An Evaluation Study on National Rural Livelihood Mission in the State of Odisha

Sanjit Kumar Swain*

*Faculty in Quantitative Technique, Department of Panchayati Raj and Drinking Water, Government of Odisha,
Extension Training Centre, Kalahandi, India*

Abstract: **National Rural Livelihood Mission (NRLM) was launched by Ministry of Rural Development, Govt. of India in June 2011 as restructured version of Swarna Jayanti Gram Swarozgar Yojana (SGSY). NRLM aims to alleviate rural poverty & create sustainable livelihood opportunity for the rural poor. In this paper, an attempt to evaluate the Impact of National Rural Livelihood Mission in the State of Odisha. The main objective of the study is to find out the socio-economic condition of the beneficiaries assisted under NRLM and to assess the bank credit & other financial, technical, marketing services etc of the beneficiaries. During the survey, it has been observed that many group members have been benefited & their income level increased. Out of 102 respondents, 65(63.7%) respondents had crossed the poverty line, 37(36.3%) respondents increased their income level. It is observed that the standard of living of the respondents has improved. It shows that NRLM has made an impact in developing the social awareness & living condition of the respondents.**

Keywords: **Self Help Group, Livelihood activity, Bank credit, Revolving fund, Standard of living, Social awareness.**

1. Introduction

The rural poor can be divided into three main categories, i.e. (i) those with land, (ii) those with skills and (iii) those without land and skills. During the initial stages of the common development program (CDP), a holistic approach to develop agriculture, infrastructure and other basic facilities in the villages was adopted. It was assumed that as the process development progresses, it would take care of each and every category of the rural population. During the 1960s, when the entire rural development effort was directed to the development of agriculture. As a result, we achieved green revolution towards the end of that decade and the country gained self-sufficiency in food production. While this event was most welcome, it was not without side-effects. The farmers with small and marginal holdings did not gain from the green revolution and they remained poor. The benefits of agricultural development did not percolate to the large numbers of agricultural labourers either. Introduction of modern farm technology and use of modern factory made equipment rendered a large proportion of rural artisans jobless. The overall situation was that a visible disparity between the rich and the poor emerged. There were many reasons for this situation. Some of the important ones are as follows:

1. Modern farming being cost intensive, the small and the marginal farmers could not adopt modern farm technologies due to the lack of credit facilities and thus remained poor.
2. The green revolution was confined to agro-climatically rich areas, while the other regions remained backward.
3. Intensive farming did increase the absorption of labour, but it was proportionately too low as compared to the supply of manpower in the labour market due to population explosion.
4. There was no appreciable growth in the non-farm sector to absorb surplus labour from the farm sector.
5. There was no attempt for upgrading the skills of artisans for them to stay in the job market. This resulted in vast unemployment among them.

In order to counter these maladies of the development process, a series of special rural development programs as corrective measures were introduced during the early seventies. The most important among them, which was directly focused on the small and marginal farmers, agricultural labourers and rural artisans, was Small Farmers Development Agency (SFDA), introduced in 1973-74. In 1974-75, Marginal Farmers and Agriculture Labourers (MFAL) Agency Program was also introduced to take specific care of the marginal farmers, the rural artisans and the labourers. The MFAL, which was similar to SFDA, was merged with SFDA in 1976. Though SFDA was supposed to take care of all categories of the rural poor, it mainly concentrated on those with land assets and neglected labourers, causing serious problem of unemployment among them. Unemployment was severe among the asset less and the skill-less poor in the villages.

The programs of Ministry of Rural Development's (MoRD), Government of India that directly target poor families for creation of assets and self-employment started with Integrated Rural Development Program (IRDP) in the year 1980. A major reform took place in 1999, when IRDP was transformed into Self Help Groups (SHGs) became the cornerstone of the new

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*Corresponding author: sanjit.etc@gmail.com

strategy. In the states, there is now widespread acceptance of the need for poor to be organized into SHGs, as a pre-requisite for their poverty reduction. 2.5 Crore rural BPL households have been organized and brought into SHG network.

Systematic review of SwarnaJayanti Gram Swarozgar Yojana (SGSY) has brought into focus certain short comings like vast regional variation in mobilization of rural poor, insufficient capacity building of beneficiaries, insufficient investments for building community institutions; and weak linkages with banks leading to low credit mobilization and low repeat financing. Several states have not been able to fully utilize the funds received under SGSY. Absence of aggregate institutions of the poor, such as the SHG federations, precluded the poor from accessing higher order support services for productivity enhancement, marketing linkage, risk management, etc. Several evaluation studies have shown that SGSY scheme has been relatively successful in alleviating rural poverty wherever systematic mobilization of the poor into SHGs and their capacity building and skill development has been taken up in a process-intensive manner. In other places, the impact has not been that significant.

The magnitude of the unfinished task is enormous. Out of the estimated 7.0 crore rural BPL households (2010 projections of BPL households), 4.5 crore households need to be organized into SHGs. Even the existing SHGs need further strengthening and greater financial support. It was in this background, the Government has approved the restructuring the SGSY as the National Rural Livelihood Mission (NRLM), to be implemented in a mission mode across the country. NRLM's mandate is to reach out to all poor families, link them to sustainable livelihoods opportunities and nurture them till they come out of poverty and enjoy a decent quality of life. Towards this, NRLM puts in place a dedicated and sensitive support structures at various levels. These structures work towards unleashing the innate potential of the poor and complement it with capacities to: deal with external environment, enable access to finance and other resources, and with their own institutions play the roles of initiating the processes of organizing them in the beginning, providing the livelihoods services and sustaining the livelihoods outcomes subsequently. The support structures need to work with the unemployed rural poor youth for skilling and providing employment either in jobs, mostly in high growth sectors, or in remunerative self-employment and micro-enterprises.

National Rural Livelihood Mission (NRLM) is that the poor have a strong desire and innate capabilities to come out of poverty. They are entrepreneurial. The challenge is to generate meaningful livelihoods, which enable them to come out of poverty. The first step in this process is motivating them to form their own institutions. Their true potential is realized when they are provided sufficient capacities to manage the external environment and easy access to finance and are enabled to expand their skills and assets and convert them into meaningful livelihoods. This requires continuous handholding support by their institutions. An external dedicated, sensitive support structure, from the national level to the sub-district level is required to induce such social mobilization, institution building

and livelihoods promotion. Strong institutional platforms of the poor empower the poor households and enable them to build-up their own human, social, financial and livelihoods opportunities, including services (both from the public and private sector). The social mobilization process enhances solidarity, voice and bargaining power of the poor. These processes enable them to pursue viable livelihoods based on leveraging their own resources, skills and preferences. Thus, they come out of abject poverty and do not fall back into poverty.

NRLM implementation is in a Mission Mode. It enables

1. Shift from the present allocation based strategy to a demand driven strategy enabling the states to formulate their own livelihoods-based poverty reduction action plans
2. Focus on targets, outcomes and time bound delivery
3. Continuous capacity building, imparting requisite skills and creating linkages with livelihoods opportunities for the poor, including those emerging in the organized sector
4. Monitoring against targets of poverty outcomes.

As NRLM follows a demand driven strategy, the states have the flexibility to develop their livelihoods-based perspective plans and annual action plans for poverty reduction. The overall plans would be within the allocation for the state based on inter-se poverty ratios. In due course of time, as the institutions of the poor emerge and mature, they would drive the agenda through bottom-up planning processes.

2. Objectives

The specific objectives of the study are:

1. To study the implementation procedure of NRLM by the District/State.
2. To find out the socio-economic conditions of the beneficiaries assisted under NRLM.
3. To assess the bank credit and other financial, technical and marketing services of the beneficiaries.

3. Methodology

1) Sampling Design

A three stage sampling design is adopted with first stage as the Gram Panchayat, the second stage as the village and the third stage as the SHGs selected. The following 4 Gram Panchayats have been selected out of 26 Gram Panchayats of Kesinga Block of Kalahandi district adopting simple random sampling method. We select 10 SHGs (i.e. 102 respondents) out of 4 Gram Panchayats. The list of SHGs and their activities are given below in Table 1

2) Data Collection

In this evaluation, two types of data are collected (i.e. Primary and Secondary) at three levels viz, District, Block and village. The Primary data are collected from the field by one schedule for one respondent (i.e. the member of SHG). Altogether 102 respondents are interviewed through these structural schedules. While secondary data regarding target achievements, source of finance etc are collected from official

Table 1
Distribution of the Number of Sample SHGs Selected in Kesinga Block
of Kalahandi District

S. No	Name of G.P	Name of villages	Name of SHGs	Name of Key Activity	No of Members in SHG
1	Boria	Boria	Maa Manikeswari	Sanitizer/Phenyl	10
2	Boria	Nagupala	Maa Tarini	Mushroom Cultivation	10
3	Boria	Nagupala	Jai Maa Bhairabi	Nursery	12
4	Gokuleswar	Gokuleswar	Diptimayee	Maka Chasa	10
5	Gokuleswar	Gokuleswar	Maa Shakti	Nursery	10
6	Gokuleswar	Jujurang	Jai Maa Durga	Fishery Cultivation	10
7	Adhamunda	Adhamunda	Jagannath Mahila Committee	Fishery Cultivation	10
8	Adhamunda	Adhamunda	Maa Manikeswari	Fishery Cultivation	10
9	Kikia	Kikia	Maa Saraswati	Vegetable Cultivation	10
10	Kikia	Kikia	Maa Tarini	Goatery Farming	10
Total					102

Table 2
Distribution of Sample Respondents as per Age, Sex, Caste & Educational Level

GP	Age Group				Sex		Caste			Educational Level					
	18-32	33-47	48-62	62 & above	M	F	SC	ST	OC	Literate	Illiterate	Primary	ME	Metric	+2 & above
Boria	4	15	6	7	-	32	22	-	10	23	9	8	5	10	-
Gokuleswar	9	10	11	-	-	30	-	12	18	24	6	16	4	3	1
Adhamunda	1	11	5	3	-	20	-	10	10	18	2	15	1	1	1
Kikia	2	12	3	3	-	20	9	1	10	7	13	3	1	1	2
Total	16	48	25	13	-	102	31	23	48	72	30	42	11	15	4

Table 3
Distribution of Sample Respondents as per Occupational Status

GP	Agrl. Labour	Non- Agrl. Labour	Farmer	Trader	Others	Total
Boria	14	7	2	3	6	32
Gokuleswar	7	3	5	1	14	30
Adhamunda	4	-	6	-	10	20
Kikia	7	8	1	1	3	20
Total	32	18	14	5	33	102

Table 4
Distribution of Housing Status of the Respondents

GP	Pacca	Kutcha	Total
Boria	27(84.4)	5(15.6)	32
Gokuleswar	17(56.7)	13(43.3)	30
Adhamunda	19(95.0)	1(5.0)	20
Kikia	15(75.0)	5(25.0)	20
Total	78(76.5)	24(23.5)	102

Table 5
Distribution of Drinking Water of the Respondents

GP	Tube well	Well	Pipe Water	Others	Total
Boria	27(84.4)	4(12.5)	1(3.1)	-	32
Gokuleswar	9(30.0)	-	20(66.7)	1(3.3)	30
Adhamunda	19(95.0)	1(5.0)	-	-	20
Kikia	20(100.0)	-	-	-	20
Total	75 (73.5)	5(4.9)	21(20.6)	1(1.0)	102

Table 6
Distribution of Toilet Facility of the Respondents

GP	Yes	No	Total
Boria	31(96.9)	1(3.1)	32
Gokuleswar	24(80.0)	6(20.0)	30
Adhamunda	20(100.0)	-	20
Kikia	16(80.0)	4(20.0)	20
Total	91(89.2)	11(10.8)	102

Table 7
Distribution of Respondents Participation in the Training Program

GP	Yes	No	Total
Boria	32	-	32
Gokuleswar	30	-	30
Adhamunda	20	-	20
Kikia	20	-	20
Total	102(100.0)	-	102

records of the Block/DRDA office, other important data like operational problems are collected by help of intensive discussion with officers and staff. Specific studies are undertaken in order to ascertain the concreteness and depth of some of the typical quantitative problems affecting the respondents at the micro level during the implementation of different schemes at the field level.

3) Tabulation, Analysis & Interpretation of Statistical data:

After the date collection the researcher has manually tabulated the data with the add of a master chart and relevant tables were drawn out of it. The findings of the study were analyzed by way of descriptive analysis of the table using percentage (%) method and also analyzed by different Statistical analysis.

4. Socio-Economic Condition of the Respondents

Some important socio-economic characteristics, i.e. age, sex, caste, educational level, occupational status etc., of the sample respondents is shown in Tables 2 & 3.
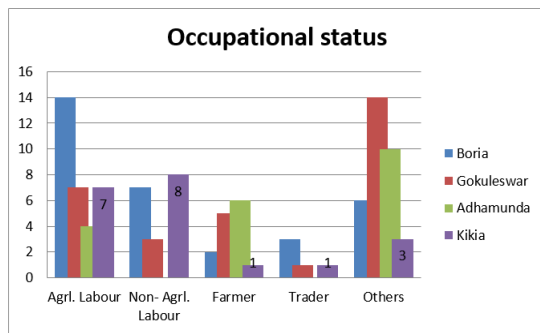

Fig. 1. Occupational status

5. Results and Discussions

1) Housing Status

The housing status of the respondents was enquired. It is observed from Table 4 that 76.5% of the respondents of the sample population of the study were reported to have possessed the pacca house while 23.5% of the respondents have possessed the kutcha house. The highest number of respondents reported to have pucca house was in Adhamunda i.e. 95.0% followed by Boria 84.4%, Kikia 75% & Gokuleswar 56.7%. Also Kutcha house was maximum in case of Gokuleswar, 43.3%, followed by Kikia 25%, Boria 15.6% and Adhamunda 5% shown in Table 4.
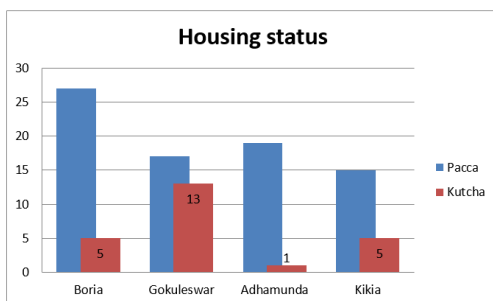

Fig. 2. Housing status

2) Drinking Water Facility

Safe and readily available water is important for public health, whether it is used for drinking, domestic use, food production or recreational purposes. Out of the total number of respondents 73.5% were reported to use drinking water from Tube well whereas 4.9% from well, 20.6% from pipe water and 1% from others. The highest i.e. 100% of respondents in Kikia & 95% in Adhamunda were use drinking water from tube well shown in Table5.
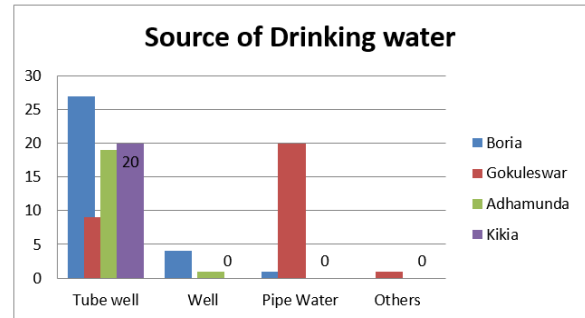

Fig. 3. Source of drinking water

3) Toilet Facility

In this study the respondents were constructed toilets i.e. 89.2% under Swachh Bharat Mission (Gramin) & 10.8% respondents were not constructed toilets. The highest number of respondents i.e. 100% in Adhamunda, 96.9% in Boria, 80% in Kikia and 80% in Gokuleswar were constructed shown in Table 6.
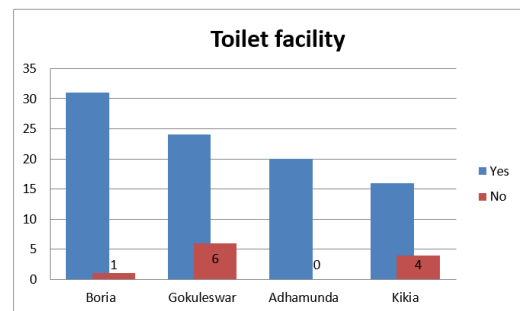

Fig. 4. Toilet facility

4) Capacity Building

Capacity building or development is the process by which individuals and organizations obtain, improve and retain the skills, knowledge, tools and other resources needed to do their jobs competently or to a greater capacity to obtain better results. The Table 7 gives us information on capacity building of respondents i.e. 100% respondents were getting both thematic and skill development training on different subjects of NRLM.

5) Loan & Revolving Fund

Table 8 gives us three important aspects of the development strategy pursued in rural area to create opportunities for the poor SHG members to participate in the growth process. These aspects are (i) different poverty reduction programs as adopted by the respondents, (ii) financial support provided to them by the Government & (iii) the offer of incentives in terms of revolving funds to the households. All these efforts and

investments made by the Govt. aim at generating higher income and creation of livelihood related assets needed to reduce the

block, 10(9.8%) families had a level of income below Rs.18000/- per year per family. In case of 42(41.2%) families,

Table 8
Loan & Revolving Fund for the Respondents of SHGs

Sl No	Activity	Respondents			Loan Components			Revolving Fund			Total Financial Assistance			Total Funds Invested
		SC	ST	OC	SC	ST	OC	SC	ST	OC	SC	ST	OC	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Sanitizer/Phenyl	10	-	-	300000			15000			31500	-	-	315000
2	Mushroom	-	-	10			50000			15000			65000	65000
3	Nursery	12	-	-	50000			15000			65000			65000
4	Maka Chasa	-	2	8		20000	80000		3000	12000		23000	92000	115000
5	Nursery	-	10	-	-	100000	-		15000		-	115000	-	115000
6	Fishery	-	-	10			150000			15000	-	-	165000	165000
7	Fishery	-	-	10			50000			15000			65000	65000
8	Fishery	-	10	-		150000			15000			16500		165000
9	Vegetable	-	-	10						15000			15000	15000
10	Goatery	9	1	-	270000	300000		13500	1500		283500	3000		315000
	Total	31 (30.4)	23 (22.5)	48 (47.1)	620000	300000	330000	28500	34500	72000	663500 (47.4)	334500 (23.9)	402000 (28.7)	1400000

Table 9
Distribution of Respondents According to Economic Position before Financial Assistance under NRLM

GP	Below 180000	18000-29999	30000- Below 40000	Total
Boria	4	14	14	32
Gokuleswar	4	14	12	30
Adhamunda	-	5	15	20
Kikia	2	9	9	20
Total	10(9.8)	42(41.2)	50(49.0)	102

Table 10
Distribution of Respondents According to Economic Position after Financial Assistance under NRLM

GP	Below 180000	18000-29999	30000-39999	40000 & above	Total
Boria	-	3	9	20	32
Gokuleswar	1	4	8	17	30
Adhamunda	-	-	4	16	20
Kikia	-	2	6	12	20
Total	1(1.0)	9(8.8)	27(26.5)	65(63.7)	102

number of households living below the poverty line. It may be seen from the Table 8 that the SC households availed approximately 47.4% of the funds, OC households availed 28.7% and ST households availed 23.9% including the revolving funds of the total fund. In terms of composition of the respondent households SCs constitute 30.4%, STs constitute 22.5% as against the OCs who constitute 47.1% of the respondent households As against the total funds made available to the group members, the average amount of financial support including revolving funds per member comes to Rs.13725.50. In terms of different categories of respondents; the amount of financial help including revolving funds given to them is as follows.

Average amount of financial allotment for different category respondents, i.e.

Per SC Respondent: Rs.21403.23
Per ST Respondent: Rs.14543.48
Per OC Respondent: Rs.8375.00

Respondents belonging to the SC category get larger financial assistance of Rs.21403.23 per Respondents compared to the ST & OC Respondents who get Rs.14543.48 & Rs. 8375.00 respectively.

6) Income Generation

Before assistance of NRLM out of 102 families of Kesinga

the level of income was Rs.18000/- to Rs.29999/- per year per family. But in case of 50(49.0&) families, the level of income was Rs.30000/- to below Rs.40000/- as shown in Table 9.
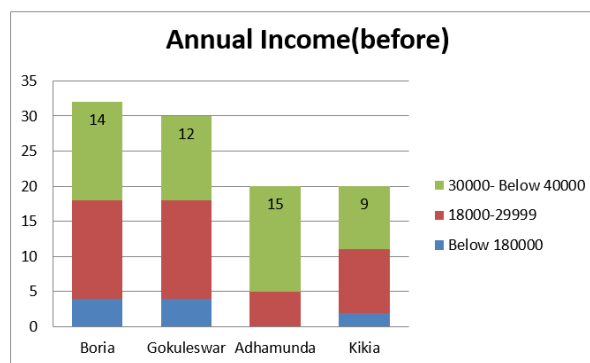

Fig. 5. Annual income before

Out of 102 assisted families of Kesinga block under NRLM during 2018-2019 to 2020-2021, 65(63.7%) households were found to be above the poverty line, the level of income was Rs.40000/- per year per family. In case of 27(26.5%) families, the level of income was Rs.3000/- to Rs.39999/- per year. These families form 26.5% of total investigated respondents are crossing the poverty line in the near future if

more assistance were to be given to them. In case of the 9.8 % families income range below Rs.29999/- who are trying to cross the poverty line as shown in Table 10.

Distribution of Respondents According to Economic Position after Financial Assistance under NRLM
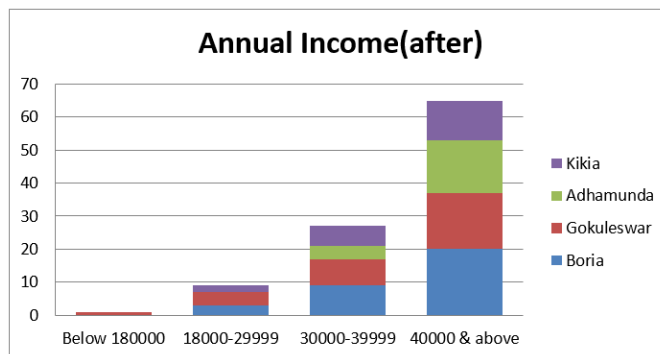

Fig. 6. Annual income after

6. Observations and Findings

The major Observations and findings of the study are as follows:

1. The Gram Panchayat and Block level Government officials and PRI members are involving themselves to desired extent in the implementation of NRLM.
2. The study reveals that, 100 % SHG members were getting thematic and skill development training on NRLM.
3. The key activities like vegetable farming, nursery, Maka chasa, fishery, goatery, Mushroom, Sanitizer and Phenyl making etc could be sustained. These livelihood activities are helpful to improve their income level.
4. It may be seen from the Table 8 that the SC households availed approximately 47.4% of the funds, OC households availed 28.7% and ST households availed 23.9% including the revolving funds of the total fund. In terms of composition of the respondent households SCs constitute 30.4%, STs constitute 22.5% as against the OCs who constitute 47.1% of the respondent households. As against the total funds made available to the group members, the average amount of financial support including revolving funds per member comes to Rs.13725.50.
5. Respondents belonging to the SC category get larger financial assistance of Rs.21403.23 per Respondents compared to the ST & OC Respondents who get Rs.14543.48 & Rs. 8375.00 respectively.
6. Out of 102 assisted families of Kesinga block under NRLM during 2018-2019 to 2020-2021, 65(63.7%) households were found to be above the poverty line, the level of income was Rs.40000/- per year per family. In case of 27(26.5%) families, the level of income was Rs.3000/- to Rs.39999/- per year. These families form 26.5% of total investigated respondents are crossing the poverty line in the near future if more assistance were to be given to them. In case of the 9.8

% family's income range below Rs.29999/- who are trying to cross the poverty line.

In the survey it has been observed that many group members have been benefited & increased their income level. Out of 102 respondents, 65(63.7%) respondents were crossed the poverty line, 37(36.3%) respondents were increased their income level to some extent. So the study specifies that the program has a positive impact on the respondents. It is observed that the standard of living of the respondents has improved. It shows that NRLM has made an impact in developing the social awareness & living condition of the respondents.

7. Conclusion

1. Training is provided to all the members of SHG, elected representatives & officials at time of inception of the scheme.
2. There is a need to plan for convergence with other development programs which will help for income generation of SHG members.
3. Activities under the scheme should be selected keeping in view the local needs & maximum utilization of local resources subject to the inclination, managerial capabilities & skill of the SHG member.
4. As per needs & choice of beneficiaries adequate training should be provided to the all members of the groups for skill up-gradation, maintenance of records & bank correspondence etc.
5. Implement enterprise development, supply chain and marketing practices that empower women.
6. Empowerment of women enhances the quality and the quantity of human resources available for development.
7. Measure and publicly report on progress to achieve gender equality.

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