

**Working Paper Series No. 21**



**Government of Kerala**

**Paper Plate and Glass Making Unit**

**A Case study of the Kudumbashree unit in Vadakkekara  
Grama Panchayat**

**The Report**

**Evaluation Division  
Kerala State Planning Board  
May 2014**

## **Disclaimer**

This Study has been prepared by Smt Rajeena T. M, Research Assistant, District Planning Office, Ernakulam. The facts and figures in this report is based on primary data collected by the author from the study area based on a questionnaire and secondary data collected from various sources and do not reflect the views or policies of Kerala State Planning Board.

## **Acknowledgement**

First of all I thank GOD Almighty for the blessings. I express my sincere thanks to Dr .V Vijayakumar, Chief, Evaluation Division, State Planning Board for his guidance and scholarly assistance in every step of this study. I would like to record my sincere thanks to R Girija, District Planning Officer, Ernakulam for giving all help and facilities to carry out this study. I also thank the CDS Chairperson and all the members of the NHG for their co-operation and help in the collection of relevant data.

Rajeena .T M

Research Assistant

District Planning Office,

Ernakulam

## Contents

<b>List of Tables and Figures</b>	<b>5</b>
<b>Abstract</b>	<b>6</b>
<b>Chapter 1 Introduction</b>	<b>7- 11</b>
<b>Chapter 2 Review of Literature</b>	<b>12- 13</b>
<b>Chapter 3 Kudumbashree</b>	<b>14- 18</b>
<b>Chapter 4 Paper Plate and Glass Making Unit in Vadakkekara Grama Panchayat - An Appraisal</b>	<b>19- 24</b>
<b>Chapter 5 Analysis of the study</b>	<b>25- 27</b>
<b>Chapter 6 Findings and Suggestions</b>	<b>28</b>
<b>Conclusion</b>	<b>29- 31</b>
<b>Appendix 1 Questionnaire</b>	<b>32- 33</b>

### List of Tables

<b>Table</b>	<b>Title</b>	<b>Page No</b>
3.1	Status of CBO's in Kudumbashree	17
4.1	Risk and Profit Pattern	20
4.2	Source of Fund	21
5.1	Source of Income	25
5.2	Marketing Sources	26
5.3	Consumption Pattern	27

### List of Figures

<b>Table</b>	<b>Title</b>	<b>Page No</b>
3.1	Working Pattern of CDS	16

## **Abstract**

Poverty eradication and women empowerment are the widely discussed topic all over the world. It has been acknowledged in enumerable studies that the social and economic empowerment of women have a significant positive impact on the poverty eradication and economic development of the country. Therefore Government of India has implemented various schemes to reduce poverty, for empowering poor women and to promote gainful employment. Even though Kerala State is well-known for its egalitarian policies in terms of healthcare, redistributive actions and social reforms, and its health indicators close to those of high-resource countries despite a poor per-capita income, it is not clear whether socio-economic disparities in terms of life expectancy are observed. Based on a primary survey of Paper plate and Glass making unit in Vadakkekara Grama Panchayat under Kudumbashree, the study examines the dynamics of the success of these types of enterprises in providing a regular source of income to the beneficiaries of the programme.

## **Chapter 1**

### **Introduction**

Micro enterprise development is viewed as an opportunity for providing gainful employment to the people below poverty line and thereby improving their income and living standards. Various commercial as well as co-operative banks are extending loans to Kudumbashree groups for starting productive activity. Members from various NHG's in an area come together and form an enterprise group. These women go for training programmes related to their activity to upgrade their skills as well as to get introduced to new areas where local demand is high. Thus, this programme aims at combining the local demand with local resources as well as aims to maximise local linkages.

### **Relevance and Significance of the Study**

Without land or paid employment, many of the poor turn to self-employed activities to generate income. The poor are faced with the challenge of acquiring credit to take loans to engage in various productive activities, without the necessary collateral security required by formal lending institutions. Micro-credit initiatives have become increasingly popular as a way to mobilize poor communities through the provision of loans through specialized financial institutions. Small groups are formed, and loans are allocated to members, based on group solidarity instead of formal collateral. Micro-credit schemes have been particularly targeted towards poor women, who are often discriminated against not only by institutions, but also within their own households. The present study "Paper Plate and Glass Making Unit in Vadakkekara Grama Panchayat" under the financial support of Kudumbashree is an excellent paradigm for this type of a micro enterprise.

The unit has been established with the keen objective of wiping out absolute poverty by organising the poor into community-based organisations. Kudumbashree has enabled the women to share their personal experiences and this in turn has given perspective to the individual situation of many women and transformed their personal feeling of hopelessness into a feeling of being part of a

collective spirit. They have been able to develop a social network in the neighbourhood area, which to some extent has evoked a feeling of social security. Through their involvement in micro enterprise activities, the women are now more confident and independent. Again the product of this unit is environment friendly and bio degradable which itself is a solution for the carving problem of environmental degradation.

The present study contributes to the literature in many ways. First, Kerala is ahead of almost all Indian states in social indicators at low levels of economic growth. But recently several factors have contributed to fuelling much political and social tension in the state; large scale unemployment, mainly among the educated, deterioration in agriculture, especially the large drop in the total area under cultivation (including recently, the plantation sector), unfavourable credit scenario (low credit-deposit ratio), and the underdevelopment of the industry sector. As a result close to 2,000 farmers committed suicide in the state (Government of Kerala, 2006, Vaidyanathan, 2006; Jeromi, 2007). These factors have also put poverty into the focus of public policy debates and Kudumbashree could represent an alternative model of economic advancement. Secondly, it is increasingly recognized that women share a greater burden of poverty within the household. Kudumbashree being a women-centered micro-credit program, it is interesting to examine how such a programme contributes to the removal of gender inequalities and empowerment of women. Lastly, Kerala being a state with relatively low credit-deposit ratio and the poor depending on non-institutional sources of finance, the impact of microfinance borrowing on the indebtedness of borrowers, especially the issue of loan recycling and the vulnerability of the poor, is an interesting area of investigation. It is in these contexts, the present study tries to evaluate the scheme implemented by the Kudumbashree District Mission during 2009-10 in Vadakkekara Grama Panchayat.

### **Area of the Study**

The present study has been confined to Vadakkekara Grama Panchayat-a village in Paravur Block in Ernakulam district.

## **Project Details**

The project - Paper Plate and Glass Making Unit - has been implemented by the Kudumbashree District Mission during 2009-10. The total cost of the project is ₹ 5 Lakh - ₹ 3.50 lakh loan from bank , ₹ 0.30 lakh beneficiary share and ₹ 1.20 lakh subsidy from the Kudumbashree District Mission.

- The main objective of the project is to ensure a regular income for the beneficiaries.
- The project is implemented with the help of the CDS Chairperson of Vadakkekara Grama Panchayat.
- Two groups consisting of 6 members each is engaged in this scheme.
- The beneficiaries of the project are from Kudumbashree NHG.
- The unit is working in a rented building for ₹ 2500/- per month.
- The unit purchased new machines at a total cost of ₹ 4.75 lakh.
- The products include-paper glass and plate

## **Objectives of the Study**

The main objectives of the study are

- To analyse the success of the scheme in providing a regular source of income to the beneficiaries of the programme
- To evaluate the success of the project in increasing the standard of living of beneficiaries after the implementation of the scheme

## **Approach and Methodology**

- The overall approach used is to document all the relevant information, diagnose and develop the project.

- The study required the collection of primary as well as secondary data; a contact list has been generated for collection of primary information. The following categories are contacted.
  - i. Beneficiaries of the scheme have been selected as the sample size.
  - ii. The family members of the beneficiaries including children.
  - iii. Government officials- Kudumbashree District Mission, Panchayat authorities, Village Extension Officer.

### **Analysis of the study**

The survey has been supplemented with qualitative data derived from the discussions held with the beneficiaries of the unit. Objective oriented structured questionnaires are used to understand the input use patterns, economic returns and management practices. The survey primarily aims to understand success of the scheme in providing a regular source of income to the beneficiaries of the programme.

- All the unit members opined that the scheme is successful in ensuring a regular source of income to them.
- The members of the group got training on General aspects, Entrepreneurs Development Training and Skill development through State Poverty Eradication Mission (Kudumbashree).
- The product is marketed through Maveli stores, Kudumbasree Home shops, Local markets and majority of the products are demanded by the 5 catering units operated by the various Kudumbasree units in the Panchayat area
- Since the inception of the unit, the consumption pattern of the unit members has improved indicating an improvement in the standard of living.
- It has been clear from the survey that high returns has not been attained through the implementation of the scheme to the full extend.

## **Findings of the study**

- The beneficiaries of the unit are from poor families and the unit has helped them in enhancing the financial status of these less privileged through its thrift and credit societies.
- The incomes from these activities not only made them economically independent but also helped them to elevate the standard of living of the family.
- If we examine the sample across age groups, all the beneficiaries of the program are in the age group between 45 to 55 years. This shows the achievement of these types of programmes in reaching to the old age groups who are left with lesser alternatives.
- Due to the shortage of fund the unit is purchasing raw materials from the intermediaries, which adversely affects the profit rate.
- The unit does not have proper marketing mechanisms and also faces severe competition from existing organized and established units in the retail outlet.
- Large scale production is not possible as the unit is working in a small rented building which in turn adversely affects their productivity.
- The unit members are not efficient in keeping proper accounts.

## **Suggestions**

- Provision of financial assistance in the form of any low interest bearing loans can improve the productivity of the unit.
- Mass advertisement in the local areas may be arranged for the proper marketing of the product.
- Various training programmes have to be provided for the members for keeping proper account
- More efforts should be made to identify suitable activity based on resources, skills and markets.
- Market conditions should be studied before setting up of units.

## Chapter 2

### Review of Literature

A review of the existing literature helps the researcher to understand the nature and quantum of research studies already undertaken in a particular area. In India and the state, considerable research on the microfinance scenario and Kudumbashree have been done during the last years. There are several studies conducted by many researches covering one or other aspect of Kudumbashree Enterprises. Some of the studies are as follows.

SHoff, K and Joseph Stiglitz (1993) in 'Imperfect Information and Rural Credit Market: Puzzles and Policy Perspectives', in *The Economics of Rural Organization*, eds, provide explanations based on 'peer monitoring'. Using results from contract theory, they argue that since loans are given to a 'group' rather than to an 'individual' (as in the traditional lending arrangement), group members have an incentive to monitor their peers. Since group members have better information compared to lenders, peer monitoring would be relatively cheaper compared to bank monitoring, leading to greater monitoring and greater rates of repayment.

Besley, T and Stephen Coate (1995) in 'Group Lending: Repayment Incentives and Social Collateral', *Journal of Development Economics* also argue that compared to other explanations, arguments based on peer monitoring are more successful in explaining the success of group lending schemes. They illustrate how imposing joint liability on borrowers can alleviate adverse and more hazard problems. However, the variables they emphasize in order to demonstrate peer monitoring are slightly different.

Ghatak, M and Timothy W. Guinnane (1999) through 'The Economics of Lending with Joint Liability: Theory and Practice', *Journal of Development Economics*,) argue that group lending could lead to homogenous group formation. They affirm that joint liability and self-selection in credit could lead to positive assertive matching

so that borrowers of the same type club together. Safe borrowers will form credit cooperatives and risky borrowers will be left aside.

D.Ajit in his study *Micro-Credit and Repayment Rates: A Case Study of Kudumbashree Micro-Enterprise Programme in Kerala - 2006* explains how the new microfinance literature highlights the gender by emphasizing the role of women in the microfinance revolution. Traditionally women have less access to credit. However, they are more likely to repay their debts than men. Women are more concerned with household improvement, children's education and their health than are the male family members.

Kenneth Kalyani and Seena P.C. emphasises how Women become socio economically developed after participating in Kudumbashree programme and able to enhance their confidence level and to analyse themselves or their strengths better.

Singh and Jain (1995) in their working paper 'Evolution and survival of SHGs: Some theoretical and empirical evidences' explained that there are four stages of group formation: forming, storming, norming and performing. They identified the factors, which have an impact on group formation as full participation of all members, quality in leadership, some sort of homogeneity among the members and transparency in operations and functioning of the groups.

The study conducted by Karkar (1995) revealed that as the programme was effectively implemented, the monthly income of the beneficiaries had increased substantially. A large number of groups had become mini-banks reducing the dependence on moneylenders. It had also resulted in improving their standards of hygiene and nutrition

## **Chapter 3**

### **Kudumbashree**

Inspired by the innovations in participatory development in the early and mid-1990s the Government of Kerala, initiated “Kudumbashree” in 1998 to alleviate poverty in the state by 2008 by empowering women through collective action. The government of Kerala State has introduced this novel scheme of poverty eradication based on micro finance which aims at improving the living levels of the poor women in rural and urban areas. “Kudumbashree” in local language means prosperity of the family which helps to enjoy the economic opportunities by a good number of the poor women folks in rural and urban Kerala. The State Poverty Eradication Mission - Kudumbashree - aims at eradicating absolute poverty within a definite time frame of 10 years under the leadership of Local Self Governments formed and empowered by the 73rd and 74th Amendments of the Constitution of India. This Mission has adopted a different methodology in wiping out absolute poverty by organising the poor in to community-based organisations. The Mission follows a process approach rather than a project approach.

#### **Mission Statement**

Kudumbashree is a Mission working for the fulfillment of a shared vision. Mission Statement is: "To eradicate absolute poverty in ten years through concerted community action under the leadership of Local Self Governments, by facilitating organisation of the poor combining self-help with demand led convergence of available services and resources to tackle the multiple dimensions and manifestations of poverty, holistically."

## **Kudumbashree-mode of operation**

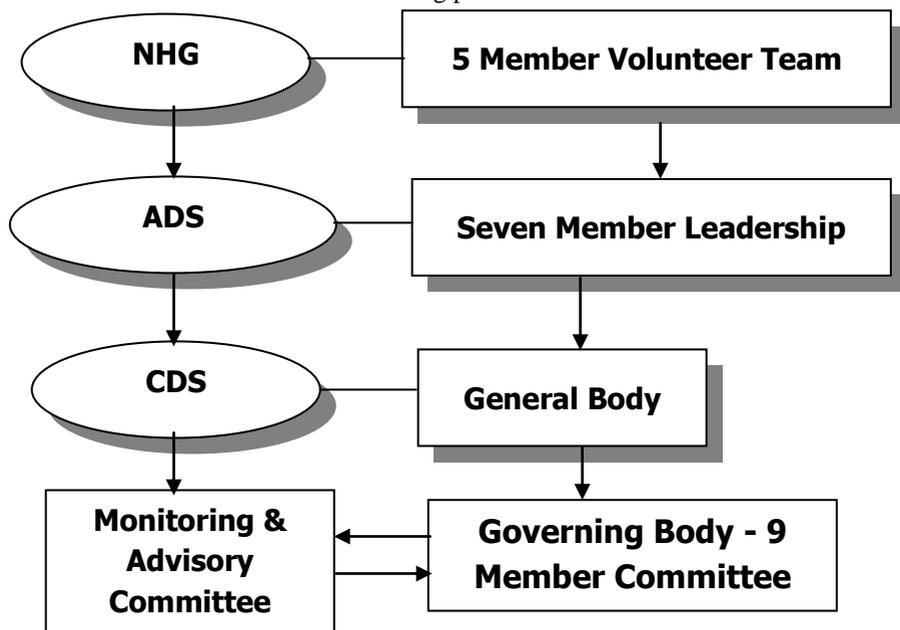
The program is structured under three tiers starting from the grassroots to the block levels called the three tier Community Based organizations (CBO). The Community Based Organization is the lifeblood of “Kudumbashree”. The grass root level poor women are organized through Neighbourhood Groups (NHGs) consisting of president, secretary, infra-structure volunteer, community health volunteer and income generation volunteer with 20 - 40 women. The Neighbourhood Groups (NHGs) are co-ordinated at ward level through Area Development Society (ADS) by federating 8 to 10 NHGs. To coordinate the activities at the Panchayat level there is the apex body called Community Development Society (CDS), which is heading the Area Development Societies (ADSs).

The NHG members used to meet once in a week in one of the member’s house. The members, who meet together, discuss their problems and make joint effort to find solutions to their grievances with the support of the functional volunteers. This would bring up interpersonal feelings among the members and would generate supportive attitude to build confidence among them. Apart from this, they practice small savings through thrift which should be used to create productive assets. The ‘micro-plans’ are prepared at the NHG meetings and the formulated plans would be sent to ADS for scrutiny and finalization to form the ‘mini plan’. After consolidating the ‘mini-plans’ by judicious prioritization at the CDS meeting a ‘sub-plan’ is formed to become the anti-poverty programme of the Local Self Government. The formulation of micro, mini and sub-plans helps to facilitate the poor women households to participate in planning process as a major stake holder.

The local self governing body monitors the implementation of the ‘plans’ and thereby proper linkage, coupled with autonomy is ensured in the participatory system of planning for poverty alleviation. The first spark of women based participatory approach for poverty eradication came out in Alappuzha Municipality in Alappuzha District in Kerala in 1993 when the Community

Development Society of the poor women came into being as part of the implementation of the Community Based Nutrition Programme (CBNP) and the Urban Basic Service Programme (UBSP) with the assistance of UNICEF.

Fig 3.1  
Working pattern of CDS



**Table 3.1**  
**Status of CBOs in Kudumbashree**

Sl No	Name of District	No. of NHGs Formed	No. of ADSs Formed	No. of CDSs Formed
1	Trivandrum	16552	1174	83
2	Kollam	12080	1064	72
3	Pathanamthitta	5920	649	57
4	Alappuzha	11428	979	78
5	Kottayam	9121	971	78
6	Idukki	8676	611	52
7	Ernakulam	12488	1237	98
8	Thrissur	14733	1278	99
9	Palakkad	18178	1251	94
10	Malappuram	10925	1534	105
11	Kozhikkode	13384	1159	80
12	Wayanad	7981	362	26
13	Kannur	9646	1098	87
14	Kasargode	5263	548	41
	<b>Total</b>	<b>156375</b>	<b>13915</b>	<b>1050</b>

Source: Kudumbashree District Mission

## **Various Facets of Kudumbashree**

Kudumbashree is envisaged as a Mission, a process, a project and a delivery mechanism for the poor. Identification of Kudumbashree can only be made through the various facets. The following facets are visualized for the Kudumbashree Programme.

- ❑ Identification of poor families using a non-monitory poverty index
- ❑ Organizing the poor to a 3 tier Community Based Organization (CBO).
- ❑ Human Resource Development - Capacity building of poor
- ❑ Empowerment of women through Community Based Organisations.
- ❑ Micro Finance - Formation of Informal Bank of Poor women operating round the clock throughout the year, starting from thrift & credit operations.
- ❑ Formation of micro-enterprises.
- ❑ Demand led Convergence of Services and Resources.
- ❑ As a further step to decentralization process.
- ❑ Leadership of Local self Governments.
- ❑ Establishment of rural marketing network throughout the State.

## Chapter 4

### Paper Plate and Glass Making Unit in Vadakkekara Grama Panchayat-An Appraisal

#### Micro Finance

Microfinance is an effective tool to address the issue of poverty and has been somewhat successful in transforming the lives of millions of world population. The micro enterprise and small business has always played a significant role in the economic development of a Country. The income generating activities under individual and group initiatives to meet the livelihoods of the poor women are massively promoted. Canteens/catering units, group farming units, fruit processing units, foot ware units, condiments units, umbrella units, building materials units, horticulture units, electronics units, readymade garments units, soap powder units, toys units , grocery shops, are some of the examples of micro enterprises that are undertaken by poor women under “Kudumbashree” Mission. Women entrepreneurs are given training in entrepreneurship development, skill development, project management and performance improvement by the Entrepreneurship Development Institute of India, Ahmadabad.

Kudumbashree views Micro Enterprise Development as an opportunity for providing gainful employment to the people below poverty line and thereby improving their income and living standard. In the context of Urban Poverty, micro enterprises are defined based on the following criteria:

1. Investment ranging from ₹ 5,000 to ₹ 2.5 lakh.
2. Enterprise should have a potential to generate at least ₹ 1,500 per member per month either by way of wage or profit or both together.
3. Enterprise fully owned, managed and operated by members themselves, preferably, women below poverty line families as entrepreneurs.

4. Minimums turnover of ₹ 1 lakh to ₹ 5 lakh. (ie 2-10 times of the capital investment).

Through the operation of micro enterprise, the asset management capability of the poor people will increase along with their profit margin and income.

### ***The Emerging Process***

Kudumbashree views micro enterprise development as an emerging process which will start with low capital low risk and low profit at the initial stage which will gain momentum and later switch on to low to medium capital and then to low to medium risk. In an advanced stage it may even reach medium capital, medium risk and medium profit with appropriate technology, emerging technology or even with low technology.

**Table 4.1**  
**Risk and profit pattern**

<b>Capital Employed</b>	<b>Risk Involved</b>	<b>Profit Generation</b>	<b>Technology Used</b>
Low	Low	Low	Low
Low-Medium	Low	Low +	Low
Low-Medium	Low-Medium	Low-Medium	Low
Medium	Medium	Medium	Low, Appropriate Emerging

Source: Kudumbashree District Mission

For example catering units work with low capital, low risk, low profit and low technology where as an IT unit works with low to medium capital, low risk and low to medium profit and by using emerging technology.

## **Thrift and Credit**

Kudumbashree promotes thrift mobilization by setting up Thrift and Credit Societies at NHG level to facilitate the poor to save and to provide them cost effective and easy credit. Thrift and Credit Societies facilitate easy and timely credit to the un-reached. A member can avail loan up to a maximum of four times of his savings. The amount of loan and the priority of disbursement are decided by the NHG. The repayment is collected weekly during the routine NHG meetings. The income towards interest from thrift is generally used for re-lending. The most important aspect of the thrift and credit societies is the prompt repayment of loans.

### **a) Informal Banks at the Doorsteps of the Poor**

Thrift and credit societies organised by the Kudumbashree are fastly growing as Informal Banks of the poor women at their doorsteps. Most of the thrift societies are now capable of providing assistance even to income generating activities.

### **b) Thrift and Credit Societies – Specialties**

- Poor can save
- Flexible financial service
- Enables to undertake Micro Enterprises
- Informal bank
- Easy to avail
- Facilitate timely credit
- Low transaction cost
- Poor can pay interest at market rate
- Weekly repayment
- Transparency in operation
- Loan disbursement – Need based
- Loans at the convenience of the poor
- No collateral security
- Time saving

- ❑ Credit at the doorstep
- ❑ Prompt repayment due to peer pressure
- ❑ Leap in self confidence

Now, 8667 Thrift and Credit Societies are operating in the 58 urban areas covering the major 58 towns. In rural area 147914 thrift & credit societies are in operation in the 991 Panchayats in the state.

### **Paper Plate and Glass Making Unit in Vadakkekara Grama Panchayat-An Example for Micro Enterprise as a powerful tool for poverty reduction**

The project - Paper Plate and Glass Making Unit - has been implemented by the Kudumbashree District Mission during 2009-10. Identification of innovative and creative activities suited to the specific environment in which the poor people are living by using the technological knowhow already available is the best way to solve the problem faced by the poor community. These types of innovative approaches will help them to catch up more and more opportunities from the society and to earn better income to the poor members belonging to BPL families. The Paper Plate and Glass making unit started in Vadakkekara Grama Panchayat is one among the best paradigm for this type of a venture. Two groups consisting of 6 members each is formed for the implementation of this scheme. The beneficiaries of the project are the members of Kudumbashree NHG and from the BPL families.

Majority of enterprises under Kudumbashree are running with low working capital. As these units are run by impoverished women, finding working capital is always a big constraint for functioning the unit. The scheme has been implemented with a total outlay of ₹ 5 Lakh. Through the bank linkage programme, Kudumbashree has helped the SHGs to link with banks for channelling micro credit to the poor. The banks through the micro credit programme provides small amount of credit at low interest rate to the poor without any collateral security. Loan repayment by an individual member in the group is the collective responsibility of all the members in the group.

The group has availed the RME(Rural Micro Enterprise) Loan from Bank of India, Mookaanoor Branch for an amount of ₹ 3.50 lakh. And the rate of interest is 9 per cent. For setting up of MEs, it is mandatory that all members have to contribute 5 per cent of the total project cost as beneficiary contribution. The thrift and savings of ₹ 0.30 lakh of these Kudumbashree NHG members constitutes the beneficiary share. A significant amount of assistance and subsidy have been provided to ME units started under Kudumbashree to make them sustainable and profitable. Both individual enterprises and group enterprises have been assisted heavily through subsidy and here ₹ 1.20 lakh subsidy has been approved from the Kudumbashree District Mission. The details of the source of fund is as follows.

**Table 4.2**

**Source of fund**

<b>Sl No</b>	<b>Source of Fund</b>	<b>Amount (in Lakhs)</b>
1	Bank loan	3.50
2	Beneficiary share	0.30
3	Subsidy from Kudumbashree	1.20
<b>Total</b>		<b>5.00</b>

Source: Primary data collected from Beneficiaries

The unit has been started with the sole objective of ensuring a regular source of income for the beneficiaries. As the beneficiaries of the project belong to BPL family, an alternate source of income is inevitable for the survival of them. The project is implemented with the help of the CDS Chairperson of Vadakkekara Grama Panchayat. The unit is working in a rented building for ₹ 2500/- per month. The unit purchased new machines at a total cost of ₹ 4.75 lakh and the products include paper glass and plate.

In the absence of entrepreneurial traits, continued supports by means of ‘hand holding’ and ‘escort services’ are required

for ensuring sustainability of micro enterprises. Training in the functional areas of management like production, inventory, finance, marketing, personal and project are imparted to the selected entrepreneurs. With this objective, the members of the group are supported with training on General aspects, Skill Development and Entrepreneurs Development Training through State Poverty Eradication Mission (Kudumbashree).

## Chapter 5

### Analysis of the study

The survey has been supplemented with qualitative data derived from the discussions held with the beneficiaries of the scheme. The overall approach used is to document all the relevant information, diagnose and develop the project. The study required the collection of primary as well as secondary data. Beneficiaries of the scheme have been selected as the sample size including their children. A structured interview schedule has been prepared for the collection of data.

- All the unit members opined that the scheme is successful in ensuring a regular source of income to them. The economic change provided a new level of confidence to the beneficiaries. Since the inception of the unit, they became self sufficient in meeting their own needs. The details of income of the beneficiaries are as follows. All the members of the unit are working on a daily basis in the unit.

**Table 5.1**  
**Source of Income**

<b>Year</b>	<b>Monthly Income per head</b>	<b>Profit</b>
2009-10	3500	0
2010-11	3500	0
2011-12	4000	150
2012-13	4500	200

Source: Primary data collected from the Beneficiaries

The table depicts the income and profit rate of the unit since its inception. In the first two years the profit rate was nil/low as major share of their income has to be utilised for the repayment of the loan. The loan repayment has been successfully completed on November 2012 and hence the profit amount started an upward trend.

- The members of the group received training on General aspects, Skill development and Entrepreneurs Development Training through State Poverty Eradication Mission (Kudumbashree). But the duration of the training was only 10 days.
- The unit members has reported that the product is marketed through Maveli stores, Kudumbasree home shops, Local markets and majority of the products are demanded by the 5 catering units operated by the various Kudumbasree units in the Panchayat area

**Table 5.2**

**Marketing Sources**

<b>Source of Marketing</b>	<b>Percentage</b>
Maveli stores	2
Kudumbasree home shops	8
Local markets	12
Catering units	78

Source: Primary data collected from the Beneficiaries

- Since the inception of the unit, the consumption pattern of the unit members has improved which offered in a better standard of living to them. As household amenities often save time and effort, or provide access to social and work-related activities, they can help to make the lives easier and enjoyable and improve the standard of living. A measure of access to such amenities therefore provides a valuable adjunct to fundamental indicators in other spheres of well-being, such as health and income. Having fewer amenities can impact on household's ability to maintain or improve their life circumstances.

**Table 5.3****Consumption Pattern**

<b>Durable Items purchased</b>	<b>Number of families</b>				
	<b>Before 2009-10</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Television	12	2	3	3	
Fridge	1			10	2
Washing Machine	0			3	2
Gold Ornaments	3			2	1
Mobile Phones	0			20	
LPG Stove	16	2	2		

Source: Primary data collected from the Beneficiaries

The consumption of the durable items has been increased with the starting of the unit. Though this consumption has not been born entirely by these housewives, their contribution was the reason behind the purchase of these items. Majority of them have purchased these durables on instalment basis since they are assured with a regular source of income from the running of this unit.

- It has been clear from the survey that though self sufficiency and high returns could not be attained through the implementation of the scheme to the full extend.

## **Chapter 6**

### **Findings and Suggestions**

#### **Findings of the study**

- The beneficiaries of the unit are from poor families and the unit has helped them in enhancing the financial status of these less privileged through its thrift and credit societies.
- The incomes from these activities not only made them economically independent but also helped them to elevate the standard of living of the family.
- More efforts should be made to identify suitable activity based on resources, skills and markets.
- Market conditions should be studied before setting up of units.

#### **Suggestions**

- Provision of financial assistance in the form of any low interest bearing loans can improve the productivity of the unit.
- Mass advertisement in the local areas may be arranged for the proper marketing of the product.
- Various training programmes have to be provided for the members for keeping proper account.

## Conclusion

Typically women were used to work in traditional agricultural sector and modern constructional sector. In agricultural sector the work arrangement is not much hierarchical. But in the construction sector work arrangement is hierarchical. In both sector the women work at the bottom of the ladder selling their labour power for wage. They were marginalized in the sense that they were pushed in to the low paid extremely routine manual jobs. In the work sector they suffer discrimination, exploitation, and harassment. Women's employment in family, farms, home or business is rarely recognized as productive. The income generated from this work is generally controlled by men. The farm income is solely counted as the hard earned income of the male member/head of the family and he is alone counter as the "Bread Winner". So in such a social situation the people's participation and 73<sup>rd</sup> constitutional amendment do marked change in the socio-economic status of women and for this the effort of Kerala State Poverty Eradication Mission through Kudumbashree also should be appreciated. Rural women, who were regarded as voiceless and powerless started identifying their inner strength, opportunities for growth and their role in reshaping their own destiny. The process of empowerment becomes the signal light to their children, their families and the society at large.

The attempts in India to promote microfinance since early 1990s were in the background of growing evidence of indebtedness among farmers and credit starvation to the poor. With the withdrawal of state activism in credit markets in India since 1992, an increasing role was envisaged for private sector in credit dispensation to the poor in the form of microfinance under the umbrella of Bank-Self Help Group programme. Although its outreach has increased substantially, the predominant commercial model of microfinance has recently encountered hostility of poor borrowers because of their high lending rates and loan shark type behaviour. An alternative to the commercial model of microfinance is the Kudumbashree programme initiated in 1998 by the Government of Kerala, in India.

The big bang of decentralization of government in the state of Kerala in India came in two bursts in transfer of powers to local governments. First in October 1995 when the decision to transfer most of the development institutions to local governments along with staff was made and the second in August 1996 when the decision to transfer about a third of State Plan resources to local governments was announced and the People's Plan Campaign launched. Alongside it was decided to universalize the Anti-Poverty Programme of the State under the name of Kudumbashree

Kudumbashree became the lifeline to many of the poor women in the state of Kerala. Resultantly, the women of the state have become active participants in the planning and implementation process of various anti poverty programmes. By participating in various income generating- cum developmental activities, the morale and confidence of women become very high. Women who were regarded as voiceless and powerless started identifying their inner power, their strength, opportunities for growth and their role in reshaping their own destiny. The process of empowerment becomes the beacon light to their children, their families and to the society at large. It opens new vistas in development history. A new paradigm of participatory economics has been found emerging in "God's Own Country". Gender relations are deeply influenced by other social forces, factors and relationships in society. At the level of personal space both mental and physical, there has been a tremendous expansion for women, through both an enormous and rapid increase of knowledge, awareness and skills in new areas, as well as the expansion of institutional space, which has opened up a new and hitherto unknown world to women. Women's larger role in decision-making seems to be resented by men, even though they did not say so directly, but hinted at it indirectly, giving a different reason. In the public arena, participation in public life and social prestige and esteem were seen to be closely linked. The first has made women 'visible' on a large scale in the public domain as never before and they are admired for it, publicly. To go any further, structural change is needed and it will become necessary for women to engage with 'strategic' and 'transformative' issues like unequal control over property and other productive assets, opportunities for employment, equal wages and a level playing field in the market. Women would

have to enter the public decision-making forums and lobby for women friendly policies, even in such basic matters as support services for women workers. Kudumbashree in Kerala state is conducive not a jeopardizing.

The poor people of Kerala, especially women have already accepted Kudumbashree as their own movement. Within a short span of less than five years, the Mission could surpass many a major milestone. Developmental Specialists and Social Activists from several Indian states and foreign countries visit the Project to enlighten themselves in areas like participatory poverty reduction, women empowerment and convergent community action.

Economic development is the base for other development. Collective effort has been recognized as tenets of women empowerment. Through women empowerment leads to sustainable social development. Economic development of women leads to better living status in the family, educational, nutritional, and the health needs of the children were well satisfied. Economic independence through Kudumbashree improved the social participation of its members and the Kudumbashree NHG movement is supporting for social empowerment of poor women flock.

## Appendix

### Questionnaire

#### District Planning Office, Ernakulam

*An Evaluation Study on the Paper Plate and Glass  
Making Unit in Vadakkekara Grama Panchayat in  
Ernakulam District*

Name :  
Age :  
Gender :  
    Male                      Female  
No.of family members

#### *Questionnaire for interview*

1. What is your original source of livelihood?
2. What was the original project cost?
3. What were the objectives of the project?
4. What were the sources of fund for the project?
5. Does the unit have own building? If not nature of the building
6. How did the unit procure machines?
7. What are the products of the unit?
8. No. of days of work in a month
9. Where do you sell your products?
10. What is the average sales revenue per month ?

11. Have you undergone training in Paper and Glass making Unit?
12. Are you selling directly or through intermediaries?
13. What is your prime objective in working in this unit?
14. Details of the consumption pattern after starting the unit
15. What are the suggestions to improve the unit?