for cutting of mango, lemon, tabha into small pieces, mixing the salts, turmeric, spices, oils, drying the pickles etc. His daughter, wife and mother are engaged during packing of pickles. Pickles are sold throughout the year except during the rainy season and agricultural period (July to December). The demand increases during April and May. His business is dependent upon the availability of raw materials as they are all seasonal. He plans to have a processing unit for making and storing the pickles in a more convenient manner, but this would cost Rs100,000. He earns around Rs10,000 each year. Apart from pickles he also sells

*Badi, Papad*, potato chips, and *ambula* (dried mangoes). He has a shop of his own and his business is valued at Rs15,000. He also wants to train others in pickle making, but he does not want to do it in Poibadi as it will hamper his business. He also plans to sell on a large scale, but for that he needs proper packaging techniques. For marketing he requires a motorbike.

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### **Stone Chips making**

Mr Gunu Nayak, aged about 35 years is just literate and has a wife, son (12) studying in class six and a daughter (6) who does not go to school. He is a pana (SC) by caste. For generations all families of his caste in the village have been engaged in stone chips making. There are 52 stonecutters in Poibadi and nearby village. Gunu has been doing this since he was 10 years old. The stonecutters do not have any direct contact with the market. There are four main traders who act as middlemen, each having 12 to 15 stone cutter in one team.

Every day each person produces about 5 to 6 tins of chips which are generally used for construction of houses and roads. The trader in the village also has a grocery shop and he sells goods to the pana families, who generally pay with their labour in chips cutting. They go early in the morning to the hill and work there up to 2pm. From July to September there is no chips cutting because of agricultural activities and rain. Therefore, he works as a daily waged labour and earns Rs30 daily during the employment period. He also has a bullock to collect firewood and the logs for house construction. During ploughing period the bullock is rented out for Rs50-100.

Two type of stone are made: chips and 'boulders'. Chips are stones of an inch or less, and these fetch Rs5 per tin. Chips of 2 inches are much cheaper at Rs1.50 per tin. The boulders are 5 x 2 inches, and 12.5 cubic feet are sold for Rs25. A tractor load requires 130 tins of chips, which are bought for Rs650 by the trader, but sold for Rs1200, giving him a mark-up of 100 percent. Out of this the traders also pay for quarry royalty charges, and supply the tools which cost around Rs1,000 for 4 to 5 people. Small hammers for chip making are purchased by the workers themselves. The trader is responsible for any problem in transportation or misuse after delivery so they do not have any responsibilities after handing it over to him.

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### **Jaikrishna Muduli, owner of rice mill**

Jaikrishna Muduli, a resident of Malisahi of Poibadi village is a Kumbhara (Potter) by caste, and a high school graduate. He has owned a rice mill since 2000. His family has been in the village for at least ten generations. His main occupation is agriculture and he sells the excess paddy processed in his unit to the middlemen who come to the village to take rice. Mr Muduli has a matriculate son who is married and unemployed. He got the idea of the business for his employment and income, so the mill is fully run by Muduli's son and they have not employed anyone in the unit.

The unit was started with a loan of Rs50,000 from Punjab National Bank at Daspalla, with the Kisan Vikas Patra as security. The machine was installed by a trained mechanic from Daspalla, who ran the unit for six months and trained his son. In case of technical difficulty this person is called from Daspalla to repair of the machine. The

rice mill is diesel driven and is only for paddy processing. There is one more mill in the village in Badasahi that is run on electricity. This diesel unit spends about Rs.160 on diesel everyday (about 8 litres) and produces about 800 bags of rice in a month to earn an income of Rs.8000 in a month in peak period (January-April). The unit cost of this production is only Rs.4800, so the unit earns a profit of Rs.3200 per month but only from January to April. In other months only business class give work and there is a profit of about Rs.500 to 800 per month. The mill runs all year except a few festivals like Sankranti (Festival of Lord Shiva), Dashahara (for Goddess Durga)

Mr. Muduli does not face any problem as such in running the unit. It has a good prospect and there is a hope for more profit in future, as the production cost will reduce due to reduction in price of diesel. If he had electrified mill, he would have faced problems of minimum bill payment. He plans to expand his business but he has not kept the option for partnership with any other person in the village. He believes that he belongs to the business community and would like to expand his mill by installing oil processing and flourmill. He would also be able to employ others if he expands.

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### **Maa Tarini Weaver's Co-operative (MTWC), Daspalla**

MTWC is an SHG of 15 women who are involved in woolen carpet weaving. This cooperative started in mid 2001 with the help of the Daspalla Sun Rise Club (the local NGO) and State Bank of India, and has five carpet looms. This group is managed by the key information, Mr Chittaranjan Pattnaik who is also the trainer of the group. The Industry Promotion officer, Dasapalla gave the idea and in consultation with a company in Uttar Pradesh, training was given to 50 persons in Nayagarh including Mr Pattnaik. He has been managing the group since its conception.

The members of the SHG were trained by Mr Pattnaik and the number of women involved has been increasing. Training is free, but there are not enough units for the 90 women already trained, and so many are not employed. Efforts are being made to arrange work for them by organising them into SHGs for setting up separate units. Women from adjoining villages have also been training. All women employed here were unemployed or housewives before joining the group. They have started earning on piece rate basis, which gives them a 'sense of economic independence', as said by one of the members. There has not been any loss till now and at the end of the 2<sup>nd</sup> phase of production, profitability is certain.

Mr. Pattnaik is responsible for designing, procuring raw materials and marketing while strategic decisions are taken in consultation with the Sun Rise Club (NGO) which manages the accounts of the group. The members are involved only in production. Making a carpet of 40 square yards takes about one to one and a half month. A small carpet of about a yard is produced in about two to three days and is sold for Rs450. The bigger carpet is sold for about Rs16,000 to Rs20,000 as decided by Triveni, the marketing agency in Uttar Pradesh. The carpet undergoes finishing and polishing in UP and is then exported. All the carpets produced in the unit are sold, the bigger ones are generally exported by Triveni and the smaller ones sold in Bhubaneswar market. The price is decided by Triveni depending on the quality of

the product. New market possibilities are being explored in Mirzapur, UP and products will be sold there directly if possible.

The unit was set up with assistance of Rs265,000 under SGSY scheme at 13 percent interest per annum. The finance is provided in phased instalments. The raw material is bought from BBRS on cash payment. The cost of production per unit is:

1) Raw material for big carpet-	Rs.8100
Labour charge-	Rs.4000
Total-	Rs.12,100 (Sales price Rs.16,000-20,000)
2) Raw material for small carpet-	Rs.150
Labour charge-	Rs.150
Total-	Rs.300 (Sales price Rs.450)

Sharing of profit has not been decided yet. It would be decided by the group members in consultation with the managers and Sun Rise Club.

Two trainers (one male and one female) provide training to the members in the unit. These trainers give technical inputs. Mr. Pattnaik goes to Bhubaneswar by bus to buy the raw materials for the co-operative. But there is lack of proper linkage to market. Transport cost is not included even if the carpets are delivered at Bhubaneswar. The finance is provided under the scheme in instalments, which are not efficient for expansion of the unit. There are only five looms, so not all the trained women members can work even if they are available. For a better unit Rs20,000 per machine is required. Proper market linkage outside Orissa would achieve higher profit.

The main facilitating factor for the unit has been the Industry Promotion Officer (IPO), Daspalla, who visits regularly and provides technical ideas from time to time. He has always extended full co-operation. The president of the Sun Rise Club visits often and this NGO manages loans, savings, cash records, etc for the group. Mr Pattnaik, the manager cum trainer takes care of procurement of raw materials, production and sales. State Bank of India has also been smoothly providing assistance via finance and there has been no difficulty with the bank. In about two years the unit hopes to have 100 looms to employ more women and export directly with its own polishing unit to increase its value addition locally.

#### **TULAPI VILLAGE PROFILE (ODAGAON BLOCK)**

Tulapi is about 7 km from the Baghuachaka (Market near Baghua dam), which is another 8 km from the block headquarters of Odagaon. It is on the top of a hill and there is no road to the village as it is within a Reserve forest area. The village can only be reached on foot by walking a distance of about 4½ km on hilly tracks. Goods can be carried either on head or on cycle.

There are only 19 households in the village with a population of less than 100. Tulapi is a tribal village and has been occupied for a very long time. They had separated from Malua tribes and they speak 'Kui' language with Oriya. The main occupation is agriculture, fuel wood collection and sale, and leaf plate making. Women of this village are engaged in multiple occupations throughout the year, with seasonal variations and work more in comparison to their male counterparts for household consumption.

Tulapi falls under Bathapur Panchayat, which is 5 km from the village. The Sarpanch lives 4km down the hill near Kadamjhar. The village is one Ward of the Panchayat but the ward member lives 6km away from the village. People of this village do not participate any palli sabha or gram sabha meetings, as they do not have any information about such meetings, being so far from the panchayat. The role of Panchayat for these people is very important and they perceive it to be the most important institution, which can be instrumental in their development, but the ward member and the Sarpanch are psychologically far away from them and are almost inaccessible. There is no women representation in the local governance in this village or the Panchayat.

There is no school in the village, and the nearest primary school is 6 km distant. Only six children from the village go to school and that too after the age of 8-9 years, as there is no means of transport. They believe that school is important, but due to inaccessibility they are not able to send their children. A tutor used to come to the village and teach them, but that facility no longer exists as it is difficult to reach the village and the income is low.

### **Infrastructure**

There is no road to the village, and as it falls in the reserve forest area there is no plan to construct one, and so it reached only by walking. There is no electricity. All the houses are mud with thatched roof. There is no shop in the village, and for everything they depend on the middlemen, or the market at Baghuachak where only male members from the village go. There is no health care unit in the village. There is an ayurvedic doctor six km away, and a traditional healer, who is about 90 years old in the village. The people are superstitious and they depend on this 'Jani' for traditional treatment most of the time.

### **Credit**

Many people have borrowed from the Punjab National Bank at Baghuachaka for sugarcane cultivation, goatery etc. They have not repaid the loan and have become intentional defaulters. They did not utilise the amount for income generation and they believe that they would be exempted from repayment of loan after sometime. They also believe that loans are intended for them so they should take it. They are quite confident that the bank people will never approach them, as there is no means of communication and they will not come walking to the village. There is no SHG in the village and the only skill that the people in this village possess is leaf plate making.

### **Livelihood assets**

The village is situated on a hill surrounded by hills which have dense forest cover of bamboo, Tamarind, Mango, Jackfruit, Teak (Saguan), Sal, and Kendu. The only sources of water for the villagers are two dug wells and one tube well. There is no pond in the village, and the stream flowing nearby is unclean. Almost all households own land of at least one acre, and agriculture is the main livelihood. They produce paddy, biri, suriso, and vegetables adequate for self-consumption for at least 6 months. In other periods they depend on income from sale of forest produce: the dense forest nearby provides enough for their survival.

All the households in the village have BPL card and they purchase kerosene and sugar from there every month at subsidised rates if they have cash at the time when the shop is open. Two families have also benefited under Antodaya Anna Yojana and get 25kg rice for Rs3 per kg every month. Others ('destitute') get 10 kg free rice under Annapurna scheme every month. The dealer sends a notice to them on time and most of the times they avail the service.

People were displaced from the Baghua dam area, and some were resettled near the village and forest in the hills. The inhabitants of Tulapi consider this was the worst thing that could happen to the area. “The forests earlier were dense with many wild animals like tiger, bear, deer, and Sambar, and with the influence of Tiger Goddess in the forest, the village was always safe” says the Jani. With the arrival of these displaced people, the ecological balance was disturbed. They have destroyed forest by cutting all the valuable trees (bamboo, sandal, arjun) and medicinal herbs for business purpose. Forest fire has become a frequent phenomenon and almost every year from April onwards till rainy season (July) the forests burn. Because of this many trees, medicinal plants and animals (tiger & deer) have become extinct and the generations to come would never be able to see them.

The people in this village are dependent on agriculture. They transplant in June-July, harvesting is done in November-December, honey collection and sale is done in mid-March to mid-May. Leaf plate making is done from July to January (there are no leaves from February to June). Other activities include collection and sale of Pitthala (a kind of fruit), Cheranga (an edible root found in forest) during February-June when no sal leaf is available; Tamarind sales (March), Mango from April to June. There is no migration from the village, and even those who go to market are back by the same evening.

#### **INCOME GENERATING ACTIVITIES IN TULAPI**

Women work more than men throughout the year in all seasons. During cultivation time they are in all agricultural activities except ploughing. Besides that they are responsible for forest produce collection (17 percent), leaf plate making (33 percent), waged labour in others’ fields inside village in agriculture (50 percent) etc. But besides so much involvement in IGAs they have no control over what they produce. The marketing of the products depends on the middleman who comes to the village from time to time. Men are engaged only in agriculture (52 percent) and fuel wood collection and sale (43 percent). In agriculture their involvement is limited to ploughing. Their involvement in wage labour in others’ field is also limited (5 percent). They are the decision-making authorities in the families, and have access and control over the income in the household. They go to the market at Baghuachak to sell the fuel wood collected by women, and the leaf plates produced by women. The middleman does marketing of other agricultural products, as it is difficult to take heavy loads. The middleman takes responsibility and hence earns profit. People have no complaints against his offering low prices, as they understand that since the middleman is taking the trouble to reach them he should get some profit. The lack of roads and transport limits their access to market and hence their profit.

**Table: Percentage ranking of significance of different IGAs in Tulapi**

<b>INCOME GENERATING ACTIVITY</b>	<b>Male</b>	<b>Female</b>
Agricultural products sold	52	0
Waged Labour only in agriculture	5	50
Leaf plate making by hand	0	33
NTFP collection and sale (Honey, yam, tamarind)	0	17
Fuel wood collection and sales	43	0
	<b>100</b>	<b>100</b>

Of the various problems faced by the villagers in Tulapi village the major problem perceived by men (67 percent) and women (37.5 percent) is the long distances of travel up and down the

hill to the market (7km). But the main problem perceived by women is seasonal availability of work and NTFP (50 percent). This is the main problem for women, as the livelihood of the household is dependent on NTFP collection and sale and they are the ones responsible for collection of the items. Though agriculture is the main livelihood activity, scarcity of water and smallholding limits their production. The only alternative is NTFP, which are available in abundance in the remaining forest despite deforestation. It is their traditional occupation and though their dependence on forest is reducing, it is still a major livelihood. Illiteracy due to distance to school has also been considered a major problem in IGAs, as the villagers believe that they get cheated in trade due to illiteracy.

### **WEALTH RANKING IN TULAPI VILLAGE**

This was the only village investigation in which men and women participated in all exercises together. Tulapi is a tribal village with most of the people belonging to the same kin. All of

#### **Leaf Plate making**

Padma Behera, age-36 years, stitches leaf plate of both Sal & Siali. She goes to forest to collect sal and siali leaves and carries the leaf plate bundles on her head to Baghua square and Makarpada markets to sell. The shopkeepers purchase the leaf plates at the price of Rs7 to 8 per bundle consisting of 80 pieces for sal leaf plates and Rs10 to 12 for siali leaf plate bundle of 80 leaves. She makes about 25 to 30 leaf plate bundles per week and takes them to market at Bahua Chhak every 3 days. The main customer for the leaf plates is the Trinath grocery shop at Baghua square. She does not know about the prices given by the traders outside. When traders purchase the leaf plates in the village they pay Rs5 to 6 per bundle. The peak period for leaf plate trade is from April to July. During Aug. to October, she is engaged in agriculture and there is no time for leaf plate production. After October, the leaves get infected so leaf plate making decreases and the market price also increases. From February onwards the leaves are not available till March. Whatever she earns from the leaf plate trade is spent in household.

them possessed land and agriculture was the main source of livelihood for them. For this community there were four types of well-being group, including a rich category. But since they were not sure how to define it, they preferred skipping that category and focus on the three categories found in their village: medium, poor and very poor.

Medium category people according to them employ others and have land holdings at least one acre per head in the family. They possess animals for cultivation and own consumption. They are the only ones who have access to market. About four households in the village were from this medium category. The Poor had small land holding and food security up to 6 months, and some animals like goat and chicken for children's health. They own cycles and can move about easily in comparison to the very poor people. Nine households belonged to this category. Marginal landholders who had food security for 2-3 months only and who were employed as waged labours in others fields were the very poor category. Their dependence on the forest was greater. Six households in the village belonged to this category.

The main activities for the medium category was cultivation followed by business. While the people in the poor category and very poor category were involved in similar occupations, their degree of dependence was more on waged labour and forest produce collection for self-consumption and sale. Fuel wood collection was one of the important activities for men in



these two categories. As already discussed, women in this village were engaged in more activities compared to men; they contributed more to the family in form of kinds. Men earned cash in selling fuel wood or the agricultural products. Size of land holding was the determining factor for wealth in each category. Otherwise all the sections were engaged in more or less similar tasks.

### **UDAYPUR VILLAGE PROFILE, ODAGAON BLOCK**

Udaypur village is 10 km south from the block headquarters of Odagaon, and is 3km east from the Komondo bus stand. The village is mainly divided into three hamlets: Harijansahi (SC), Puranasahi (old hamlet with general castes and OBCs) and Nuasahi (new hamlet comprising of people from the families of the old hamlet who shifted to this area after separation from their families). It is a big village, which is quite exposed to the outside world as compared to the tribal villages. There are 173 households in the village: 52 in Puranasahi, 45 in Harijansahi and 76 in Nuasahi. Total is about 1,200, with 675 in the voter list. About 15 families have migrated permanently from the village. This village has people from different castes: kurmochasa, Kumuti, Kamara, Kumbhara, Brahmins, Gudia, Bhandari, Ramani, Khandayats (general castes), Gaudo (OBC), and Harijans (SCs). All the castes live in the same hamlet except the Harijans (SCs - untouchables) who live in Harijansahi.

The village falls under Komondo Panchayat and the Panchayat office is situated at Komondo Square 3km away. The ward member lives in Odagaon but keeps visiting the village. Palli sabhas are organised from time to time but women do not participate in such meetings. Awareness level of the village is quite high and there is lot of political influence in the local elections and functioning of the panchayat. Men participate in palli sabha meetings and people are aware of the functioning of the panchayat. People are educated and understand their rights and duties, and so even women expressed their interest in attending the palli sabha meetings. In fact, for the first time, as SHG members, women participated in the fieldwork meeting and were ridiculed by the men.

The village has an upper primary school. A middle school and high school is located 3km away at Komondo square. There are two teachers in the UP school residing in the village itself, one of whom the villagers consider is the most important person for bringing in change in their lives. There are five graduates and two post-graduates in the village who have passed from Odagaon College. Almost all boys and girls in Nuasahi and Puranasahi go to high school for their education.

### **Infrastructure**

The Komondo Panchayat office is well connected on metalled road to Odagaon headquarters. Rs.1 lakh (100,000) has been sanctioned for road construction from Komondo square to the village but the work has not begun yet. The village was electrified but due to non-payment of bills it has been disconnected for several years. There are three tube wells (one in each hamlet); six community wells (three in Puranasahi, two in Nuasahi and one in Harijansahi) and three individual wells (in Nuasahi).

The village is well connected with markets. There is a big *Hat* (weekly market) on every Thursday at Bahadajhola at a distance of 10-12km. The local market at Komondo is 3km away from the village while the main market at Makarpada, near Baghuachhaka, is another 1 km from there.

There are four temples in the village (one in each hamlet and one in paddy field called Grama Devati: village goddess temple). The temples of Puranasahi and Nuasahi are the places of

meetings in the village. There are three grocery shops in Puranashahi, two grocery shops in Nuasahi. There is also one clubhouse in Puranasahi where all the main meetings in the village are held. There is one first aid centre in Komondo (3kms) and one dispensary at Kurala 4km away, but since they are not well equipped with doctors and medicines, people generally go to Odagaon Hospital for treatment.

There are two main water bodies running in the village. A canal from Baghuadam passes through Nuasahi and Harijansahi hamlets, and a stream of Kusumi River also crosses the village dividing it from Ambajhola. The village has two ponds: the older and bigger one was unused for years and the villagers have cleaned it through assistance from the local NGO (Sambhav) and efforts women SHG members.

### **Credit**

Punjab National Bank at Komondo (3Km) is the bank for the village and many villagers have an account there. There are two SHGs in the village: Dharitri SHG (begun 1999) with 15 members and Shakti SHG (started in 2001). Dharitri, with assistance from Sambhav (the local NGO), has started mushroom cultivation, while Shakti has started spice processing and packaging. Villagers have borrowed to support individual trades like tailoring, shop, puffed rice business, etc. They have also used the SHG finance during emergency for medical treatment in the family. Those doing tailoring have taken training with help of Sambhav, and do stitching inside the village (mostly ladies and children wear).

### **Livelihoods and assets**

People in this village are bound with chains of traditions and customs, especially the women. They are not allowed to be present in any public gathering or sit face to face with the elder brother-in-law or father-in-law. Many women who have come to this village after marriage from other villages possess some skills (embroidery, knitting, stitching) but cannot participate in any IGA because they cannot go out of the house on their own and talk to men outside. Those who are engaged in some IGA like waged labour in agriculture or shopkeeping have either middle aged (are grandmothers) or are married or unmarried daughters of the families in the village. The daughter-in-laws are restricted to their households due to social constraints. Dowry is a problem in the village especially for the general caste people. This is one of the reasons why the girls' dropout rate in schools is high. After school they take care of the household, learn skills and make goods to be taken to their in-law's place after marriage. Even if these goods have a market value they are not sold and are preserved for dowry. Migration is very high in this village, with at least one person from each household from the general caste has migrated in search of work to Bhubaneswar or Jatni, or even as far away as Nepal, Surat, Jammu and Kashmir. This is mainly because the educated youth do not want to get engaged in agriculture or the stone cutting occupations, which are the main source of livelihood here. They prefer going out and earn cash, even as waged labourers if they do not get regular employment. They have been employed as labourers in textile mills, service assistants in offices, soldiers, drivers and support staff. Five persons have joined the armed forces and are posted outside the state, but their families stay in the village. Most of the scheduled castes have migrated to Bhubaneswar as rickshaw pullers because of the non-availability of work in the village.

Agriculture and stone cutting are the main sources of livelihood. In addition there are lot of non-farm activities in the village like carpentry, tailoring, petty business of raw and processed agricultural and forest goods. Since most families own land they have food security at least for six months from their own fields. Employment is also available in stone cutting

throughout the year except July- August when they are busy in farming. Multiple sources of income keeps their livelihood secure.

Paddy is the main produce in agriculture, but this village also has black gram and vegetables in abundance. Potato, radish, onion, brinjal etc. are produced in the winter season especially in December. Like other villages, agriculture keeps them busy for four to five months in a year. March to June is the lean period when they seek waged labour outside the village.

## **INCOME GENERATING ACTIVITIES IN UDAYPUR**

### **Harijansahi: Scheduled Castes**

The income generating activities identified by the scheduled castes in this village reveal that stone cutting (36 percent) and waged labour in agriculture (31 percent) are the main sources of livelihood in this village for men. Many men in this hamlet have migrated to Bhubaneswar as rickshaw pullers (27 percent): their families stay in the village and they come home on weekends or fortnights. Government service was also identified as an IGA but those in service had migrated with their families and visit the village only once or twice a year. For women the main source was waged labour in agriculture (67 percent) and mat making (33 percent). Women in this community (unlike other scheduled castes communities) were restricted to their households, and could not go for work outside village. They were limited to waged labour in agriculture inside village, or work in their own fields for self-consumption.

**Table: Percentage ranking of significance of different IGAs in Harijansahi**

	Men	Women
Stone cutting	36	0
Waged Labour	32	67
Rickshaw puller	27	0
Auto rickshaw	4.5	0
Mat Making	0	33

The main problems identified by the scheduled caste men were the low pay for the labour involved in stone cutting and in rickshaw pulling (48 percent), exploitation by rickshaw owners (19 percent) and seasonal availability of work (14 percent). For women the main problems were seasonal availability of work (39 percent) and low wages (33 percent). A long distance of travel was also their concern that stopped them from taking up many employments (28 percent).

### **Nuasahi and Puranasahi (General Castes/OBC)**

Nuasahi hamlet comprises the *Ramani* community (weavers) who were members of weaver co-operatives earlier. But due to mismanagement and lack of capital inputs the trade has lost its importance in the last five years. Most of the looms have either been sold or have become obsolete, and hardly three looms are left with the villagers now. Since the co-operative stopped providing yarn and they could not afford it outside, they abandoned the trade. Competition with the polyester and machine-made goods led to loss in the trade.

The main IGAs identified by the general caste men were waged labour (28.5 percent) in stone cutting, cultivation (21) and animal trade (17 percent). Lots of other IGAs exist in the village but on a very small scale like shop (7 percent). For women the main activity was processing

for self-consumption like any other general caste community (44 percent). Waged labour was important with 22 percent votes, but as already discussed only middle-aged women engaged in activities outside household, so only middle-aged or older women work in fields. Dairy products like milk and curd were also common among women (13 percent) and men (17 percent).

The main problems identified by men in the general caste community were lack of capital for investment in trade (30.5 percent) and exploitation by contractor /government employees etc. in making payments (19 percent) for the work in stone cutting. For women the main problems were low wages (22 percent) and lack of grazing fields for animals (18 percent) which leads to their low productivity and hence less income. It should be noted however, that women in this village are not directly employed in any sector. They are the caretakers of the animals if dairy is a source of income; and waged labourers only in agriculture inside the village, which only provides seasonal employment. Women SHG members however, have started some potential IGAs like processing and packaging of spices, mushroom cultivation and sale. Women do these activities but they do not sell the products: their male counterparts are responsible for sales. But some SHG members have started moving out to banks, market etc. and are exploring market for their products. The main facilitator here was Sambhav, with whose guidance they have been able to take up such trades.

**Table: Percentage ranking of significance of different IGAs in Nuasahi and Puranasahi**

	Men	Women
Cultivation	21	0
Dairy products	17	13
Carpentry	5	0
Barber	2	0
Tailoring	2	2
Waged Labour	28	22
Stone cutting	5	0
Shop	7	4
Vegetable vending	5	0
Badi, papad, puffed rice	2	4
Blacksmith	2	0
Temple Priest	2	0
Mushroom Cultivation and sales	0	9
Processing paddy	0	44

### **WEALTH IN UDAYPUR VILLAGE**

This exercise was again carried out informally with the villagers representing all the hamlets of the village. Three well-being groups (rich, middle class, and poor) were identified. Rich according to them are the people with more than 10 acres of land, holding big posts in government offices, or contractors of stone cutting, or engineers. Such people do not stay in villages but migrate to urban areas and visit village occasionally. The middle class owns 1 to 5 acres of land, and may also have government or private jobs with salaried income and are educated. They live in pucca houses, engaged in petty business, sometimes employ others and sometimes work for others. They also sell surplus production sometimes. The poor do not have land ownership or are marginal landholders. They have less food security and they are

waged labourers living in thatched houses. (Almost all the houses in the village have stone walls as they are engaged in stone cutting). Out of 173 households in the village about 60 households are poor, 110 households middle class and two or three households are rich.

**Mrs Manorama Sahoo, grocery shop owner, Udaypur**

Manorama Sahoo (wife of Mr. Yudhishtira Sahoo) is owner of a grocery shop in Puranasahi hamlet. She is a 37 years old Brahmin woman for whom starting a business inside the village was a very difficult task. She has attended school up to class V. Her husband is 47, and a labourer in stone cutting but he cannot work much and she had to think for her children's survival and so she started the shop in her house.

She started the business in 1991 by investing Rs.27 only and selling cumin seeds, mustard seeds, chilly, and 'Gudakhu' (locally made tooth paste containing tobacco). She made a profit of Rs.5 on her first investment. She then took a loan of Rs.125 and did business with potatoes. She also engaged herself in paddy processing and selling it in the village with a profit of Rs.20-30 on 25kg. In these ten years she has become experienced in business and keeps things that fulfil the seasonal requirements of the villagers like notebooks in the beginning of an academic year. She is Secretary of an SHG called 'Dharitri' which is involved in mushroom cultivation, and has received moral support from the local NGO, Sambhav. Manorama has also cultivated mushroom independently in her house and has sold it locally for the first time in 2002. Now she saves up to Rs.50 per day after fulfilling the household consumption needs. Her husband purchases the goods for the shop from Komodo square at a distance of 3 km. He does not have a cycle to carry the goods, nor even how to ride one, so he has to carry the goods on his head. She also has some savings through SHG now, which she will use for her daughter's wedding. She has educated her children up to class 10<sup>th</sup> and wants her son to pursue his education further.

Manorama Sahoo was criticised a lot in the village for starting the business as women from her caste are not supposed to sit in public and do business. She herself cannot go to market to purchase the goods as the traditions and customs restrict her from doing so. Manorama has plans to open a shop in Komondo Market in future after her 2<sup>nd</sup> daughter's wedding. She needs some financial and moral support for that and she is sure she will be able to improve her status further. She has lots of expectations from her son who is a bright student. Manorama has now become an example for other women in the village and people respect her views.

**SUMMARY & CONCLUSION**

Orissa is an agrarian economy and cultivation provides direct and indirect employment to about 64 percent of the total work force of the state. In Nayagarh about 96 percent people live in rural areas and the main source of their livelihood still remains agriculture and allied activities. By one calculation, 68 percent of the people are below the poverty line. Inadequacy of agriculture to meet all the demands of the rural society has led to the increased recognition of the importance of rural non-farm sector in poverty alleviation and promotion. Migration has become a regular feature in rural areas and non-farm activities are becoming the only alternative available. The question, however, is whether this growth in non-farm employment

is due to the equivalent of 'push' or 'pull' factors: are people having to take them up out of desperation or from choice and their attractiveness? Migration and employment in non-farm activities in the case study villages reveal that the growth of non-farm activities in the district is largely a result of distress reflected in terms of low productivity, unemployment and caste factors, and not a result of infrastructure development, urbanisation, commercialisation or high agricultural productivity.

Non-cultivation sources of livelihood have also been extensions of farm activities like dairy, processing of agricultural products in small scale for self-consumption, and forest produce collection. There have been shifts to the non-farm sector but that too can be attributed to low productivity in agriculture due to factors like marginal land holdings, rainfed farming, lack of agriculture based industries and unemployment. This further has added to migration in search of employment opportunities. In the case study villages, migration was found both in terms of inter-district and to other states. In case of inter-district migration people were mostly migrating to Bhubaneswar, the capital city of Orissa, whereas in case of inter state migration people were moving to specific opportunities in the textile industry in Surat and Jammu and Kashmir.

Nayagarh has a lot of potential for non-farm activities and it has been famous for its handloom, brass and bell metal, building materials and woodcarving. It has also been famous for its agricultural products like pulses and sugarcane. In the absence of suitable industrial conditions, these potentials remain unexploited. There is no big industry in Nayagarh. Recognising the importance of non-farm activities in today's economy, the government of India and the State Government of Orissa have made provisions for its development through schemes like Swarnajayanti Gram Swarozgar Yojana. These schemes have focused on the development of group entrepreneurs, often through SHGs. The fieldwork reveals that though these groups can develop successful IGAs of their own and an increase their income, the control over its marketing still remains in the hands of others, so that the local value added is reduced.

The information gathered through group discussions at village level and key informant interviews in this first phase of the study has revealed a common finding in all the case study villages of the district: the lack of market opportunities. People generally do not have access to the market whether it is a remote village or the village close to block headquarter. Proximity to the block headquarter does not make any difference as far as their access to market is concerned. Government efforts have established pressed leaf plate/cup units with tie-ups with ORMAS and Annapurna Agency at Hyderabad. 100 percent sales have been possible. But this initiative is limited to some specific areas of the district, and is in the initial phase. The sustainability of this market linkage in providing long-term support is yet to be tested. Orissa itself has a huge market for leaf plates, as their use in social and religious functions is very common. The need, therefore, is for proper market networks and opportunities.

Forests, another major source of livelihood for many villages, has not been properly utilised. Only leaf plate has emerged as a major trade based on forest produce. Trades like sabai grass furniture; sal leaf plates have not been explored well. There is a need to explore the existing non-farm activities in the district to employ more people and reduce migration.

Caste-based occupation and possession of traditional skill also emerged as a common finding in the villages. Related social dynamics often act as a barrier to the development of trades

traditionally done by the scheduled castes. Lack of training and lack of diversification of trades is another constraints that need to be taken care of if these trades are to be promoted. Attitudinal barriers and lack of a business outlook in tribal communities prevents growth of trade in such societies. Engaging in trade only in times of emergency was an important observation in the villages.

Nayagarh has its handloom/handicraft industry that is surviving with losses. There is competition with cheap polyester goods available in the market, and handicrafts have high production cost which are no longer offset as subsidies in the handloom sector are reduced. This has led to closing of many weavers co-operative, including the one in Udaypur, Odagaon. Almost all the family members are involved in production of handloom materials yet the price paid to the weavers is very low. Inadequate skill in designing modern products, no bargaining capacity on the part of the weavers, and the lack of market linkage are the factors contributing to the downfall of the sector. Serious thought needs to be given to the problem of how such activities can be transformed in the absence of the long-established subsidy culture that permeates village handicraft industries.

The woollen carpet industry is a trade recently picking up pace in Nayagarh. However, its growth potential as a very effective non-farm activity needs to be examined. This is because the producers are dependent on external agencies for the raw material, finishing of the final products and its marketing. The unit at Daspalla provided employment to only seventeen women, although ninety women have been trained. There is a need to identify ways to employ these trained women, tie up linkages with some production industries and explore markets for the finished products. Despite the problem of marketing being dominated by outsiders, the unit seems to be profitable, and it is not clear why expansion through new loans could not be undertaken.

Exploring the linkage between farm and non-farm sector during the pilot study, it was observed that the sugarcane industry, which was once very significant, has closed down. This was an important concern raised in Daspalla block. Sugarcane, for which Nayagarh has been famous, is now consumed only in households or for jaggery production. Introduction of modern techniques in jaggery production may help in employment generation in this sector.

Similarly, mushroom cultivation is a recent development in Nayagarh, although there may be a danger that encouragement of many to engage in it may have an adverse effect on prices. Other agricultural products like pulses (especially green gram) are also famous in Nayagarh. The need is to establish processing and advanced packaging of the products for profit in the modern competitive market locally and outside the district and State. Establishment of cold storage would be a major facilitating factor if such trades were to be developed.

Nayagarh is famous for a particular dairy products, *Chhenapod* (milk cake). Dairying is still considered an occupation of backward castes, and this needs to be overcome for the growth of such trades for which there is lot of potential in the district.

Local governance in the case study villages was highly politicised. Panchayats are playing a limited role in promoting economic activities in the villages, mainly identifying the beneficiaries for government run anti-poverty programmes. There is very little participation by the people, especially in the tribal villages. The villages nearer to the block headquarter, however, had some access to the Panchayats and its functioning. Women in all the villages

had no participation in governance. Membership in SHG, however, in Udaypur, helped women realise their role in such activities and they have started attending palli sabhas.

The Government are still following top-down approach. The capacities of the people, and their traditional skills, hardly get utilised under any of the government schemes. For example, machine-made leaf plate is introduced in a village where hand made leaf plates were common. But those possessing traditional skills still have not been benefited either through training from the government or in terms of marketing linkage for their produce. There is limited institutional facility created for training under SGSY programme. However, there is a need to strengthen skill base of the people for their engagement in various non-farm activities. In Poibadi, bamboo crafts are made by a large number of people and there is no market linkage for them. They sell their produce only in local weekly market or fairs and festivals in the district or in the State. Government initiatives do not check cost of transport, harassment at various levels, and migration. Lack of market linkage, lack of knowledge on the latest market demand and technology forces people to stick to their traditional skills, which fetches them low profits, or to shift to waged labour and the abandoning of the traditional arts.

Lack of information and awareness about the various government programmes and provisions was also common in the villages. Government programmes need to reach the people in the context they are in and designed with their needs and access to raw materials into consideration. This also has to be followed by proper training and market linkages. Awareness generation about government programmes for proper utilisation of the schemes and transparency between government, NGO and beneficiaries is essential if the potentials are to be fully utilised and poverty has to be fought.

To understand the potential of non-farm economy for poverty alleviation, there is a need to further explore issues relating to marketing, rural urban linkage, specific sub-sector potential as found in the case study villages. There is also a need to understand the policy frameworks and strategic intervention that would enable and encourage people to engage in non-farm economy.





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