

# **EVALUATION STUDY**

**on**

# **KUDUMBASHREE**

# **REPORT**



**EVALUATION DIVISION  
STATE PLANNING BOARD  
GOVERNMENT OF KERALA**

**August 2012**

## **PREFACE**

Kudumbashree, the State Poverty Eradication Mission was launched in 1998, with the objective of eradicating poverty with focus on micro credit and self help groups, thereby enhancing living standards of poor women in the State. This self help group programme, through its 13 years of concerted and continuous action, has created sustainable living options for the under privileged sections of the society.

This study is an attempt on the part of Kerala State Planning Board to evaluate the performance and deficiencies of Kudumbashree programmes so that the programmes can be strengthened in the State, I am sure that this study will be useful for strengthening the self help group based poverty alleviation programmes. I am happy to present this evaluation report before policy makers to take decisions regarding the functioning of Kudumbashree mission.

I am confident that this study report will generate renewed interest among the regional and State policy makers. I also note that there has been stakeholder participation while conducting the study.

I thank Dr V. Vijayakumar, Chief, Smt Josephine, Research Officer, Evaluation Division, Kerala State Planning Board and others associated with the study for producing a thought-provoking report.

Thiruvananthapuram

Sd/-

09.08.2012

K. M CHANDRASEKHAR

Vice - Chairman, Kerala State Planning Board



### **FOREWORD**

Kudumbashree, the State Poverty Eradication Mission, has been evolved as one of the most significant women empowering missions in the country. It was launched in 1998 after a review of neighbourhood groups initiatives in Alappuzha and Malappuram districts from 1995, for wiping out absolute poverty from the State within a period of ten years. Now State Planning Board has decided to evaluate the performance of Kudumbashree programmes in the State, and what to extent the programmes have been effective in empowering poor women, socially, economically and politically. The categorisation of socio-economic status of household into five categories viz lower, lower-middle, middle, upper-middle and upper based on the standardized socio-economic status scale developed by Dr.V. Vijayakumar is very valuable. The study showed that the scale is positively skewed, indicating that majority of the self help group women are still in lower-middle socio- economic status group.

The findings and suggestions of the study report are based on primary data from sample districts, in southern, central and northern regions of the State. I hope the findings and suggestions of the study will be quite useful for researchers and policy makers.

I appreciate Dr V. Vijayakumar, Chief of Evaluation Division and Smt Joesphine Research Officer, Kerala State Planning Board for preparing this report.

Thiruvananthapuram

09.082012

Sd/-

C. P. JOHN

Member, Kerala State Planning Board



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*Sd/-*

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## **List of Abbreviations**

ACA	:	Additional Central Assistance
ADS	:	Area Development Society
AM	:	Arithmetic Mean
BPL	:	Below Poverty Line
BSUP	:	Basic Services to Urban Poor
CBNP	:	Community Based Nutrition Programme and Poverty Alleviation Project
CBO	:	Community Based Organization
CDS	:	Community Development Society
CSS	:	Centrally Sponsored Schemes
DPI	:	Director of Public Instruction
DWCRA	:	Development of Women and Children in Rural Areas
DWCUA	:	Development of Women and Children in Urban Areas
EKSAT	:	Empowerment through knowledge, Skill, Attitudinal change and Training
GM	:	Geometric Mean
GOI	:	Government of India
HUDCO	:	Housing and Urban Development Corporation Ltd.
IAY	:	Indira Awas Yojana
ICDS	:	Integrated Child Development Scheme
IHSDP	:	Integrated Housing and Slum Development Programme
IRDP	:	Integrated Rural Development Programme
IT	:	Information Technology
JGSY	:	Jawahar Grama Samrudhi Yojana
JRY	:	Jawahar Rozgar Yojana
KAASS	:	Kudumbashree Accounts and Audit Service Society
kg	:	Kilogram
km	:	Kilometre
KSBCDC	:	Kerala State Backward Classes Development Corporation
LB	:	Linkage Banking

LSG	:	Local Self Government
LSGI	:	Local Self Government Institution
M	:	Meter
NABARD	:	National Bank for Agricultural and Rural Development
NGO	:	Non Governmental Organisation
NHG	:	Neighbourhood Group
NREGS	:	National Rural Employment Guarantee Scheme
NREP	:	National Rural Employment Programme
NSDP	:	National Slum Development Programme
NSS	:	National Sample Survey
NSSO	:	National Sample Survey Organisation
PMGSY	:	Pradhan Matri Gram Sadak Yojana
PMGY	:	Pradhan Mantri Gramodaya Yojana
PWD	:	Persons with Disabilities
RLEGP	:	Rural Landless Employment Guarantee Programme
RME	:	Rural Micro Enterprises
SC	:	Scheduled Caste
SCDC	:	Scheduled Caste Development Corporation
TSP	:	Tribal Sub Plan
SCP	:	Special Component Plan
SEPUP	:	Self Employment Programme for Urban Poor
SES	:	Socio Economic Status
SFS	:	Small Farmers Society
SGRY	:	Sampoorna Gramin Rozgar Yojana
SGSY	:	SwarnaJayanti Gram Swarozgar Yojana
SHG	:	Self Help Groups
SJSRY	:	Swarna Jayanti Shahari Rozgar Yojana
SPSS	:	Statistical Package for Social Sciences
ST	:	Scheduled Tribe
TPEP	:	20-point Economic Programme

TV	:	Tele Vision
UBSP	:	Urban Basic Service for the Poor
UNICEF	:	United Nations International Children's Emergency Fund
UPA	:	Urban Poverty Alleviation
USEP	:	Urban Self Employment Programme
UT	:	Union Territory
VAMBAY	:	Valmiki Ambedkar Awas Yojana
WDC	:	Women Development Corporation

## EXECUTIVE SUMMARY

Poverty is defined as a social phenomenon in which a section of a society is unable to fulfil even its basic necessities of life. There are two broad concepts of poverty; relative poverty and absolute poverty. While relative poverty is measured in terms of inequality in the distribution of income, absolute poverty is reckoned in terms of some kind of notion of subsistence.

The failure of anti-poverty programmes in the past is attributed to the fixation of an unrealistic target, low involvement of beneficiaries, poor understanding of poverty, its causes and manifestations, and over dependence on bureaucracy. Kerala is now seeking to achieve a break in poverty reduction through Kudumbashree, which is implemented by the State Poverty Eradication Mission through LSGIs. Kudumbashree Mission is now the largest women empowering project in the country, which was launched by government of Kerala in 1998 for wiping out absolute poverty from the state within a period of ten years.

The broad objective of the study was to examine the socio-economic impacts of developmental programmes of Kudumbashree Mission. Based on this, the following specific objectives have been framed for the study:

1. To examine the present SES of Kudumbashree households.
2. To examine the social, political and economic empowerment of women.
3. To examine the problems faced by the ME units and suggest measures to make these units viable and sustainable.
4. To identify and suggest measures for gender balance.

The study is fully based on primary data. For the field survey, 240 sample respondents were selected from Kollam, Alappuza, Palakkad, Kannur and Wayanad districts using multistage- purposive cum stratified- simple random sample method.

## **Findings**

### ***General Profile***

- With regard to possession of conveyance facilities, the families did not have a good position.
- Regarding communication facilities, the households have a better position with 72.92 per cent possessing colour television and 75.42 per cent possessing mobile phones.
- In case of drinking water, 61.25 per cent of households depend on wells and 3.75 per cent on tube wells and 17.92 per cent have pump sets and 2.92 per cent households had no access to any of these amenities.
- With regards to land holding, 71.13 per cent of respondents had holdings up to 25 cents, 5.95 per cent had no land holdings and only 2.92 per cent had holdings more than 150 cents.
- Around 80 per cent of respondents belonged to nuclear family.
- Around 2 per cent of Kudumbashree respondents were not able to read or write and majority of the respondents (47.50 %) had studied up to SSLC only.
- Over 90 per cent of Kudumbashree families have better housing status.
- The study indicated that 83 per cent and 17 per cent respectively belonged to self employed/small business group and agricultural labour/seasonal employment/casual labours.

### ***Social Empowerment***

- Regarding SES of households, 65.42 per cent of households belonged to lower-middle SES group, 29.16 per cent to middle SES group and no family fell under upper SES category. The study further showed that the scale is positively skewed, indicating that majority of the respondents are in lower-middle SES group.
- The study revealed that 95.42 per cent of respondents felt gender equality within the family and 77.08 per cent within the society.

- The decisions taken by men alone were least in case of agricultural activities and in poultrying (1.67% each) and highest involvement in activities outside the home, which require monetary inputs (27.92%).
- Women's involvement were least in activities outside the home which requires monetary inputs (5.83%) and highest in poultrying (42.50%).
- On an average around 71 per cent women respondent had disclosed that all decisions were taken jointly with spouse, 13 per cent responded that decisions were taken alone, 6 per cent that decisions were taken by spouse alone.

### *Political Empowerment*

- The study revealed that 96.25 per cent respondents were not elected for local bodies. Out of the respondents elected for LSGs, 77.78 per cent had disclosed that they had elected only in a single chance and the remaining in three chances. These findings revealed that neither the reservation for women nor their representation in local bodies would empower women politically unless the society is transformed and replaced by a better socio-economic set up where men and women have equal status.
- In case of other members of family elected to LSGs, 5.83 per cent were elected to LSGs. Among the elected family members other than Kudumbashree respondents, 78.57 per cent were elected for one chance only.
- The study revealed that 85.83 per cent Kudumbashree women were participated in socio-cultural activities.
- The achievements reported by the respondents as elected representatives were better communication skill, increased leadership quality, good administrative capacity, awareness in addressing development issues, enhanced self confidence, keen public interest, popularity and freedom to mobility for travelling.

- The constraints they were faced while acting as elected representatives were domestic constraints, monetary constraints, gender disparity, lack of transparency and educational constraints.

### *Economic Empowerment*

- Before starting MEs 80 per cent of women entrepreneurs got training.
- After the establishment of MEs 42.92 per cent of respondents were trained.
- Majority (39.58%) of respondents had trained only once and 20.42 per cent had not received any training. At the same time 27.08 per cent and 9.17 per cent had received training twice and thrice respectively.
- The study revealed that 94.17 per cent of the enterprises were functioning at the time of survey and the remaining 5.83 per cent were closed down due to many problems.
- MEs were confronted with many problems like lack of co-operation among members, lack of financial support, time lag in getting finance, competition from rivals, ineffective branding and advertisement, lack of quality control measures, limited markets, inadequate infrastructure, high rented buildings, lack of knowledge, high price, inelastic supply of raw materials and low income from units.
- Around 20 per cent MEs had witnessed dropout.
- The study revealed that 85.42 per cent of the units had not admitted any new members.
- In case of beneficiary contribution collected from the newly admitted member, 17.14 per cent of the respondents intimated that they would refund the amount to the dropout member, 65.72 per cent used it as working capital, in 11.43 per cent units, the existing members shared the amount and 5.71 per cent disclosed that they had not collected any beneficiary contribution from the newly recruited members.
- Ninety per cent of the MEs were owned and operated by women entrepreneurs only and 5 per cent each were owned and operated by male members alone and by mixed groups.

- Majority of the units (50.83 %) have an investment up to ₹ 100000 only and around 5 per cent of the units have an investment over ₹ 500000.
- Around 39 per cent had reported that their average monthly earnings from MEs were only up to ₹ 2500.
- The study revealed that 64.17 per cent of the units had availed loans from financial institutions. Out of the units availed loans, 73.38 per cent had outstanding loan amount.
- Around 40 per cent of the ME units had outstanding loan amount up to ₹ 50000, 23 per cent between ₹ 50001 and ₹ 100000 and around 13 per cent of the MEs had an outstanding loan amount beyond ₹ 200000.
- Around 35.42 per cent respondents had reported that they had made further investments for expanding their units.
- Majority (47.08%) of the units were functioning with annual working capital up to ₹ 50000 only.
- Around 35 per cent of the respondent had reported that the financial assistance received from Kudumbashree Mission was adequate to meet the needs of their units while around 36 per cent had reported that their assistance was inadequate to cater the needs of the units.
- The study revealed that the members of 68.75 per cent of group enterprise convene regular meetings and 5.42 per cent did not convene any meetings.
- In those MEs, where regular meetings were convened, in 51.52 per cent cases the respondents reported that the meetings were held regularly in every month and 48.48 per cent reported that meetings were convened in every week.
- Those running poultry and dairy farming units had reported problems like high price of concentrated mixtures and fodder, lack of subsidy, lack of sufficient insurance coverage, lack of high yielding variety animals, safety problems of animals etc.



- The respondents engaged in Clean Kerala Business and bio-fertilizer units often work in unhygienic condition.
- There is a sharp increase in the propensity to save of poor people through thrift-credit operations and this huge savings would facilitate capital formation of the state.

### **Deficiencies**

- There were instances of misuse of Kudumbashree unit members by political parties. The political party in power in some LSGIs force these women to attend their political programmes.
- In certain panchayats there are instances of strained relationships between CDS and panchayats due to different political interest.
- The field survey revealed that majority of ME units were unsustainable and loss making and they remain in operation just to avail subsidy from government.
- There exists stiff and unhealthy competition among the MEs and most of the units are producing homogeneous product, which are supplied in the same local markets. These units also face stiff competition from branded and well packed items and hence they are forced to sell the products at comparatively lower prices.
- There is unnecessary delay in getting financial assistance from financial institutions and this delay forces the women to borrow money from money lenders at a high interest rate.
- Many Kudumbashree households, which came under the survey, have well constructed houses with all modern household appliances, which show that undeserving APL families are availing the benefits intended for BPL families through Kudumbashree.
- The women engaged in lease land farming faces many problems like lack of high yielding variety seeds, low price of products, lack of irrigation facilities, attack from wild animals and pests, crop failures due to change in climatic conditions etc.

- They often lacked need based training programmes.

### Suggestions

- The positively skewed distribution of SES score of Kudumbashree households revealed that ten years of Kudumbashree activities on lifting the SES position in the society has yet to be proved. Hence needs more effective measures to raise the SES of poor households.
- Kudumbashree Mission has to be taken strict measures for avoiding training duplication while imparting training to the members of MEs units.
- Some suggestions such as; loans at very low rate of interest, CDS intervention, importance of group dynamics, ensuring adequate infrastructure, technology for product diversification, needful training, market extension and sufficient insurance coverage were put forward by the respondents to make the MEs economically more viable and technically feasible.
- The current BPL list invites conflicts as there are cases of inclusion of undeserving APL families in the list and at the same time deserving poor families are excluded from the list. The accuracy and transparency of the list which is very essential for the poor to get the deserving, patronage of the government should be ensured.
- The micro credit activities of the Mission should be subject to close monitoring. Most of the credit has not been utilised for the purpose for which it is availed. The members and the banks should be educated and guided in this regard.
- The Mission should ensure complete autonomy of CDS. Utmost care and guidance should be provided to ensure a good and healthy relationship between CDS and local bodies.
- In case of MEs, unhealthy competition should be avoided. The different MEs producing the same output should be brought under a common umbrella project and new marketing strategies should be evolved.

- In order to extent market for Kudumbashree products, door to door selling and organising of trade fairs, sales festivals etc. are needed.
- In case of those units incurring loss, the members leave the groups due to poor returns. The norms regarding the minimum requirement of members in the units may be re-examined.
- The members of Kudumbashree need specific and need based training.
- The marketing of products should be given utmost importance by improving the quality of products, good packing, catching brand name, trade mark etc. Essential steps may be taken to export Kudumbashree products to foreign countries and other sates of India.
- Most of the units are working with low productive capacity, which generates low income, low saving, low investment and low employment opportunities. Low employment in turn causes low production. In order to break this vicious circle and to attain better productivity, the basic problems have to be solved systematically. For this expert committees for each sector are to be constituted with experts from different fields such as economists, industrialists, accountants, cost auditors, market analysts etc.

## CHAPTER 1

### INTRODUCTION

The first three sections of this chapter deal with concepts, measurements and dimensions of poverty, and important poverty alleviation programmes launched in the state. The fourth section looks into Kudumbashree Mission and its organisational set up. The remaining sections explain the objectives, methodology followed, scope and limitations of the study.

#### 1.1 Concepts of Poverty

Poverty can be defined as a social phenomenon in which a section of the society is unable to fulfil even its basic necessities of life. World Bank defines poverty as ‘pronounced deprivation in well-being’. The reality of poverty varies with geographical, social and political conditions. It is complex and multidimensional in nature and is reflected in multiple deprivations like inadequate resources or capital required for a minimum living or livelihood, lack of access to skill development, education, health, other facilities and amenities. The marginal farmers, landless labourers and casual workers households are the worst sufferers of these deprivations. Even within the category of the poor, the SC/ST, women headed households, the elderly and female children are the worst affected. Earlier definitions of poverty have focused only on material or monetary measures of well-being. Recently, certain important concepts on poverty have evolved and a multidimensional approach has been emerged in defining poverty by considering the social and psychological burdens of daily survival on the lowest layer of the society. Amartya Sen has described this wider conception of poverty as a lack of capabilities that enable a person to live a life he or she values, encompassing such as income, health, education, empowerment and human rights. From the experiences of the poor it is clear that, in addition to living without financial resources, being poor often meant to suffering sickness, chronic pain or exhaustion. Thus it means enduring difficult social relations, sometimes facing exhaustion from the community or

family itself. It also reflects from insecurity and powerlessness, a lack of access to information and institutions, and often lack of self confidence and voice. Psychologically, it is reflected in sufferings like anguish, grief and worry. These varying dimensions of poverty are self-reinforcing, making it more difficult to move out of poverty and lead a stable life. The poor often live in dangerous and degraded environment. They are also the most vulnerable to violence, crime and natural and economic catastrophes. The poor also do not have the capability to save for emergencies and plan for future. A poor person's planning horizon is often determined by when his food will run out and it will be often as soon as the end of a day. This inability to reasonably plan for the long term has real significance for anything related to ecosystem management, often yielding benefits in future. Environmental degradation not only re-enforces today's poverty, but also put the sustainable livelihoods of future generations in peril. Gender based inequalities arising out of poverty deprive women of their basic rights, disempowered them and constrain their access to resources, opportunities and security. These constraints on women's productive potential reduce individual and household incomes as well as economic growth at national levels. The poor also suffers from lack of access to markets and information and an inability to enforce their rights and organise themselves. Thus we can say that poverty is a curse on humanity and its eradication is the greatest challenge for any country or state inflicted by mass poverty.

There are two broad concepts of poverty; relative poverty and absolute poverty. While relative poverty is measured in terms of inequality in the distribution of income, absolute poverty is reckoned in terms of some kind of notion of subsistence considered appropriate to the circumstances of the country concerned. In developing countries where incomes are low, absolute poverty is generally reflected mainly in inadequacy of food intake and the consequent under nourishment on a mass scale, though the definitions of subsistence appropriate to such countries might also include other essential minimum needs such as clothing, housing, education and health.

## 1.2 Measurement of poverty

The World Bank defines poverty in absolute terms. The bank defines extreme poverty as living on less than \$ 1.25 per day in 2005 purchasing power parity prices and moderate poverty as less than \$ 2 a day. The Planning Commission is the nodal agency of GOI for estimation of poverty at national and state level. Planning Commission has defined the poverty line on the basis of the recommended nutritional requirement of 2400 calories per person per day for rural areas and 2100 calories for urban areas. Using price index, this consumption requirement is converted in money terms and to this a minimum consumption expenditure on non-food essential items is added. This is considered as the poverty line. Persons who are not able to acquire this much food are treated as BPL. Thus we can take this as absolute poverty. On this basis, the poverty line turns out to be at the monthly income level of ₹ 107 in the rural areas and ₹ 122 in the urban areas (At 1984-85 prices, if prices move up the poverty line will also move up). On an annual income basis, a rural household (husband, wife and three children) is said to be living BPL line if its annual income is less than ₹ 6400 and an urban household is said to be living BPL line if its annual income is less than ₹ 7300. The poverty line currently in vogue was fixed in 1992. The poverty line was fixed at an income of ₹ 11000 in rural areas and ₹ 11850 in urban areas per family per year. The national poverty line at 2004-05 prices is ₹ 356.30 per capita per month (₹ 22000 per household per annum) in rural areas and ₹ 538.60 per capita per month (₹ 32316 per household per annum) in urban areas. The poverty line needed revision as this poverty line was fixed about almost two decades back.

## 1.3 Dimensions of Poverty

The World Bank estimated that 1.4 billion people live below an income of \$ 1.25 per day and 2.7 billion below \$ 2 worldwide. In a new World Bank paper on Global Poverty Estimates, Martin Ravallion and Shaohua Chen produce a major update of poverty numbers for the developing world between 1981 and 2005. The paper finds that poverty levels have

been declined with 1.40 billion people in the developing world below \$ 1.25 a day in 2005 down from 1.90 billion in 1981. That is global poverty rates fell from 52 per cent in 1981 to 26 per cent in 2005. Similarly estimates for India also indicate a decline in poverty. The World Bank estimates that 456 million, that is, 41.60 per cent of the total Indian population live below \$ 1.25 a day and 75.60 per cent live below \$ 2 per day. In this estimate, poverty has decreased from 60 per cent in 1981 to 42 per cent in 2005. At \$ 1 a day, poverty declined from 42 per cent to 24 per cent over the same period. But the number of poor people living under \$ 1.25 a day has increased from 421 million in 1981 to 456 million in 2005. The estimate shows that there are a large number of people living just above this line of deprivation and their number, which is not accounted, would be really alarming.

The extent of poverty in India can be judged from the per capita income and low standard of living. The Planning Commission's poverty estimates are derived from NSS, which measures monthly per capita consumer expenditure every fifth year. Household consumer expenditure surveys are also conducted annually but the sample size is much smaller. The Planning Commission does not take cognisance of these annual surveys. The 61<sup>st</sup> round NSS survey was held in 2004-2005 and the next quinquennial survey was conducted in 2009-2010 and the data is yet to come. The BPL population was estimated at 29 per cent in rural areas and 26 per cent in urban areas at 61<sup>st</sup> round quinquennial. In view of growing concern about the official estimates of poverty, the Planning Commission had set up an expert group under the chairmanship of Professor Suresh Tendulkar to examine the issues and suggest a new poverty line and estimates. Accordingly Tendulkar committee has placed the report and the new poverty estimates have been accepted by the Planning Commission though estimation methodology is yet to be approved. These estimates count 41.80 per cent rural and 25.70 per cent urban families as BPL.

Kerala has been identified as the state with the lowest food intake and by this criterion, as the one with the highest incidence of poverty in the entire country. The NSS data on food

intake indicates that the daily calorie intake varies widely between states in India and is only 1620 for Kerala. The composition of the food basket in Kerala due to many reasons differs from that for the country as a whole due to many reasons. The deficiency in calorie intake is mainly because cereals account for a smaller proportion of calories in this region than in the remainder of India. The calorie intake of a household is related to a number of inter related variables such as the size and income of the household, educational attainment of both head of the household & house wife and caste & occupation of the main earner in the household. The 55<sup>th</sup> NSSO Survey finding is that there are 37.50 lakh people living BPL in Kerala. There is also a pronounced rural-urban divide, with a curiously skewed pattern. There are more poor people in urban areas than in rural regions. In rural area 13.28 per cent of population is BPL but the percentage is only 20.20 in urban areas (Economic Review 2009). According to the Tendulkar Committee Report, in Kerala these estimates count 20.20 in rural areas and 18.40 in urban areas. There is high concentration of BPL families among SC and ST, which is 14.60 per cent and 24.20 per cent respectively.

In rural areas, small landholders, agricultural labourers, village artisans, who have been thrown out of their traditional occupations; belong to the weaker sections, who are below the poverty line. The urban area weaker section consists of those who are unemployed or under employed, petty hawkers, rickshaw pullers and unskilled labourers; generally they squat on pavements or stay in slums or colonies.

#### **1.4 Important Poverty Alleviation Programmes Launched in the State**

Originally, Kerala followed the path of human development to reduce poverty. Substantial funds were spent for improving health and educational facilities and making the access of poor to these facilities easy through creation of health and education infrastructure in all parts of Kerala. Simultaneously proactive practices of food security, social security, legislative support through land reforms and labour laws and institutional mechanisms like industrial relations committees have combined to reduce poverty by expanding the



entitlements. Thus from the point of view of capabilities as well as entitlements, Kerala has performed better, in comparison with other states in tackling the problems of the poor.

The decentralisation process has helped in restructuring development programmes with accent on full participation of the people with reliance on transparent indicators and criteria for conferring of benefits. With the decentralisation of plan schemes, poverty eradication has become a Local government's responsibility. State government has a guiding, supporting and co-ordinating role. All the centrally sponsored anti-poverty programmes have been transferred to Local governments. Bulk of the state plan funds meant for poverty reduction especially under SCP/TSP and women and child development have been devolved as practically untied bulk grant for local level projects to be planned and implemented by the LSGs.

All anti-poverty programmes are partially or fully centrally assisted schemes, targeting BPL. The important poverty alleviation programmes initiated by the government to remove absolute poverty are stated below:

**1.4.1 Integrated Rural Development Programme (IRDP):** IRDP was launched on 2<sup>nd</sup> October 1980 in the Sixth Five Year Plan. This programme aims to alleviate rural poverty of selected families of landless labourers, small and marginal farmers, rural artisans SC & ST and socially or economically backward classes. The programme covered irrigation, land development, animal husbandry, dairying, fisheries, forestry and horticulture with the aim of expansion of employment. This programme was replaced with Swarnajayanti Gram Swarozgar Yojana (SGSY).

**1.4.2 National Rural Employment Programme (NREP):** The NREP was launched in October, 1980 (Sixth Five Year Plan). The NREP, which replaced the food-for-works programmes, aimed to generate additional gainful employment for the unemployed and underemployed persons in rural areas to the extent of 300 to 400 million mandays per annum and to create productive community assets for direct and continuing benefits to poverty

groups and to strengthen the rural, economic and social infrastructure to bring about a general improvement in the overall quality of life in rural areas. It also aims to improve the nutritional standards of rural poor through the supply of food grains as part of wages.

**1.4.3 20-Point Economic Programme (TPEP):** The 20-point socio-economic programme was originally conceived in 1975 and revised in 1982. It was further revised in 1986 to make it more meaningful and effective in the changing socio-economic environment.

**1.4.4 The Rural Landless Employment Guarantee Programme (RLEGP):** The RLEGP was launched in 1983-84 to provide employment guarantee to at least one member of every landless labour household up to 100 days in a year and create durable assets for strengthening rural infrastructure. Programme design and implementation is almost identical to the NREP. The RLEGP was merged with NREP in the year 1989-90 into JRY.

**1.4.5 Self Employment Programme for Urban Poor (SEPUP):** The SEPUP was announced on 29<sup>th</sup> August 1986. Under this scheme the banks were to provide loans for three years at the rate of 10 per cent interest to urban poor for various activities.

**1.4.6 Jawahar Rozgar Yojana (JRY):** JRY was supposed to produce employment for the unemployed and the underemployed and to improve the village infrastructure and assets. The JRY was revised and re-launched in April 1999 and was renamed as Jawahar Gram Samridhi Yojana.

**1.4.7 National Slum Development Programme (NSDP):** NSDP is a hundred per cent ACA scheme introduced in 1996 to tackle the problem of slum dwellers. The objective of this programme is up-gradation of urban slums by providing physical amenities like water supply, storm water drains, community bath, widening and paving of existing lanes, community latrines, street light etc. Besides, funds under NSDP can be used for provision of community infrastructure and social amenities like pre-school education, non-formal education, adult education, maternity, child health and primary health care including immunisation etc. This programme is replaced by IHSDP

**1.4.8 Swarna Jayanthi Shahari Rozgar Yojana (SJSRY):** SJSRY is an anti-poverty programme launched by the Government of India in December 1997 for eradicating absolute poverty from urban areas. The SJSRY has two sub schemes; the USEP and DWCUA.

**A. Urban Self Employment Programme (USEP):** USEP assists individual urban poor for starting self employment ventures. Ordinarily the project cost is up to ₹ 50000 per individual. But if two or more eligible persons join together in a partnership higher project cost is allowed, provided individual share does not exceed ₹ 50000. Subsidy is provided at the rate of 15 per cent of the project cost subject to a maximum of ₹ 7500 per beneficiary.

**B. Development of Women and Children in Urban Areas (DWCUA):** DWCUA assists the urban poor women for starting gainful employment through group activity. This scheme is extended to the poor women in urban areas who decide to set up self employment enterprises as a group as opposed to individual efforts. Groups of urban poor women, identify an economic activity suited to their skill, training, aptitude and local conditions. Besides generating income, the synergy of the group helps the women to empower themselves for combating poverty. Minimum number necessary for a group is fixed as 10. Generally the project cost is up to ₹ 2.5 lakh. The DWCUA group is given a subsidy of ₹ 1.25 lakh or 50 per cent of the project cost, whichever is less.

**1.4.9 Jawahar Gram Samridhi Yojana (JGSY):** This centrally sponsored scheme was introduced in April 1999 as a successor to JRY and the cost sharing ratio of 75:25 between the centre and the states. All works that can result in the creation of durable productive community assets are taken up under the programme.

**1.4.10 Swarnajayanthi Gram Swarozgar Yojana (SGSY):** This is a CSS launched on 1<sup>st</sup> April 1999. It was formed by restructuring and combining the IRDP and allied programmes along with Million Wells Scheme into a single self-employment programme. It aims at establishing a large number of MEs in rural areas. It is a holistic programme of MEs

covering all aspects of self employment viz., formation of SHGs, capacity building, planning activity clusters, infrastructure build up, technology, credit and marketing.

**1.4.11 Indira Awaz Yojana (IAY):** The objective of the scheme is to provide dwelling units to the houseless SCs and STs, freed bonded labourers and other rural poor BPL by providing grant at the rate of ₹ 22000 per house. This is a CSS with the centre and state sharing the cost in the ratio of 75:25. A maximum of 40 per cent of the fund can be utilised for construction of houses for rural BPL other than SC/ST and freed bounded labourers.

**1.4.12 Annapurna:** The scheme was launched in April 1, 2000 as a hundred per cent CSS. It aims at providing food security to meet the requirement of those senior citizens who are eligible for pension under the National Old Age Pension Scheme. The scheme has been transferred to the state plan from 2002-03 onwards.

**1.4.13 Pradhan Mantri Grama Sadak Yojana (PMGSY):** The scheme sought to achieve the objective of suitable development at the village level. PMGSY was launched on 25<sup>th</sup> Dec, 2000 as a programme to provide road connectivity through good all-weather roads to 1.60 lakh unconnected habitations with a population of 500 and above by the end of the Tenth Five Year Plan.

**1.4.14 Pradhan Mantri Gramodaya Yojana (PMGY) Grameen Awas:** In 2000-01 PMGY was launched in order to achieve the objective of sustainable human development at the village level. The PMGY envisages allocation of ACA into the states and UTs for selected basic minimum services. PMGY initially had five components viz primary health/education, primary rural shelter, rural drinking water and nutrition. The scheme seeks to achieve the objective of sustainable habitat development at the village level.

**1.4.15 Sampoorna Gramin Rozgar Yojana (SGRY):** SGRY was launched in September 2001. The schemes of JGSY and Employment Assurance scheme have been fully integrated with SGRY. The objective of the scheme is to provide additional wage employment along with food security through creation of durable community, social and economic assets and

infrastructure development in rural areas. The scheme envisages generation of 100 crore man days of employment in a year.

**1.4.16 Valmiki-Ambedkar Awas Yojana (VAMBAY):** VAMBAY is a CSS launched on 2<sup>nd</sup> December 2001 for the benefit of the slum dwellers on a 50:50 sharing basis between central and state governments. It mainly aims at ameliorating the housing problems of the slum dwellers, who are BPL. The scheme has the primary objective of facilitating the construction and upgradation of dwelling units for the slums dwellers and providing a healthy and enabling urban environment through community toilets.

**1.4.17 Antyodaya Anna Yojana:** The scheme was launched on 25<sup>th</sup> Dec, 2001. Under the scheme one crore poorest families out of the BPL families covered under the targeted public distribution system.

**1.4.18 Jai Prakash Rozgar Guarantee Yojana:** The scheme seeks to provide guaranteed employment to the unemployed in the most distressed districts of the country.

Independent evaluation of the past poverty alleviation schemes has shown that intended benefits did not adequately reach the target groups because of a number of weakness in design and implementation. Generally, the development schemes have been formulated and implemented in a trickle down and target oriented manner, while the poor have been the passive recipients of benefits. The failure of anti-poverty programmes in the past can also be attributed to the fixation of target, lack of involvement of beneficiaries, poor understanding of poverty and its causes and manifestations, and the over dependence on bureaucracy. The success of development interventions largely depends on active and meaningful participation of the people and their institutions in decision-making. Because of such lessons from experience, the last decade has seen a number of developmental initiatives with varied thrust on community participation and empowerment, decentralised decision- making, transparency and an active role of the Panchayati Raj Institutions in their planning and execution. Kerala is now seeking to achieve a break in participatory poverty reduction through Kudumbashree,

which is implemented by the State Poverty Eradication Mission through the LSGIs. All urban local governments and village panchayats have been included under Kudumbashree. Kudumbashree, a woman based participatory poverty eradication programme of the state government with the financial support of NABARD and central government involves the poor actively in planning, managing and monitoring of their development programmes.

## **1.5 Kudumbashree Mission**

Kudumbashree, the State Poverty Eradication Mission which is now the largest women empowering project in the country was launched by the government of Kerala in 1998 for wiping out absolute poverty from the state within a period of ten years through concerted community action under the leadership of LSG formed and empowered by the 73<sup>rd</sup> and 74<sup>th</sup> amendments of the Constitution of India. The slogan of the Kudumbashree is “Reaching out to families through women and reaching out to community through families.” The Mission statement of Kudumbashree is “to eradicate absolute poverty in ten years through concerted community action under the leadership of LSGs by facilitating organisation of the poor for combining self-help with demand led convergence of available services and resources to tackle the multiple dimensions and manifestations of poverty, holistically.” Built around three critical components; micro-credit, entrepreneurship and empowerment, the Kudumbashree programme has altered lives of economically backward women in the state, changed their perception, built their confidence, boosted their morale, rediscovered them economically, socially and politically.

### **1.5.1. A Brief History of Kudumbashree**

From early days itself in Kerala various forms of micro finance have been in existence. The concept of SHGs introduced in 1980’s easily gathered momentum in the state. As part of the UBSP programme, a new experiment took place in seven wards of Alappuzha Municipality during 1992 to reinvent an alternative methodology to identify the poor and to redefine the nature and causes of poverty apart from the conventional methods based on

income. Resultantly, the following nine indices were developed and later it was known as Alappuzha model.

1. Kutcha house
2. No access to safe drinking water
3. No access to sanitary latrine
4. Illiterate adult in the family
5. Family having not more than one earning member
6. Family getting barely two meals a day or less
7. Presence of children below the age of 5 in the family
8. Alcoholic or drug addict in the family
9. SC or ST family

If any four or more of the above risk factors are positive in a family, such a family is treated as a risk family. The success of the UBSP prompted the state government to extend this project to all the Urban Local Bodies of Kerala and this 9-point index developed in 1992 got revised on the basis of the field experience. A new poverty index following non-economic criteria with 9 risk factors reflecting the poverty of the urban families have been evolved. The revised risk factors of the poverty index in urban areas are as follows:

1. Less than 5 cents of land / No land
2. Dilapidated house/No house
3. No sanitary latrine
4. No access to safe drinking water within 150 M
5. Women headed household/Presence of widow/Divorcee/Abandoned lady/  
Unwed mother
6. No regular employed person in the family
7. Socially disadvantaged groups (SC/ST)
8. Mentally retarded/disabled/chronically ill member in the family

## 9. Families without colour TV

By this time the NABARD promoted SHGs linkage banking programme had established itself as a viable micro finance model. In November 1994, a Community Based Nutrition Programme and Poverty Alleviation Project started functioning under UNICEF assistances in Malappuram district. This project tried to assimilate these experiences and develop a women based community structure for better service delivery of government programme. Under this project, 4448 NHGs of poor women were formed. They started mobilising thrift which touched ₹ 2.68 crore in 2000. Around 700 NHGs were linked to various commercial banks under the LB programme of NABARD. Implementation of governmental programmes for improving health and sanitation in the district were channelled through NHGs. Distribution of applications for old age pension and other social security measures were routed through CBNP. The success of Alappuzha and Malappuram models persuaded the government to extent this system to rest of the towns in Kerala. A special UPA cell was set up at the state capital to co-ordinate the work. State UPA cell, Kerala State Planning Board and the Regional Office of NABARD jointly prepared a comprehensive project report to eradicate the poverty prevailing in Kerala within 10 years. The state government had given approval for the project and the programme got launched during 1997-98. It was in November 1998, Kudumbashree Mission got registered by the name State Poverty Eradication Mission, which commenced its operation on 1<sup>st</sup> April 1999.

### **1.5.2 The Community Based Organisation**

Kudumbashree has developed an innovative methodology to identify the poor using non-economic parameters and organised the poor under a well networked CBOs. The non-economic parameters identified are transparent and simple that can be used by the community. A three tier CBO is in vogue for effective convergence of the programme.



### 1.5.3 Neighbourhood Groups

The NHG is the lowest tier which consists of twenty to forty women members from economically backward families. NHG is the grassroots of Kudumbashree. Meetings are convened on a weekly basis in the houses of NHG members. In the weekly meetings all members bring their thrifts, which have been collected and recycled to the system by way of sanctioning loans. In the NHG, after taking stock of the situation, micro plans have also been prepared for addressing the poverty issues. NHG has five office bearers, who are selected from among the members for undertaking various functional activities. They are:

1. Community Health Education Volunteer
2. Income Generation Activities Volunteer
3. Infrastructure Volunteer
4. Secretary
5. President

### 1.5.4 Area Development Society

The second tier is ADS, which is formed at ward level by federating all NHGs in the ward. The activities and the decisions in the ADS are taken by the representatives of the women elected from various NHGs. The ADS consists of

- 1) General body; consisting of all presidents, secretaries and three sectoral volunteers of the federated NHGs
- 2) Governing Body; constituted by electing a president, secretary and five member committee from among the General Body

The following are the ex-officio members of ADS General Body and Governing Body:

1. ICDS/Anganwadi worker
2. Saksharata prerak
3. Two experienced ex-ADS office bearers
4. Local junior public health nurse

### **1.5.5 Community Development Society**

At the Panchayat/Municipal level a CDS, a registered body under the Travancore Cochin Literary Scientific and Charitable Societies Act is formed by federating all ADSs in the Local Bodies. The CDS is the representative structure of the vast network of NHGs in the grama panchayat/municipal areas. It works in close liaison with the LSG and serves as both dissemination organ for government programmes and as enunciator of community needs in governance issues. The CDS consists of

1. General Body; It consists of all ADS members and ADS governing body members along with officers who are involved in implementing various poverty alleviation and women empowerment programmes.
2. Governing Body; It consists of President, Member Secretary and five selected committee members.

### **1.5.6 Organisational Arrangements**

The organisational arrangements at the state and district levels, which co-ordinate and control the operations of Kudumbashree Mission.

1. Governing body and executive committee; These are the apex bodies, which control the activities of the Mission
2. The State Mission; It co-ordinates all activities of the Mission at state level
3. The District Missions; It co-ordinates various activities of the Mission at district level.

## **1.6 Statement of the Problem**

Since Kudumbashree programmes have been under implementation, a significant amount of plan and non-plan funds have been earmarked for a large number of schemes. It was decided to take stock of the extent of usefulness, feasibility and social acceptability of these schemes.

The aim of the study is to examine the socio-economic impacts of the developmental activities of Kudumbashree programmes. For poverty reduction and empowering women, the

Mission had launched a large number of anti-poverty programmes by channelling large volume of money mobilised from different sources. How far these measures are effective in wiping out absolute poverty and reducing relative poverty of the poor masses have to be assessed. Moreover, the study also aims to examine how Kudumbashree has altered lives of economically backward women in the state, changed their perception, built their confidence and empowered them economically, socially and politically.

### **1.7 Objectives of the Study**

Based on the above broad objective, the following specific objectives are framed for the study:

1. To examine the present SES of Kudumbashree households.
2. To examine the social, political and economic empowerment of women.
3. To examine the problems faced by the ME units and suggest measures to make these units viable and sustainable.
4. To identify and suggest measures for gender balance.

### **1.8 Methodology**

The term methodology refers to the processes, principles and procedures by which we approach problems and seek answers.

For the administrative convenience Kudumbashree Mission classified the districts in the state under three regions viz southern, central and northern regions. Thiruvananthapuram, Kollam, Pathanamthitta and Alappuzha come under southern region, Kottayam, Idukki, Ernakulam, Thrissur and Palakkad come under central region and Malappuram, Kozhikode, Wayanad, Kannur and Kasargode come under northern region.

One district has been selected from each region using simple random technique. These selected districts are Kollam, Palakkad and Wayanad. From each district the best and the least performing grama panchayats have been selected on the basis of the latest performance assessment statistics prepared by the Kudumbashree Mission. Elapully and Kulukkalloor from Palakkad district, Panamaram and Vengappally from Wayanad district and Piravanthur and Thrikkaruva from Kollam district are the selected panchayats. In addition to

the panchayats, the best and the least performing municipalities viz Mattannoor from Kannur district and Kayamkulam from Alappuzha district, as per the latest performance assessment statistics prepared by the Mission, have also been selected for the study. Then with the help of CDS, a complete list of the ME units established in the selected panchayats and municipalities were prepared. Thirty MEs units have been selected from the list of each gramma panchayats and Municipalities in such a way that each ME units constitutes a stratum. Thirty sample respondents have been picked up from each stratum using simple random sampling irrespective of the size of the population. Thus a total of 240 (30x8) sample Kudumbashree women respondents have been selected for the study. Using the structured questionnaire specially designed for the study, the necessary information were collected with the help of the investigators. That is, a multistage purposive cum stratified simple random sampling method was followed for selecting sample respondents from the targeted population. The study is thus mainly based on primary data. Randomly selected districts, purposively selected local bodies and distribution of sample size are presented in the following Table.

**Table 1.1**

**Selected Districts & Local Bodies and Distribution of Sample Size**

District	Grama Panchayat/Municipality	Sample Size
Palakkad	Elapully	30
	Kulukkalloor	30
Wayanad	Panamaram	30
	Vengappally	30
Kollam	Piravanthur	30
	Thrikkaruva	30
Kannur	Mattannoor	30
Alappuzha	Kayamkulam	30
<b>Total</b>		<b>240</b>

*Source: Simple random selection & Kudumbashree Mission*

The Study is organised in such a way as to cover sample MEs from all the sectors viz, primary, secondary & tertiary. Out of 240 sample MEs, 141 (58.75%) from primary sector, 58

(24.17%) from secondary sector and 41(17.08%) from tertiary sector. The units included under primary sector are dairying, rabbit unit, quail farming, coir making, flower cultivation, anthuriam cultivation, bouquet making, honey unit, duck farming, pig farming, fish farming, aquarium unit, thanal maram, vegetable cultivation, haritha, mushroom cultivation, lease land farming, copra procuring etc. The MEs under secondary sector for the study are tea stall, pappad making, catering, canteen, snacks unit, waste paper processing unit, oil producing unit, food processing, pickle units, cashew processing, umbrella making, paper bag making, soap making, lotion making, tailoring etc. The units included under tertiary sector are STD booth, painting, medicine making, hollow bricks unit etc. The percentage distribution of sample MEs under various sectors are shown in Table 1.2.

**Table 1.2**

**Distribution of Sample ME Units According to Primary, Secondary and Tertiary Sectors**

<i>Sl No.</i>	<i>Sectors</i>	<i>f</i>	<i>%</i>
1	Primary	141	58.75
2	Secondary	58	24.17
3	Tertiary	41	17.08
<b>Total</b>		<b>240</b>	<b>100</b>

*Source: CDSs*

The secondary information is also analysed only for reviewing the physical and financial progress under Kudumbashree projects and be collected from the annual reports, administrative reports, plan proposals etc of Kudumbashree Mission. For measuring SES of households, the standardised SES scale developed by Dr. V.Vijayakumar (2009) has been used.

### **1.8.1 Statistical Tools Used**

Statistical tools such as frequency, bar diagrams, pie charts, AM, GM (for averaging percentages) and co-efficient of skewness were used for data analysis. Data analyses were done using MS EXCEL and SPSS software.

### **1.9 Scope of the Study**

The study report has high predictive value with respect to the concept of Kudumbashree Mission activities on the SES of the poor households. The suggestions and

findings of the study report will be helpful in formulating the future plans and policies of the state regarding the working of Kudumbashree Mission. Based on the findings of the study government may decide whether the Mission is to be continued or not. The report will be helpful to SPEM for planning training and other programmes, and policies of the Mission. It will also helpful to research scholars.

### **1.10 Limitations of the Study**

Due to time, labour and data analysis constraints the sample survey was conducted in eight local bodies only. But logical thought was exercised while selecting the sample to make the study reliable and accountable as far as possible.

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## CHAPTER II

### REVIEW OF KUDUMBASHREE

The present chapter reviews some important studies, which examined the evolution, structure, major activities, constitution and functioning of SHGs, micro finance and MEs and its impact on poverty eradication, women empowerment, socio-economic empowerment, development of leadership qualities etc. Also attempted to review various schemes launched in the state by Kudumbasree Mission.

#### 2.1 Review of Studies

##### 2.1.1 “Scaling up Kudumbashree Collective Action for Poverty Alleviation and Women’s Empowerment” by Sunnetha Kadiyala (2004)

The findings are

Kudumbashree employs four key strategies to promote community development. They are

1. Convergence of various government programme and resources at the community development societies.
2. Participating anti-poverty planning and implementation.
3. Formation of thrift and credit societies.
4. Setting up of MEs.

The factors constrained scaling-up process are:

1. Inclusion of all women without considering the poverty line in the community development societies structure.
2. Negotiations between various stakeholders delayed scaling-up process.

The major potential threats and trade-offs include

1. Shrinking focus on maternal and child health.
2. Nutrition issues and pre-occupation with MEs initiatives.

The most important suggestion of the paper is to introduce an effective monitoring system. The impact of evaluation be concentrated at three levels of poverty alleviation, that is, in terms of income assets and human development.

### 2.1.2 Comparative Study of SHGs Organised and Promoted by Non-Governmental Organisation and Kudumbashree - A Government Organised Non-Governmental Organisation in Kerala by Loyola Extension Services, Kerala (2004)

It is a comparative study for enabling process efforts by the NGO and Kudumbashree towards social, economic and political empowerment of poor women in Kerala. Primary and secondary data were used for the study. It was reported that 43.30 per cent of the respondents belonged to the age group of 31 to 40, 25.50 per cent 41 to 50, 10.30 per cent 51 to 60, 1.70 per cent 60 to 75, 19.20 per cent 15 to 30. Sixty per cent of the respondents were Hindus, 36.70 per cent Christians, 3.30 per cent Muslims. Regarding education, majority of the respondents (44.50 per cent) attained the level of high school, 14.80 per cent higher secondary, 3.80 per cent graduation, 0.30 per cent post-graduation, 1.08 per cent technical, 7.30 per cent lower primary, 21.50 per cent upper primary and 6.30 per cent of the respondents were illiterate. 79.50 per cent of the respondents were married, 10.50 per cent widows, 7.80 per cent single and 2.30 per cent separated.

Major findings and suggestions of the study are:

- Existing SHG members of NGOs were more active than Kudumbashree members as a motivating agent.
- Economic factors and social motives influenced 38.75 per cent and 35.25 per cent respondents respectively to join in SHGs.
- There was a significant difference in motivating factors noticed between SHGs of NGOs and Kudumbashree. Social motives influenced 40.50 per cent respondents from SHGs of NGO, while it was only 30 per cent in Kudumbashree. But 44.50 per cent of the respondents from SHGs of Kudumbashree were motivated by economic factors, 33 per cent in case of NGOs.
- Dropout rate was less in SHGs of Kudumbashree than NGOs.



- Thrift savings was introduced slowly among the members of SHGs in NGOs than Kudumbashree.
- There was a visible change occurred in the level of participation of women in decision- making process.
- However a great majority of respondents (89%) reported that there were no changes in the attitude of men in helping women in their household works. This indicates the need for sensitising men in this aspect remains.
- Majority of the respondents (58.80%) revealed that general decisions on day to day functioning of SHGs were taken on consensus after discussions during the meetings rather than voting.
- Majority of the respondents (60%) reported that conflicts within their group were resolved by the members themselves.
- Majority (65.20%) of the respondents possessed educational qualifications above high school level. It helped them to take up leadership positions and participate in the SHGs in a responsible manner. About 80 per cent of the respondents were married women.
- Self employed respondents were found more in Kudumbashree than NGOs (17.5%).This clearly indicates that the Kudumbashree has given greater importance and support to its members for self-employment.
- About 85 per cent of the respondents had a monthly income of less than ₹ 2000. Majority of the respondents (63.70%) did not have any deposits except the thrift savings. 24.30 per cent of the respondents had saving in the form of insurance.
- The poor women in Kerala were well informed of their rights and duties.
- Knowledge of respondents about government welfare programmes was found much low. In this context, the study recommended that all the NGOs as well as the

Kudumbashree should take greater interest in organising awareness classes on government schemes.

- Majority of the respondents did not have savings account in any bank or in a post office before joining the SHGs.
- The dependency on money lenders for loan to meet urgent needs of family was decreased after they became members of SHG. Lack of sufficient fund and delay in getting loan from SHGs were the main reasons for dependency on money lenders. In this context the study recommended to reduce the complications in processing of loans.
- Majority (55% ) of the respondents from NGOs had to depend on other members in the family for finding money to deposit in thrift savings, but only 39 per cent of the respondents from Kudumbashree depended on others for money to deposit in thrift savings. This also indicated that there were more earning members among the respondents from the Kudumbashree.
- Again, a great majority (78.75%) of the respondents did not utilise loan for initiating income generating schemes.
- Among those utilised the loan, majority used it for purchase of household items like chair, table, bed, cupboard etc. Repayment of outstanding loan from money lenders was given a second priority.
- The rate of repayment of all kinds of loans from SHGs was found more than 95 per cent.
- Only 14 per cent of the respondents utilised direct bank loan for income generation activities.
- Dual membership in SHGs of both NGOs and Kudumbashree created some kind of confusions among the members of SHGs of NGOs. It would be advisable to have

membership only in one SHG and to make it more effective with full participation of all members.

- There was a marked increase in the participation of respondents in grama sabha after they became members of SHGs. The increase was noticed more among members of Kudumbashree than those of NGOs.
- A great majority of (92.50%) the respondents from Kudumbashree attends the grama sabha meetings.
- Active participation in grama sabha was an indicator that the poor women were more involved in the decision-making bodies at the LSG and empowered politically in realising their demands and fighting for their rights.

### **2.1.3 A Study about Management Information Systems in Kudumbashree by C.V. Joy (2004)**

It is one of the thrust areas in Kudumbashree. Management system helps in accounting finance and decision- making. The study is based on secondary data.

The major findings of the study are

1. Computer networking system implemented in rural poor community is the hardcore for data base.
2. IT enabled services empowered the women beneficiaries.
3. IT enabled monitoring system and helps in the repayment of loan.
4. Monthly review meetings were very effective.

The study concluded by stating that management information system strengthened Kudumbashree programmes in Wayanad.

### **2.1.4 An Appraisal of Kudumbashree by M.A. Oommen (2007)**

The findings of the study are:

Kudumbashree has progressively expanded its roles and responsibilities. It is emerging as a women agency as well as a delivery mechanism. Women empowerment

could be achieved through various programmes and it could make a sustained impact and change in the lives of the poor. There is high level of general literacy. The study reported improvements in drinking water, sanitation facilities, employment and number of families taking three meals per day. Kudumbashree is primarily an own savings based micro finance with the savings of the members. Only 44 per cent of the NHG resort to bank-linked credit. This shows there is tremendous potential for expanding banks linked credit to the Kudumbashree members. Kudumbashree members should take membership in other SHGs. More than 90 per cent of women members have reported enhanced self confidence after joining the Kudumbashree. The best part of Kudumbashree is the remarkable progress in organisational leadership and capabilities of SC and ST categories. The economic empowerment of the poor people is not very good due to very high opportunity cost.

To increase income of the poor people, MEs occupies a greater role. Modern enterprises such as rubber products, clinical laboratory and computer centres, etc perform better than traditional enterprises.

The training imparted to Kudumbashree units is too general to be of use to the immediate needs. Marketing should be done through co-operatives marketing chain and incorporate new strategies. The overall monitoring and correcting systems should be introduced.

In order to eliminate poverty a new vision is to be developed by restructuring the strategy, Kudumbashree members should be protected from social evils like domestic violence, illicit liquor etc. Updated auditing by the controller and Auditor General is needed to ensure transparent public scrutiny.

#### **2.1.5 The Micro Credit and Rural MEs Scenario in Kerala: A Study on Kudumbashree by Centre for Civil Society (2008)**

The study reviewed the activities of rural MEs initiated by Kudumbashree units. The study concentrated on two MEs units only namely a nutrimix unit and a goat rearing unit.

Nutrimix is a baby food supplement produced and supplied to anganwadies and balawadies in a particular area under the label AMRUTHAM. The analysis of field survey revealed that minimum cost of producing 1000 kg was ₹ 41300 and the return is only ₹ 40000 on selling each one kg packet at ₹ 40. It is profitable only if the orders are in bulk.

Poor attendance of women in training programmes, non-availability of provisions in one single time and hike in their prices, increasing cost of transportation, lack of appropriate training to market the product outside anganwadies, delay in getting payment from ICDS, lack of awareness on market dealings, dependence on money lenders and lack of regular monitoring were the major problems identified by the study.

In goat rearing enterprise activity groups with five to ten women involved in rearing of goats. Each woman was expected to have four goats and they were allowed to rear them in their own houses instead of as a single unit. Cost benefit analysis revealed that goat rearing unit was not profitable. At the same time women are willing to do goat rearing.

#### **2.1.6 A Study on Kudumbashree Project by Jacob John, Kerala Development Society, Delhi 2009**

The study evaluated the impact of Kudumbashree on poverty eradication and suggested measures to improve its impact, drew lessons for the consideration of other states in the country and explores how micro finance had helped MEs to circumvent the problems of capital shortage and non-bankability. The study was mainly based on primary data and used secondary data to support the primary data. The survey revealed that average age of Kudumbashree respondents was 39 year. The distribution of respondent on the basis of religion showed that 63.35 per cent were Hindus and 12.22 per cent were Muslims and the remaining 24.43 per cent were Christians. About 44 per cent of the respondents had achieved secondary level of education, 8.70 per cent higher secondary, 13.80 per cent graduation and 1.20 per cent post-graduation. Over 74 per cent NHG members belonged to BPL category and 26 per cent non-BPL category. There was an apparent variation with number of NHGs in a

CDS. It ranged from around 100 to 800. The survey stated that the state average of functional NHGs was 201. On an average, a total of 59 NHGs in a CDS are either non-functional or wounded up. Eighty per cent SHG members who were running MEs lack entrepreneurial skill. Sixty per cent MEs were unsustainable but continue to operate to avail subsidy and other facilities from government.

Major findings of the study are:

- Kudumbashree programme had made substantial impact on areas covering health, education, agriculture, animal husbandry, dairy development child development women development and rehabilitation of destitute.
- Capacity and moral confidence of women have increased substantially.
- Enhanced political empowerment of women.
- It is an efficient agency to execute various development programmes especially poverty alleviation programmes.
- Several members of Kudumbashree could support the family effectively out of the earnings from MEs, especially in providing education to children, building houses and meeting health expenses.
- Significant share of credit needs of poor women is met from their own pooled savings.
- Lease land group farming programme helped in changing the negative social outlook towards farming.
- The survey revealed that 62 per cent of homeless families are able to build houses under housing programme of Kudumbashree.
- About 75 per cent of respondents reported that the poverty in their locality is reduced by 50 to 80 per cent.

The following suggestions were evolved out of the findings of the study.

- ✓ A close monitoring and follow up on the effective utilisation of micro credit is required.
- ✓ There is urgent need for building up a healthy relationship between CDS and Local government. Kudumbashree Mission should bring out concrete guideline to provide autonomy and functional freedom to CDS.
- ✓ Efforts should be made to reduce the conflict of interest between Kudumbashree and non-Kudumbashree SHGs.
- ✓ All SHGs should be registered with the local self government institutions.
- ✓ Avoid misuse of Kudumbashree NHG members by political parties.
- ✓ There is an urgent need for introducing a proper co-ordination between grama and block panchayats.
- ✓ Introduce tax incentives to Kudumbashree products.
- ✓ Popularise farming with community participation and micro credit.
- ✓ Develop a strategy for conversion of profit making BPL MEs into non-BPL MEs within a reasonable frame work.
- ✓ Steps to collaborate with medium and big companies for marketing of Kudumbashree products.
- ✓ Improving the quality of the product and its packing, development of trademark & brand name, setting up of marketing centres in different parts of Kerala and even outside the state.
- ✓ The autonomy of Kudumbashree units should be strengthened.
- ✓ Appropriate strategy is to be devised for promoting women entrepreneurship
- ✓ Prevent corruption and malpractices of CBOs.

### 2.1.7 A Micro Finance in the Paper Women's Empowerment and Micro Finance case Study from Kerala - Dhanya M.B and Sivakumar P (2010)

The study was based on both primary and secondary data. The study confined to comparative analysis of economic condition of the study group in pre-Kudumbashree and post-Kudumbashree period.

The major findings of the study are

1. Income from Kudumbashree units accounted a significant portion of the family income.
2. Major cause for increase in family income is due to the earning of other family members from various sources.
3. Kudumbashree programme enabled the beneficiaries in overcoming the fear of authority, confidence in one's abilities, dimension of motivation, autonomy in the use of resources in households and participation in decision-making in the households.
4. Many Kudumbashree members are unaware of the capital invested in their organisation.

The study suggests the following points:

1. The economic change provided a new level of confidence to the beneficiaries so that the identification and selection of members for the scheme is very important.
2. More efforts should be made to identify suitable activity based on resources, skills and markets.
3. Market conditions should be studied before setting up of units.
4. Unhealthy political influence should be avoided.

The study concluded by stating that Kudumbashree programme empowers the women and enhances their self-respect and self dignity.



## 2.2 Kudumbashree Mission: Major Activities

In its persistent efforts to reach out to the most vulnerable, the Kudumbashree Mission has created a well knit network of impoverished women in rural as well as urban area of Kerala. As on December 2010, there are a total of 2.05 lakh NHGs in which women from 37.58 lakh families participated from the entire state. There are 17603 ADSs formed and it covers all grama panchayats and over 90 per cent of the panchayat wards in the state. The number of CDSs formed was 1061 by covering all panchayats, corporations and municipalities in the state. Some of the major programmes of Kudumbashree Mission are summarised below:

### 2.2.1 Micro Finance

With the intention of enhancing the economic status of the less privileged women in the state and promoting saving habits among them and saving them from the clutches of money lenders, Kudumbashree has been implementing the micro finance programme, a programme of cost effective and easy credit, throughout the state. In order to provide low cost formal credit and to encourage them to save, the thrift and credit societies are functioning at each NHG level. This informal banking system in each locality ensures a continuous flow of thrift and credit and helps the impoverished women to borrow from their own pooled savings. The credit or loan availed from these NHGs requires no collateral security. The amount of loan and the priority of disbursement are decided by the NHGs. In the weekly meetings of NHGs the loan repayments are done. The loans availed through thrift and credit programme is used for purpose ranging from covering hospital expenses to meeting working capital needs of MEs. As reported by the Mission, the thrift mobilised is on an average of ₹ 40 per month per member. The interest for the thrift is 12 per cent and this income is also given as loan. Another special feature of the lending activities of NHGs is that a member can avail a maximum loan up to four times of the savings of that member.

As reported by Kudumbashree, the cumulative thrift mobilised by all 199165 NHGs throughout the state from its inception to December 2010 was about ₹ 1527 crore and the internal loans disbursed to members was ₹ 4255 crore. The velocity of lending was 2.79. Details are shown in Table 2.1.

**Table 2.1**  
**Distribution of GPs, NHGs, ADS and Families under Thrift and Credit (As on December 2010)**

District	No. of GPs	No. of NHGs	No. of ADS	Families		Thrift in ₹	Loan in ₹
				Covered	Started Thrift		
Thiruvananthapuram	78	20594	1298	370637	370637	1586014812	3827288353
Kollam	71	12444	1225	228392	228392	930383278	2035322307
Pathanamthitta	54	6844	744	136564	136933	565228846	923652476
Alappuzha	73	14686	1107	256957	252887	979777751	2645549382
Kottayam	75	11814	1151	228417	228408	749532864	1456429855
Idukki	52	10242	750	174566	174566	964093099	2213285762
Ernakulam	88	14055	1352	216459	212382	1015654892	4141913430
Thrissur	92	15986	1437	286638	286638	939635872	3953915175
Palakkad	91	14672	1437	345258	345258	1690560555	6061050625
Malappuram	102	16187	1845	332990	332990	1170325288	1902244535
Kozhikode	78	15816	1322	298844	295718	1442784315	3996471551
Wayanad	25	7884	434	118634	118634	525104533	1992671547
Kannur	81	12541	1264	226376	226376	1041468667	3640220530
Kasaragode	39	7190	646	138034	138034	663297631	2400267044
<b>Total</b>	<b>999</b>	<b>180955</b>	<b>16012</b>	<b>3358766</b>	<b>3347853</b>	<b>14263862403</b>	<b>41190282572</b>
Urban Local Bodies	58	14616	1591	360813	360813	915535228	1088999030
Tribal NHGs	9	3594		54681	49267	92025042	267274731
<b>Grand Total</b>		<b>199165</b>	<b>17603</b>	<b>3774260</b>	<b>3757933</b>	<b>15271422673</b>	<b>42546556333</b>

Source: Kudumbashree State Mission

### 2.2.2 Linkage Banking

Under the Bank Linkage Programme, NHGs are facilitated to avail loan from banks in addition to their own pooled savings. On the basis of a 15 point index developed by NABARD, the NHGs are rated and on this basis they are allowed to link with various banks under the LB Programme. The 15 point index is as follows:

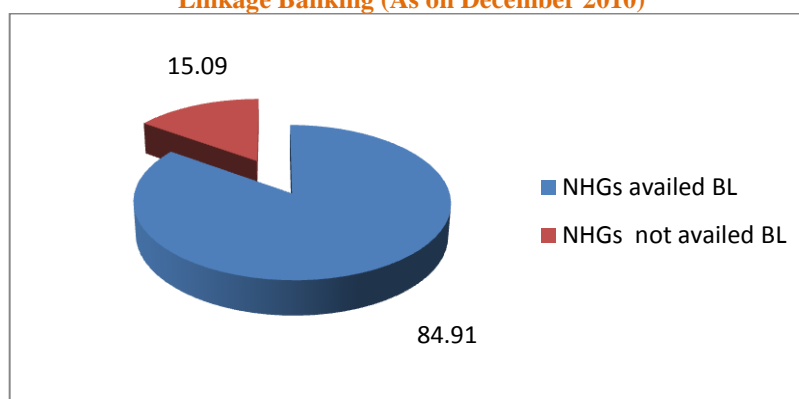
1. Structure of SHGs
2. Period of operation
3. Number of meetings held
4. Attendance in meetings
5. Recording of minutes
6. Participation in discussion

7. Promotion of thrift
8. Thrift accounting
9. Decision- making
10. Loan sanctioning procedure
11. Rate of interest charged
12. Velocity of lending
13. Percentage of repayment
14. Maintenance of records and registers
15. Bye-law

CDS assists NHGs in getting graded by the banks. Those NHGs which gets 80 per cent marks in grading will be granted loan by the Banks. The loan amount to NHG is linked to the thrift amount mobilised and retained within the group as internal loans. There are cases when CDS borrows from the banks as bulk loans for on lending to eligible NHGs. In such cases, CDS charges 1 or 2 percentage points more than the bank's interest rate. CDS in turn collects the amount from NHGs and repay the amount within the date fixed by the bank.

The total loan amount disbursed in the state under linkage banking in 2010 is ₹ 1201.50 crore and the cumulative numbers of NHGs availed bank linkage is 130221 (As on December 2010). Out of the graded NHGs, 84.91 per cent have availed bank linkage. Details are shown in Table 2.2. This shows that credit needs of a significant number of NHGs is met from their pooled savings.

**Figure 2.1**  
**Linkage Banking (As on December 2010)**



**Table 2.2**  
**Distribution of Districts and NHGs under Linkage Banking (As on December 2010)**

<i>Sl No.</i>	<i>Name of District</i>	<i>No. of NHGs</i>		<i>Loan Disbursed ( ₹ in Lakh)</i>
		<i>Graded</i>	<i>Linked</i>	
1	Thiruvananthapuram	18035	14799	12930.41
2	Kollam	12264	11993	13077.36
3	Pathanamthitta	4768	3461	5022.74
4	Alappuzha	14092	14055	12308.32
5	Kottayam	6123	5980	5563.04
6	Idukki	8214	7413	17593.71
7	Ernakulam	14292	12828	7399.20
8	Thrissur	11343	10356	9285.84
9	Palakkad	21466	18394	11317.37
10	Malappuram	7514	6386	3500.84
11	Kozhikode	11075	7925	5023.27
12	Wayanad	6774	6150	7139.95
13	Kannur	11393	5574	6971.15
14	Kasaragode	6010	4907	3016.87
<b>Total</b>		<b>153363</b>	<b>130221</b>	<b>120150.07</b>

Source: Kudumbashree State Mission

### 2.2.3 Matching Grant

Matching grant is provided to NHGs as an incentive. This grant is linked with the amount of thrift mobilised, performance of NHG in the grading and loan availed from banks. This grant linked to amount of thrift mobilised, per NHG in the grading and loan availed from banks. An amount of 10 per cent of savings of the NHG subject to a maximum of ₹ 5000 is provided as matching grant to each NHG. The sanctioning of grant is based on the assessment rated using a 15-point grading criteria developed by NABARD. In order to avail matching grant, an NHG should be rated and availed loan from bank. The district wise distribution of cumulated matching grant and NHGs are shown in Table 2.3. The Table reveals that Ernakulam ranked first in the case of NHGs availed matching grant and Kozikode least. But more matching grant distributed was in Thiruvananthapuram and least in Kozikode.

**Table 2.3**  
**Distribution of Districts and NHGs in relation to Matching Grant Released (As on December 2010)**

<i>Sl No.</i>	<i>Districts</i>	<i>Cumulated Matching Grant ( In Crore ₹)</i>	<i>Cumulated NHGs (In Numbers)</i>
1	Thiruvananthapuram	3.16	7719
2	Kollam	2.67	7849
3	Pathanamthitta	3.15	7900
4	Alappuzha	2.42	6548
5	Kottayam	1.82	5791
6	Idukki	1.80	5012
7	Ernakulam	3.13	10986
8	Thrissur	2.48	5671
9	Palakkad	1.67	4385
10	Malappuram	1.33	3998
11	Kozhikkode	1.25	3479
12	Wayanad	1.76	4323
13	Kannur	2.34	6088
14	Kasargode	1.60	4240
<b>TOTAL</b>		<b>30.59</b>	<b>83989</b>

Source: Kudumbashree State Mission

Table 2.4 has shown year-wise distribution of NHGs and cumulated matching grant.

**Table 2.4**  
**Distribution of Year-wise NHGs in relation to Matching Grant Released (As on December 2010)**

<i>Year</i>	<i>No. of NHGs</i>	<i>Cumulative No. of NHGs</i>	<i>Cumulated Matching Grant ( ₹ in Lakh)</i>
2005 - 2006	413	413	16.50
2006 - 2007	1,800	2213	88.50
2007 - 2008	10,000	12213	488.50
2008 - 2009	7,900	2113	804.50
2009 - 2010	43,693	64806	2363.50

Source: Kudumbashree State Mission

### 2.2.4 Micro Enterprises

Kudumbashree has followed the way of establishing more MEs to empower women economically and thereby eradicate absolute poverty from poor households. The new concept of innovative poverty focused group-based financing of MEs which has helped in employment generation and economic empowerment of poor women in the state. Under the ME programme, a large number of individual and group enterprises were formed throughout the state. The minimum number of people required for a group enterprise is five. The ME development programme has been implemented both in urban and rural areas of the state. These MEs are engaged in a wide range of activities in agriculture, industry and service sectors. Various activities like catering groups, tailoring, traditional delicacies, goat rearing, dairy units, rabbit rearing, poultry farming, horticulture, floriculture, paper products, direct

marketing, food processing, IT, biotechnology and clean Kerala business have been going on under the ME programme. According to the estimation of Kudumbashree, under SJSRY scheme, as part of the DWCUA component, 2528 units and of USEP programme 25467 units were formed in urban areas as on December 2010. District-wise details are given in Table 2.5.

**Table 2.5**  
**Distribution of Districts and Urban MEs under USEP & DWCUA/UWSP (As on December 2010)**

<i>Sl No.</i>	<i>Name of District</i>	<i>DWCUA / UWSP</i>	<i>USEP</i>
1	Thiruvananthapuram	324	3435
2	Kollam	112	2040
3	Pathanamthitta	42	1038
4	Alappuzha	188	2698
5	Kottayam	89	1214
6	Idukki	16	102
7	Ernakulam	498	3465
8	Thrissur	285	1665
9	Palakkad	138	2935
10	Malappuram	112	1412
11	Kozhikode	482	2102
12	Wayanad	22	188
13	Kannur	168	2312
14	Kasargod	52	861
<b>Total</b>		<b>2528</b>	<b>25467</b>

Source: Kudumbashree State Mission

Under rural ME development programme 3516 individual units and 10620 group enterprises were established in the state, as on December 2010 (See: Table 2.6). Under the RME programme, for a group enterprise with a project cost of ₹ 2.50 lakh or above, subsidy per group is ₹ 1 lakh or 50 per cent of the project cost whichever is less. Subsidy per individual is ₹ 10 thousand. For individual enterprise with project cost ₹ 50 thousand or above the subsidy is ₹ 7500 or 50 per cent of the project cost, whichever is less.

**Table 2.6**  
**Distribution of Districts and Rural MEs (As on 31<sup>st</sup> December 2010)**

<i>Sl No.</i>	<i>District</i>	<i>MEs</i>	
		<i>Individual units</i>	<i>Group Enterprises</i>
1	Thiruvananthapuram	752	989
2	Kollam	562	751
3	Pathanamthitta	5	600
4	Alappuzha	90	782
5	Kottayam	17	275
6	Idukki	843	1724
7	Ernakulam	0	898
8	Thrissur	105	705
9	Palakkad	53	908
10	Malappuram	307	786
11	Kozhikode	382	1059
12	Wayanad	20	268
13	Kannur	30	450
14	Kasaragode	350	425
<b>Total</b>		<b>3516</b>	<b>10620</b>

Source: Kudumbashree State Mission

### 2.2.5 Yuvashree

Yuvashree, the programme for generating jobs for 50000 youths, was launched in the year 2005 to meet the increasing demands of setting up MEs. This programme gives an opportunity to the jobless youth, both men and women of the age group 18 to 45 from the Kudumbashree families to set up MEs without APL or BPL distinction. Some of the innovative enterprises started under Yuvashree are Nutrimix, IT units, Kudumbashree Accounts and Audit Service Society (KAASS) and Empowerment through Knowledge, Skill, Attitudinal Change and Training (EKSAT) etc. As on December 2010, 810 individual and 570 group enterprises were established under this programme (See: Table 2.7). For a group enterprise with a project cost of ₹ 2.50 lakh or above, subsidy per group is ₹ 1 lakh or 50 per cent of the project cost, whichever is less. Subsidy per individual is ₹ 10 thousand. For individual enterprises with a project cost of ₹ 50 thousand, the subsidy is ₹ 7500 or 30 per cent of the project cost, whichever is less.

In order to augment the functioning of these enterprises, a significant amount of subsidy is provided to these enterprises. In addition to this various types of assistances like revolving fund, crisis management fund, technology fund, innovative fund etc. are provided for their better functioning. In order to ensure frequent and quality hand holding support, ME consultants are selected and positioned after training and they are supposed to visit these ME units at least once every month to take efforts to improve functioning of the ME units. Kudumbashree provides support to MEs to enhance their marketing capabilities too. Specific training programmes are designed to help entrepreneurs gain skills and aptitudes to approach the market in an effective manner. It promotes Community Marketing Enterprises to enable MEs to access markets on a regular basis. Efforts are also done for networking enterprises of similar nature for utilising economies of scale and for ensuring effective marketing linkage. ME meets are conducted at block level throughout the state to identify the enterprises needing Kudumbashree support and market facilitations.

The state and district missions of Kudumbashree co-ordinate the involvement of entrepreneur units in various fairs organised by departments and agencies, both within the state and outside which would fetch good returns to the entrepreneurs and promotes the products of Kudumbashree. The positioning of Kudumbashree as an eco-friendly, ethnic brand is also happening through this process. Support for brand development and communicative activities are also provided. Expression of interest was invited from patent and trademark registration firms for the purpose of branding Kudumbashree Mission's flagship brands such as Kudumbashree, Amrutham, Santhwanam, Nature fresh, Napstar etc. as well as for brands of independent Kudumbashree enterprises. Registration of various brands in different classes is underway.

**Table 2.7**  
**Distribution of Districts and MEs under Yuvashree (As on December 2010)**  
*(In Numbers)*

Sl No.	District	MEs	
		Individual	Group
1	Thiruvananthapuram	20	30
2	Kollam	43	53
3	Pathanamthitta	4	11
4	Alappuzha	94	96
5	Kottayam	15	2
6	Idukki	37	21
7	Ernakulam	17	64
8	Thrissur	148	31
9	Palakkad	11	40
10	Malappuram	227	34
11	Kozhikode	80	53
12	Wayanad	22	79
13	Kannur	77	24
14	Kasaragode	15	32
<b>Total</b>		<b>810</b>	<b>570</b>

Source: Kudumbashree State Mission

### 2.2.6 Collective Farming

Land brought under paddy cultivation has been declining drastically. Large tracts of agricultural lands are converted to other uses due to scarcity of agricultural labour, very high wage rates compared to neighbouring states, non-remunerative returns etc. It is in such a context, with the objective of revamping the agricultural sector, providing employment opportunities for women in agriculture and improving the livelihood of the poor landless families in NHGs, the project of lease land farming, one of the important livelihood



programme, has been introduced by Kudumbashree. This project significantly changed the lives of the poor and also helped the land owners, who could not afford farming. Increased financial returns and sustainable employment opportunities have given them a sense of security and hope for future. Moreover it has helped in increasing the agricultural production by bringing fallow and cultivable waste land into agricultural production process. The activities for achieving the objectives would include identification of available land, selection of beneficiaries, clustering them into groups, giving training, distribution of inputs and release of incentives.

Table 2.8 demonstrates the distribution of collective farming, NHGs and number of beneficiaries among the districts. As on December 2010, a total area of 6790.90 ha and 2987.95 ha were brought under cultivation of paddy and vegetables respectively. The total area brought under cultivation of collective farming in the state was 25162 ha. Among the districts, the least area brought under collective farming was in Pathanamthitta and highest in Idukki district.

**Table 2.8**  
**Distribution of Districts in Relation to Collective Farming, NHGs and Beneficiaries**  
**(As on December 2010)**

Sl.No	District	NHGs	No. of Beneficiaries	Area in ha			Total
				Paddy	Vegetables	Others	
1	Thiruvananthapuram	1773	8868	66.93	160.15	2433.77	2660.85
2	Kollam	1204	6020	159.93	38.97	238.47	437.36
3	Pathanamthitta	2872	14360	122	16	109	247.00
4	Alappuzha	2504	12520	388.568	26.468	33.38	448.42
5	Kottayam	1773	8865	566.11	39.12	470.30	1075.53
6	Idukki	9805	49025	245.60	1269.20	6610.40	8125.20
7	Ernakulam	3988	19940	400	323	1383	2106.00
8	Thrissur	4979	24895	626.54	306.372	43.168	976.08
9	Palakkad	3812	19060	624.13	52.38	625.47	1301.98
10	Malappuram	5004	25020	648.34	180.35	651.92	1480.61
11	Kozhikode	2090	10450	135.3	48.5	987.7	1171.50
12	Wayanad	1316	6580	863.08	249.9	734.72	1847.78
13	Kannur	2308	11540	1523	215	878	2616.00
14	Kasaragode	3016	15080	421.436	62.55	183.93	667.92
<b>Total</b>		<b>46444</b>	<b>232223</b>	<b>6790.96</b>	<b>2987.95</b>	<b>15383.23</b>	<b>25162.22</b>

Source: State Poverty Eradication Mission

### 2.2.7 Housing – Bhavanashree, VAMBAY, IHSDP and BSUP

In order to meet the housing needs of the poor, Kudumbashree has designed a micro housing loan scheme for the poor by the name “Bhavanashree”. This programme was

launched in during 2005 with the active support of nationalised, scheduled commercial and private sector banks in Kerala. Since the inception of the scheme, an amount of ₹ 19045 lakh had been disbursed by various banks. Details are shown in Table 2.9.

Under this programme, the homeless families who own 1.5 cent of land or landless for whom local government can provide 1.5 cent of land. This scheme was supported by providing a loan amount of ₹ 40000 at 7.25 per cent interest with repayment period of ten year. The loan is released in bulk to the CDS and there is a tri-partite agreement between beneficiaries, CDS and banks. EMI is ₹ 469 for ₹ 40000. The land and building is the collateral security and there is no processing charge. There is also insurance coverage. CDS helps in getting the loan sanction and collection of EMI from the beneficiaries. According to Kudumbashree Mission approximately about 46000 families became beneficiaries of this programme. This programme was wound up on May 2010 on the ground that it was unjustifiable for such a scheme to be continued where the beneficiaries had to repay the loan when the government provides the EMS Housing Scheme in which houses are being provided to the beneficiaries totally at free of cost. The repayment of the outstanding loan amount of the beneficiaries was taken up by the state government.

Kudumbashree Mission is the nodal agency for the implementation of VAMBAY in the state. It is a newly formulated CSS for solving the housing problems of the slum dwellers living below the poverty line in towns implemented through HUDCO during 2001-02. The scheme is shared on 50:50 basis by central and state governments. The scheme was integrated with IHSDP from 2005-06 onwards.

**Table 2.9**  
**Distribution of Bank and Outstanding Loan Amount and Arrears under Bhavanashree**  
**(As on 30.06.2010) (In ₹)**

<i>Sl No.</i>	<i>Bank</i>	<i>Loan Amount</i>	<i>Outstanding Loan without Penal Interest</i>	<i>Arrears as on 30.6.2010 without Penal Interest</i>
1	Bank of India	5950000	5517506	1837430
2	Canara Bank	353422000	272300228	25997946
3	Central Bank of India	45118000	34872792	13571507
4	Dhanalakshmi Bank	3165000	2313471	428458
5	Federal Bank	15050000	12424649	459408
6	ICICI Bank	393797104	332702341	72242877
7	Indian Bank	23081000	18737004	5129705
8	Indian Overseas Bank	83796500	62754235	7561765
9	North Malabar Gramin Bank	27829000	20306082	538945
10	South Malabar Gramin Bank	86850000	65389026	3388604
11	State Bank of India	295946203	238246901	48486261
12	State Bank of Travancore	516780316	376563636	57998126
13	Syndicate Bank	22010000	15826996	1830791
14	Union Bank of India	31800000	30280282	8722577
<b>Grand Total</b>		<b>1904595123</b>	<b>1488235150</b>	<b>248194401</b>

Source: Kudumbashree State Mission

The implementation status of IHSDP in the state is depicted in Table 2.10. The Table shows that 6487 houses were completed in the state as a whole against the sanctioned number of 26295.

**Table 2.10**  
**Status of IHSDP Implementation (As on December 2010)**

<b>State Total</b>	<b>Project Cost (₹ in crore)</b>	<b>Physical progress</b>		<b>Financial progress</b>		
		<b>Houses Sanctioned (In numbers)</b>	<b>Houses Completed (In numbers)</b>	<b>Fund Released (₹ in crore)</b>	<b>% against Project Cost</b>	<b>% against Fund Released</b>
	<b>273.32</b>	<b>26295</b>	<b>6487</b>	<b>157.32</b>	<b>78.02</b>	<b>44.91</b>

Source: State Poverty Eradication Mission

The implementation status of BSUP is furnished in Table 2.11. A total number of 4179 houses were completed against the sanctioned number of 23577 as on December 2010. Financial progress against project cost as well as fund released is furnished in the Table.

**Table 2.11**  
**BSUP Implementation Status (As on December 2010)**

<i>Sl No.</i>	<i>City</i>	<i>Project Cost (₹ in crore)</i>	<i>Physical progress</i>		<i>Financial progress</i>		
			<i>Houses Sanctioned</i>	<i>Houses Completed</i>	<i>Fund Released (₹ in crore)</i>	<i>% against Project Cost</i>	<i>% against Fund Released</i>
1	Thiruvnanthapuram	135.66	10390	2136	91.19	60.49	89.99
2	Kochi	208.01	13187	2043	101.98	46.50	94.85
<b>Total</b>		<b>343.67</b>	<b>23577</b>	<b>4179</b>	<b>193.17</b>	<b>52.02</b>	<b>92.56</b>

Source: State Poverty Eradication Mission

## 2.2.8 Ashraya

Kudumbashree has formulated a project 'Ashraya' with the assistance of the central government, to reach out the downtrodden and reflected destitute scattered throughout the state. The project is being implemented through LSGs and was launched on 2002-03. Kudumbashree has prepared an elaborate data base of destitute, meaning those among the poor who can be called totally or absolutely poor and who need continuous landholding and a mix of support arrangements to lead a life of bare minimum comfort. Those identified under the project are provided with basic necessities like houses, food, clothing, water, sanitation facilities, health coverage, pension, education, development needs like vocational training, personality development trainings, care services like counselling and other training programmes.

The evaluation surveys done by Kudumbashree and feedback from LSGs indicated that there exist severe gaps in the effective implementation of the programme and the service delivery to the beneficiaries of the project. Consequently, efforts were taken to prepare special tribal project in the panchayats where there is greater number of vulnerable tribes. As on March 2011, 904 LSGs have implemented the Ashraya Project covering 70591 beneficiaries at a cost of ₹ 401.61 crore. Details are given in Table 2.12.

**Table 2.12**  
**Distribution of LSGs and Families under Ashraya Project (As on March 2011)**  
*(In Numbers)*

<i>Year</i>	<i>LSG</i>	<i>Families</i>
2003-04	173	13569
2004-05	156	11541
2005-06	261	21642
2006-07	19	1450
2007-08	97	6744
2008-09	47	3695
2009-10	129	9744
2010-11	22	2206
Total	904	70591

Source: Kudumbashree State Mission

### **2.2.9 Balashabhas and Balapanchayats**

Balasabhas have been introduced with the intention to prevent intergenerational transmission of poverty. Balasabhas are grassroots groups of children in the age group of 5-15 year at LSGs and organises the children of the poor families of the state as part of its holistic approach to community development. There are 51494 balasabhas covering 8.95 lakh children as on December 2010. Balasabha and balapanchayats enable to impart voice, face and power to children hailing from poor and vulnerable socio economic backgrounds. There are 961 Balapanchayats as on December 2010.

### **2.2.10 BUDS**

For mentally challenged children Kudumbashree has introduced BUDS special school programme. The goal of Kudumbashree has been at least one BUDS school in every block panchayat area. Provision of infrastructure, vehicle, equipments, trained staff, upgraded training, vocational guidance involving immediate funding in lumpsum are big challenges for new Buds schools especially in remote backward areas where the flow of fund is not commensurate with the need. As on December 2010, there are 31 BUDS schools set up in various districts with 860 children. All BUDS schools have been registered by DPI under PWD Act.

### **2.2.11 NREGS**

With regard to the implementation of NREGS in Kerala, Kudumbashree ADS have been actively participating in the activities of NREGS like registration of labourers, preparation of annual action plan including labour budget and identification of works, selection of mates, provision of amenities at worksite, provision of tools and implements for work, community network to support social audit etc.

## 2.3 Profile of the Study Area

The selected local bodies and districts for the study are presented in Table 2.13.

**Table 2.13**  
**Selected Districts & Local Bodies**

<i>District</i>	<i>Grama Panchayat/Municipality</i>
Palakkad	Elapully
	Kulukkalloor
Wayanad	Panamaram
	Vengappally
Kollam	Piravanthur
	Thrikkaruva
Kannur	Mattanoor
Alappuzha	Kayamkulam

*Source: Simple Random Selection & Kudumbashree Mission*

### 2.3.1 Kollam District

Kollam, the erstwhile desinganadu, a veritable Kerala in miniature, is gifted with unique representative features - sea, lakes, mountains, rivers, streams, backwaters, forest, vast green fields and tropical crop of every variety both food crop and cash crop, so called “The God’s Own Capital”. It is considered as the gateway to the backwaters of Kerala. The district is the hub of the country’s cashew trading and processing industry. It was once renowned as a trading point of spice. It is now the leading centre for fishing in Kerala.

#### Area and Location

Kollam, an old sea port town on the Arabian coast, is flanked by the Lakshadweep sea on the west and the south and the Asthamudi lake on the north. It is situated on the south-west coast of India between north latitudes  $9^{\circ}10'$  and  $8^{\circ}45'$  and east longitudes  $76^{\circ}25'$  and  $77^{\circ}15'$ . The district is bounded on the north by Mavelikkara and Karthikappally taluks of Alappuzha district and on the north-east by Adoor and Kozhenchery taluks of Pathanamthitta district, on the east by Thirunelveli district of Tamilnadu, on the south by Nedumangad and Chirayinkeezhu taluks of Thiruvananthapuram district and on the west by Lakshadweep sea.

The district has a total area of about 2491sq. km. It accounts for 6.4 per cent of the total area of the state and ranks eighth in area among the districts in the state. There is about 37 km long sea coast in the district.

Physiographically, the district comprises three natural divisions viz low-land bordering the sea-coast, the mid-land consisting of the undulating country of low hills and valleys which is east of the low-land and the high-land covering, mainly forests.

Two rivers, the Kallada and Ithikkara flow through the district. The Sasthamcottah lake, the only freshwater lake in the state is in this district. Two other major lakes are the Ashtamudi lake and Paravoor lake.

The district has a tropical humid climate with an oppressive summer and plentiful rainfall. The average rainfall of the district is 2555.1mm. The months of January, February and March are dry.

The area of six forest divisions lies in this district. Thenmala Forest Division and Shendurney Wild Life Division fall wholly within the district. Achancoil, Konni and Thiruvananthapuram Forest Divisions lie partly within the district. The forest area in the district is confined to Pathanapuram and Kottarakkara taluks.

The district is immensely rich in mineral resources and is endowed with large deposits of beach sand containing ilmenite and monozite, clays, bauxite, graphite and laterite which offer scope of exploitation for industrial purpose.

The district has a prominent place in agriculture. The principal crops in the district are paddy, tapioca, coconut, rubber, pepper, banana, mango and cashew. Small and marginal farmers constitute more than 95 per cent of the farming community and the average family holding is 0.21 hectares. Animal husbandry plays an important role in generating employment and income to the weaker sections of the population. The district ranks fifth in the livestock wealth in the state. In poultry, the district stands third and there is a great scope for developing broiler and layer poultry farms.

Kollam is an important maritime district of the state with a coast line of 37.30 km. Fishing has a prominent place in the economy of the district. Paravoor, Eravipuram, Thangassery, Neendakara, Puthenthura, Pandarathuruthu, Alappad, Cheriazheekal are eight among the 26 important fishing villages. There are 24 inland fishing villages also. Average fish landing is estimated to be 85275 tonnes per year. One-third of the state's fish catch is from Kollam. About 60 per cent of the production of prawn in the state is from this district.

The state has played an important part in the industrialisation of Kollam district. There are twenty nine medium and large scale industries in the district. Cashew processing is a major industrial activity in the district. Cashew factories provide employment to about two lakh workers.

Kollam district is covered by 167.5 km of railway line. Kollam railway station is an important railway junction.

According to 2001 Population Census, the district has a single revenue division with headquarters at Kollam. The district has 5 taluks comprising of 103 revenue villages. There are 1 corporation, 3 municipalities, 11 blocks and 70 grama panchayats.

### **Population, Density and Sex Ratio**

According to 2001 Population Census, the population of the district is 25.85 lakh with 12.50 lakh males and 13.35 lakh females. The district has 6.41 per cent of the total geographical area of the state and accommodates 8.12 per cent of the population. The population of the district is divided between rural and urban areas in the ratio of 5:1. The urban population of the district is 465978 (18.02%) persons and the rural population is 2119230 (81.98%) persons. The total SC population in the district is 322887 with 156880 males and 166007 females. They account for 9.70 per cent of the total SC population of the state. The population of STs in the district is 5193 with 2447 males and 2743 females. The ST population of the district constitute 1.4 per cent of the total ST population of the state.



The density of population in the district is 1038 persons. The district ranks fourth position in density of population. The urban density (4127 per sq km.) is higher than rural density (891 per sq km). The sex ratio of the district is in favour of females, 1069 females per 1000 males, which is higher than the sex ratio of the state.

In 2001 Census, the literacy rate of the district is 91.20 per cent with 91.10 per cent in rural and 91.50 per cent in urban areas. The literacy rate of males is substantially higher than that of females. The male literacy rate is 94.40 per cent and the female literacy rate is 88.20 per cent.

### **Work Participation Rate**

2001 Census had recorded 32.10 per cent of the population of the district as workers. The male work participation rate is 48.4 per cent and the female work participation rate is 16.80 per cent. In the case of main workers, the work participation rate for the district is 25.30 per cent and in the case of marginal workers it is 6.70 per cent. The male work participation rate among main workers is 38.80 per cent and the female work participation rate is 12.70 per cent. Among the marginal workers, the male work participation rate is 9.60 per cent and female work participation rate is 4.10 per cent. Agricultural labour category accounts for 17.40 per cent of the total workers. The male-female ratio is 9:1 in the case of cultivators, 6:1 in the case of agricultural labourers, 2:1 in the case of household industry workers and 2:1 in the case of other workers.

### **Status of Kudumbashree**

With regard to Kudumbashree programmes, Kollam is one of the best performing districts in the state. Piravanthoor, Thekkumbhagam, Kulathupuzha, Vilakudi, Ittiva are the best performing CDSs. As on December 2010, there are 1225 ADSs and 12444 NHGs covering 228392 families. The total thrift collected through the NHGs comes to ₹ 93 crore and the loans generated comes to ₹ 203 crore. Under the BL Programme, 12264 NHGs have been graded and 11993 NHGs were linked with various banks and loans availed through

linkage comes to ₹ 131 crore. About 7849 NHGs have received matching grants worth ₹ 2.67 crores and 625 MEs are functioning in the district.

### **Piravanthoor Grama Panchayat**

Piravanthoor panchayat covers an area of 12985 hectares with 8954 households, comprising a total population of 35683 persons with 17197 males and 18486 females. The Panchayat has 21 wards and the density of population is 275 per sq.km. The sex ratio is 1075, which is higher than the state average. The SC population of the panchayat is 6346 persons with 3124 males and 3222 females. The ST population is 225 persons with 107 males and 118 females. The overall literacy of the panchayat is 92.09 per cent. Total number of workers in the panchayat is 11354. This includes 8849 males and 2505 females. Out of the total workers, there are 8507 main workers and 2847 marginal workers.

Piravanthur panchayat is the best performed CDS at district level and it has received a cash price of ₹ 50000 from Kudumbashree Mission. As on December 2010, there are 336 NHGs comprising 4165 households. This accounts 47 per cent of total number of households in the panchayat. The total thrift collected by NHGs in the panchayat was ₹ 3 crore and the internal loans generated was ₹ 4 crore. About 205 NHGs had received matching grants worth ₹ 77145 and 310 NHGs were linked and availed loans worth ₹ 17.80 crore under the BL schemes. There were 53 MEs comprising of 44 group enterprises and 9 individual enterprises with 338 members and a total investment of ₹ 41.20 lakh at the time of survey.

### **Thrikkaruva Grama Panchayat**

This grama panchayat is in Anchalumood block in Kollam district. According to 2001 Census, it covers an area of 1833 hectares with 5523 households. The total population is 24823 persons with 12048 males and 12775 females. The sex ratio in the panchayat is 1060, which is above the state average. There are 15 wards in the panchayat and the density of population is 1350. The SC population of the panchayat is 3507 with 1726 males and 1781 females. The ST population is only 9 persons with 5 males and 4 females. The literacy rate is

90.16. Total number of workers in the panchayat is 8737, of which 5811 are males and 2926 are females. Out of the total workers, there are 6513 main workers and 2224 marginal workers.

Thrikkaruva Panchayat is the least performed CDSs in the District. As on December 2010, there are 105 NHGs comprising of 1554 families. This accounts 28 per cent of the total households in the panchayat. The total thrift collected in the panchayat comes to the tune of ₹ 4.47 lakh and the internal loans generated is ₹ 1 crore. About 24 NHGs have received matching grants worth ₹ 76875 and about 39 NHGs were linked with various banks under the linkage banking scheme and ₹ 42.67 lakh was availed as loans under this scheme. There are 35 MEs, 8 individual enterprises and 27 group enterprises with a total investment of ₹ 16 lakh.

### **2.3.2 Wayanad District**

Wayanad district came into existence on 1<sup>st</sup> November, 1980 as the 12<sup>th</sup> district in Kerala consisting of Mananthavady, Sulthanbathery and Vythiri taluks. The name Wayanad is derived from 'Vayal Nadu' which means the land of paddy fields. It is a picturesque plateau situated at a height between 700 M to 2100 M above the mean sea level nested among the mountains of the Western Ghats on the Eastern portion of the North Kerala and on the sides of Tamil Nadu and Karnataka states. The culture of Wayanad is mainly tribal oriented. Though considered as backward, this district is perhaps one of the biggest foreign exchange earners of the state, with its production of cash crops like pepper, cardamom, coffee, tea, spices and other condiments. Wayanad with its scenic beauty and wild life became prominent in the tourist map of Kerala. It is the main route connecting Kozhikode with other South Indian tourist attractions namely, Mysore, Ooty and Bangalore. This land is rich in natural wonders with a vast area of greenery, spice scented breeze, mist capped mountains, salubrious climate and hypnotising scenic beauty. No other district in Kerala has such diversity in terms

of its history and culture, customs and traditions, archaeology and anthropology, wild life and forest.

### **Area and location**

The district is located on the eastern part of Kerala. It has an area of 2131 sq km. About 885.92 sq km of area is under forest. The district lies between north latitude  $11^{\circ} 27'$  and  $15^{\circ} 58'35''$  and east longitude  $75^{\circ}47'50''$  and  $76^{\circ}26'35''$ . It is bounded on the east by Niligiri and Mysore districts in Tamilnadu and Karnataka respectively, on the north by Kodagu district of Karnataka, on the south by Malappuram and on the west by Kozhikode and Kannur. Wayanad district stands in the southern tip of the Deccan plateau.

The main river of the district is Kabani, one of the three east flowing rivers of Kerala, is an important tributary of the river Cauvery. Kabani and its tributaries namely, Panamaram, Mananthavady and Thirunelli, constitute a powerful river system in the landscape of Wayanad. The famous Pookode Lake, the only one of its kind in the district is situated in the Kunnathidavaka village.

Wayanad has a salubrious climate. It enjoys humid tropical climate with almost uniform temperature throughout the year. The mean annual temperature is  $23.8^{\circ}\text{C}$ . Generally, the year is divided into four seasons namely, winter (December-February), summer (March-May), south-west monsoon (June-September) and north-east monsoon or retreating monsoon (October-November). During the winter season, the temperature lowers to  $15^{\circ}\text{C}$  and is experiencing severe cold and during summer season the temperature will go up to  $35^{\circ}\text{C}$  and is extreme hot. Wayanad experience high relative humidity. The mean average rainfall in the district is 2322 mm. Lakkidi in Vythiri taluk has the highest average rainfall in Kerala.

Wayanad is a land of forest, which accounts for around 40 per cent of the total area of the district. Most of the reserve forest in the state is in this district. Three Forest Divisions fall

in Wayanad district namely North Wayanad, South Wayanad and Wayanad Wild Life Division. The three Forest Divisions together constitute 885.92 sq km.

Agriculture is the principal occupation of the people in the district. The District is suitable for all varieties of cultivation. The major crops are coffee, tea, paddy and pepper. The other important cash crops are rubber, cardamom, ginger, turmeric and areca nut.

The backbone of the economy of this district is plantation crops such as tea, coffee, pepper, rubber etc. The district stands first in pepper and coffee cultivation in the state. A coffee based farming system is a notable feature of Wayanad. Pepper is grown largely along with coffee in the northern parts of the district. At present paddy growing area is remarkably decreasing. Ginger cultivation has increased in recent times. The frequent droughts and floods have affected the production of different crops very severely. Banana is cultivated abundantly in the district.

Major irrigation project in the district is Karappuzha irrigation project. It is the first irrigation project taken up in Wayanad. Banasurasagar project and Mananthavady hydro-electric project are two hydro-electric projects in the district.

Railway facility is not available in this district. The nearest railway station is at 75 km from Kalpetta. Bus connection and telephone facilities are available at all panchayats. It is the district with the least number of post offices. There is no Postal Division in the district.

According to 2001 Census, there is only one Revenue Division, namely Mananthavady. It consists of 3 taluks and 49 revenue villages.

### **Population, Density and Sex ratio**

According to 2001 Population Census, Wayanad is the least populated district in the state with a population of 780619 persons with 391273 males and 389346 females. The total rural population is 751007 and the urban population is 29612.

In the case of density of population, the district is the second lowest with 366 persons per sq km and lowest in urban density (727) in the state. The sex ratio of the district is

unfavourable to females. That is, 995 per 1000 males, which is lower than the sex ratio of the state.

According to 2001 Census, the total SC population is 33364 with 16738 males and 16626 females. They account for about 1.07 per cent of the total SC population of the state. The sex ratio of SC population in the district is 993, which is lower than the general sex ratio (995) of the district. The district ranks first in ST population (17.4%) among the districts. The total population of STs in the district is 136062 with 67394 males and 68668 females. The major tribes in the district are Paniyan, Kurumans, Ksarichean, Kurichachan, Kattunayakan and Adiyan. The literacy rate is 85.25 with male literacy rate 89.77 and female literacy rate 80.72.

### **Work Participation Rate**

According to 2001 Census, the district ranks second in the state in total, male and female work participation rate (39.5%, 55.82% and 23.17% respectively). The district ranks first in urban work participation rate (40.79%) and marginal work participation rate (28.8%) in the state. In the case of main workers, the work participation rate for the district is 28.16 per cent. Agricultural labourers account for 30.50 per cent of workers. Females are engaged in agricultural labour in substantial numbers (37.19%). The male-female ratio is 5:1 in the case of cultivators, 2:1 in the case of agricultural labourers, household industry workers and other workers.

### **Status of Kudumbashree**

With regard to the working of Kudumbashree Mission, Nenmeni, Panamaram and Sulthanbatheri are the best performing CDSs in the district. As on December 2010, there are 25 grama panchayats with 434 ADSs comprising of 7884 NHGs covering 118634 families. The total thrift collected comes to the tune of ₹ 52.51 crore and the loans generated comes to ₹ 199.27 crore. Under the BL programme, 6744 NHGs were graded and 6150 NHGs linked with various banks and the loans availed comes to ₹ 71.40 crore. About 4323 NHGs received

matching grants worth ₹ 1.76 crore. About 294 MEs are working with Kudumbashree subsidy.

### **Panamaram Grama Panchayat**

According to Population Census 2001, it covers an area of 8090 hectares. The panchayat has 8858 households. It has a total population of 42922 persons with 21769 males and 21153 females. The sex ratio of the panchayat is 972. The panchayat has 22 wards with density of population of 531. The panchayat has SC population of 963 persons with 482 males and 481 females and ST population of 10056 persons with 5044 males and 5012 females. The literacy rate of the panchayat is 33.74 per cent. The total number of workers in the panchayat is 16878 persons with 12093 male workers and 4785 female workers. Out of the total workers, there are 11497 main workers and 5381 marginal workers.

Panamaram Panchayat is one of the best performing CDSs in the state. As on December 2010, there are 404 NHGs comprising 4400 households, which account 50 per cent of the total no of households of the district. The total thrift collected by NHGs comes to ₹ 7 crore. About 246 NHGs have received matching grants worth ₹ 10 lakh and about 232 NHGs have been linked to the banks under the BL scheme. Thirty one MEs are functioning and all are group enterprises with total investment of ₹ 55 lakh at the time of survey.

### **Vengappally Grama Panchayat**

It covers an area of 2116 hectares with 2296 households. The Panchayat has a total population of 11072 persons with 5452 males and 5620 females. The sex ratio of the panchayat is 1124 females per thousand males. There are only 12 wards with density of population 523 persons per sq km. The total SC population of the panchayat is 287 comprising of 141 males and 146 females. The ST population is 2661 persons with 1331 males and 1330 females. The literacy rate is 32.11, which is much lower than the state average. The total number of workers in the panchayat is 4519, which include 3052 males

and 1467 females. Out of the total workers, there are 2927 main workers and 1592 marginal workers.

Vengappally grama panchayat is one of the least performing CDSs in Wayanad district. As on December 2010, there are 105 NHGs with 1344 families, which account 59 per cent of the total households in the panchayat. The total thrift collected comes to the tune of ₹ 48.66 lakh and the internal loans generated come to ₹ 192.93 lakh. About 41 NHGs were linked under the BL programme and ₹ 46.36 was availed as loans under the schemes. There are 30 MEs functioning with a total investment of ₹ 16 lakh. Out of the total MEs, 18 are individual units and the remaining 12 are group enterprises at the time of survey.

### **2.3.3 Palakkad District**

Palakkad, the largest district in Kerala situated at the foot of Western Ghats, is the Gateway to Kerala from North. The district came into existence as an administrative unit on 1<sup>st</sup> January, 1957. It is often called as 'The Gateway of Kerala'. It is bounded on the east by the Coimbatore district of Tamil Nadu, on the north and the north-west by Malappuram district and on the south by Thrissur district. It lies between 10<sup>o</sup>20' and 11<sup>o</sup> 14' north latitudes and between 76<sup>o</sup> 20' and 76<sup>o</sup>54' east longitudes. It covers an area of 4480 sq km. Palakkad is one among the five districts in Kerala not having a sea-coast. Palakkad accounts for 11.21 per cent of the total area of the state.

The most important river in the district is Bharathapuzha which is the longest river in the state. The tributaries of Bharathapuzha are Malapumzha, Walayar, Mangalam, Meenkara, Ayalure, Pothundy and Kanjirapuzha. The climate of the district is tropical and is unique due to the presence of Palakkad Gap. The district experiences an oppressive hot season and plentiful seasonal rainfall. March and April are the hottest months with maximum temperature going above 39<sup>o</sup>C. The temperature of the district ranges from 20<sup>o</sup>C to 45<sup>o</sup> C. Out of the total area of 4480 sq km, 1363 sq km is under forest.



Palakkad district is called ‘the rice bowl’ or ‘Granary’ of Kerala. Paddy is the prominent crop in the district. Major portion of the cultivable area is used for raising food crops. Animal Husbandry also plays a crucial role in the socio-economic transformation of the rural areas, especially in generating employment and income to the weaker sections of the population.

The availability of all types of transport facilities viz road, rail and water is another factor favourable for the district. The District has a good network of roads. Two National Highways namely NH 47 and NH 213 are passing through the District. Under Palakkad Railway Division, the total railway route length was 435.29 km.

According to 2001 Population Census, the district consists of two Revenue Divisions; Ottapalam comprising of Ottappalam and Mannarkad taluks and Palakkad comprising of Palakkad, Chittur, and Alathur taluks.

### **Population, Density and Sex-Ratio**

According to 2001 Population Census, the population is 26.17 lakh persons with 12.67 lakh males and 13.50 lakh females. The rural population is 22.61 lakh where as the urban population is 3.57 lakh. The SC population is 4.33 lakh with 2.11 lakh males and 2.22 lakh females. In the percentage of SC population to total population (16.5%), the district ranks first in the State. There is higher population of scheduled caste in rural areas than in urban areas. The SC population in rural areas is 3.90 lakh and that in urban areas is 0.42 lakh.

The ST population in the district is 39665, which accounted 11.50 per cent of ST population of the state. Out of the total ST population of 39665 persons, 19990 are males and 19675 are females. The ST population in rural area is 39236 and in urban area is 429.

The overall density of population in Palakkad district is 584 persons per sq km. The district holds 11<sup>th</sup> place in density of population and has an urban density of 2472 persons per sq km and a rural density of 521 persons per sq km.

In 2001, the sex-ratio of the district was 1066 females per thousand males, which is higher than the state average. The rural sex ratio is 1068 and the urban sex ratio is 1056.

### **Literacy**

In 2001 census, the literacy rate is 84.35 per cent with a break up of 83.60 per cent for rural and 89.30 per cent for urban. The male literacy rate is 89.52 per cent, which is higher than the total literacy rate of the district and the female literacy rate is 79.56 per cent.

### **Work Participation Rate**

According to 2001 Population Census, the work participation rate of the district is 36.11 per cent. In the case of main workers the work participation rate is 29.37 per cent and that of marginal workers is 6.74 per cent. Agricultural labourers account for 33.56 per cent of the total workers. Females are found to be engaged in agricultural labour in substantial numbers, which is 56.20 per cent. The percentage of males engaged in agricultural labour is 23.72. The male-female ratio in each category is 3:1 in the case of cultivators, 1:1 in the case of agricultural labourers, 2:1 in the case of household industry workers and 4:1 in the case of other workers.

### **Status of Kudumbashree**

The district performs well with regard to Kudumbashree programmes. Elappulli, Alathur, Kumaramputhur, Negalaseri, Puthukode are the five best performing CDS in the district. As on December 2010, there are 91 Grama Panchayats with 1437 ADSs and 21925 NHGs covering 313326 families. The total thrift collected comes to the tune of ₹ 169.06 crore and the total loan generated comes to ₹ 606.11 crore. Under the BL Programme, 21466 NHGs have been graded and 18394 NHGs have been linked with various banks and the loans availed comes to ₹ 113.17 crore. About 4198 NHGs had received matching grants worth ₹ 310.25 lakh and 2111 MEs were functioning with an investment of ₹ 651.18 lakh. Out of the total MEs, 1344 are group enterprises and 867 are individual enterprises at the time of the survey.

### **Kulukkallur Grama Panchayat**

Kulukkallur Grama Panchayat is in Pattambi Block. It covers an area of 2289 hectares with 4379 households. According to 2001 Population Census, the total population of the panchayat is 25816 persons with 12159 males and 13657 females. The SC population of the panchayat is 3285 persons, of which 1556 are males and 1729 are females. The ST population is only 4 persons with 2 females and 2 males. The literacy rate is 89.84 per cent. There are 12 wards with density of population of 1128. The total number of workers in the panchayat is 6441, of which 5200 are males and 1291 are females. Out of the total workers, there are 4342 main workers and 2149 marginal workers. Out of the total main workers, there are 1102 agricultural labourers, 113 household industry workers, 479 cultivators and 2648 main other workers.

Kulukkallur panchayat is one of the least performing CDSs in the district. As on December 2010, there are 102 NHGs comprising of 1554 families, which account 35.48 per cent of the total households in the panchayat. The total thrift collected in the panchayat comes to the tune of ₹ 8.50 lakh and the internal loan generated is ₹ 16 lakh. About 22 NHGs have received matching grants worth ₹ 32000 and about 50 NHGs have been linked with various banks under the LB scheme and ₹ 50 lakh was availed as loan under this scheme. There are 22 MEs with a total investment of ₹ 25 lakh by comprising 12 group enterprises and 10 individual enterprises.

### **Elappully Grama Panchayat**

Elappully grama panchayat covers an area of 4907 hectares with 8064 households. According to 2001 Population Census, the total population of the panchayat is 37755 persons with 18593 males and 19162 females. The total SC population is 6358 with 3176 males and 3182 females. The total ST population is 24 persons with 8 males and 16 females. The panchayat has 18 wards and the density of population is 769 per sq km. The panchayat has a literacy rate of 77.06 per cent. The total number of workers in the panchayat is 17065 with

10925 males and 6140 females. Out of the total workers, 14120 were main workers and 2945 were marginal workers. Out of the total main workers, there are 1363 cultivators, 5187 agricultural labourers, 874 household industry workers and 6696 other workers.

Elappully is the best performing CDS in Palakkad district. As on December 2010, there are 313 NHGs with 5138 families, which is 64 per cent of the total number of households in the panchayat. The total thrift collected by NHGs in the panchayat comes to ₹ 548.08 lakh. Under the LB programme about 280 NHGs were linked and availed loans worth ₹ 285.86 lakh. There are 68 MEs with 475 members.

#### **2.3.4 Mattannur Municipality**

It covers an area of 54.32 sq km with 7950 households. According to 2001 Population Census, the total population in the municipality is 44313 persons with 21662 males and 22651 females. The total SC population is 994 with 487 males and 507 females. The total ST population is 22 with 9 males and 13 females. The municipality has 28 wards with density of population of 318 persons per sq km. The sex ratio of the municipality is 1045. The literacy rate is 81.17 per cent. The total number of workers is 15029 with 10871 males and 4158 females. Out of the total workers, 12186 are main workers and 2843 are marginal workers.

As on December 2010, there are 250 NHGs comprising 5184 households, that is, 65 per cent of the total households in the municipality. This municipality is the best performing municipality according to the rating done by Kudumbashree Mission. The total thrift collected comes to the tune of ₹ 71.99 lakh and the internal loans generated is ₹ 123.32 lakh. About 81 NHGs have received matching grants worth ₹ 2.33 lakh and all the 81 NHGs have been linked with various banks under the linkage banking scheme and ₹ 47.47 lakh was availed loan under this scheme. There are 327 MEs with 26 group enterprises and 301 individual enterprises at the time of the survey.

### 2.3.5 Kayamkulam Municipality

It covers an area of 21.79 sq km with 14594 households. The total population in the municipality according to 2001 Census is 68585 with 33227 males and 35358 females. The Municipality has 41 wards with density of population of 3148 persons per sq km. The sex ratio is 1064, which is higher than the state average. The total SC population is 4544 with 2200 males and 2344 females. The total ST population is 152 with 105 males and 47 females. The literacy rate in the municipality is 91.92 per cent. The total number of workers in the municipality is 19274 with 16006 males and 3268 females. Out of the total workers, there are 16201 main workers and 3073 marginal workers.

There are 427 NHGs comprising of 8540 families, which account 58.50 per cent of the total households. The total thrift amount collected is ₹ 202.56 lakh and the loans generated comes to the tune of ₹ 381.52 lakh. About 195 NHGs have received matching grants worth ₹ 7 lakh and about 296 NHGs have been linked with various banks under the BL scheme and ₹ 542.68 lakh was availed loans under this scheme. At the time of the survey, there are 366 MEs, of which 286 are individual units and the remaining 80 are group enterprises.

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## CHAPTER III

### PROFILE OF RESPONDENTS AND SOCIO-ECONOMIC STATUS

This chapter deals with two broad sections viz., profile of sample respondents and SES of households. Under the head profile; family status of respondents, material possession of households, age distribution of respondents, caste status, land holdings of respondent's family, type of family, education, housing and employment status are examined. The SES of respondents' family is analysed in the remaining section of this chapter.

#### 3.1 Profile of Respondents

This study is based on sample survey, hence it is necessary to examine the profile of respondents.

##### 3.1.1 Family Status

Respondents are classified into grand-mother, daughter, mother-in-law, daughter-in-law and house-wife. The survey revealed that majority of respondents (79.17 %) were house-wives followed by daughter-in-laws (11.25 %). The details are given in Table 3.1.

**Table 3.1**  
**Distribution of Respondents according to Family Status**

*(In Numbers)*

Respondents	Family Status											
	Grand Mother		Daughter		Mother-in-Law		Daughter-in-Law		House-Wife		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
	8	3.33	12	5.00	3	1.25	27	11.25	190	79.17	240	100

Source: 1. Sample survey 2. Output of SPSS

##### 3.1.2 Material Possession

A household's access to the outside world, either through transport, media or other communication increase educational, employment and other opportunities including greater social interaction. Without these, a household may not have access to vital services and opportunities. As household amenities often save time and effort, or provide access to social and work-related activities, they can help 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. In the sample survey, as shown in Table 3.2, it was found that with regard to possession of conveyance facilities, the families did not have a good position. Only 21.67 per cent of households possess bicycles, 26.67 per cent possess two-wheelers, 2.50 per cent possess three-wheelers and 7.08 per cent possess four-wheelers. Regarding communication facilities, the households show a better position with 72.92 per cent possessing colour television, 75.42 per cent possessing mobile phones and 24.17 per cent having land phones. In the case of drinking water, 61.25 per cent of households depend on wells and 3.75 per cent on tube wells and 17.92 per cent have pump sets. No household possessed all these amenities and 2.92 per cent households had no access to any of these amenities.

**Table 3.2**  
**Distribution of Respondents according to Material Possession**  
*(In Numbers)*

<i>Material Possession</i>	<i>Households</i>	<i>Total Households</i>	<i>% of Households</i>
Bicycle	52	240	21.67
Two-wheeler	64	240	26.67
Three-wheeler	6	240	2.50
Four-wheeler	17	240	7.08
Colour TV	175	240	72.92
Land phone	58	240	24.17
Mobile phone	181	240	75.42
Well	147	240	61.25
Tube well	9	240	3.75
Pump set	43	240	17.92

*Source: 1. Sample survey 2. Output of SPSS*

### 3.1.3 Age

Age is the most frequently collected and reported characteristics of persons. Age is measured in completed years at the time of survey. Majority of the respondents (44.57 %) were in the age range of 30-39 and out of this 37.50 per cent were house-wives. Next to this, 32.92 per cent were in the group of 40-49 and out of this, 27.92 per cent were house-wives. The information regarding age range of the respondents shows that majority of the women are still in their active economic years, which preclude the possibility of maximising the economic opportunities provided by Kudumbashree. The percentage of respondents from the age group 60-69 and 70-79 is respectively 2.50 and 0.42. Details are given in Table 3.3.



**Table 3.3**  
**Distribution of Respondents according to Age and Family Status**

*(In Numbers)*

Age Range	Family Status											
	Grand Mother		Daughter		Mother-in-Law		Daughter-in-Law		House-Wife		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
20-29	0	0.00	4	1.67	0	0.00	6	2.50	6	2.50	16	6.67
30-39	0	0.00	4	1.67	0	0.00	13	5.42	90	37.50	107	44.57
40-49	1	0.42	4	1.67	1	0.42	6	2.50	67	27.92	79	32.92
50-59	5	2.07	0	0.00	1	0.42	2	0.83	23	9.58	31	12.92
60-69	1	0.42	0	0.00	1	0.42	0	0.00	4	1.67	6	2.50
70-79	1	0.42	0	0.00	0	0.00	0	0.00	0	0.00	1	0.42
<b>Total</b>	<b>8</b>	<b>3.33</b>	<b>12</b>	<b>5.00</b>	<b>3</b>	<b>1.25</b>	<b>27</b>	<b>11.25</b>	<b>190</b>	<b>79.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

### 3.1.4 Caste

Kerala has a unique record in India for the harmonious co-existence of diverse religions. Hindus, Christians and Muslims are the major religious communities in the state. The most significant feature of Hindu social system is caste under which the people are divided into various groups on the basis of lineage. The status of an individual in the society is also influenced by caste in which he/she is born. The survey revealed that 34.16 per cent respondents belonged to Hindu (backward) followed by 18.75 per cent from Hindu (forward) and SC and ST respondents were respectively 17.92 and 1.67 per cent. Hence it could be concluded that 72.50 per cent of NHG members belonged to Hindu religion (See: Table 3.4).

**Table 3.4**  
**Distribution of Respondents according to Caste and Family Status**

*(In Numbers)*

Religion/Caste	Family Status											
	Grand Mother		Daughter		Mother-in-Law		Daughter-in-Law		House-Wife		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
Hindu(Forward)	1	0.42	5	2.08	1	0.42	7	2.91	31	12.92	45	18.75
Hindu(Backward)	4	1.66	4	1.67	0	0.00	8	3.33	66	27.50	82	34.16
Muslim	1	0.42	2	0.83	1	0.42	1	0.42	21	8.75	26	10.83
Christian	0	0.00	0	0.00	0	0.00	6	2.50	<b>34</b>	14.17	40	16.67
SC	2	0.83	1	0.42	1	0.42	4	1.67	<b>35</b>	14.58	43	17.92
ST	0	0.00	0	0.00	0	0.00	1	0.42	3	1.25	4	1.67
<b>Total</b>	<b>8</b>	<b>3.33</b>	<b>12</b>	<b>5.00</b>	<b>3</b>	<b>1.25</b>	<b>27</b>	<b>11.25</b>	<b>190</b>	<b>79.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

### 3.1.5 Land holding

According to Population Census 2011 (Provisional), Kerala accounts 1.27 per cent of total geographical area of India and holds 2.76 per cent of Indian population. In general, land holdings of the family in Kerala are very small because of very high density of households

and land-man ratio is also very small in terms of high population and small land area. As a result, density of population is also very high. Land under food crop cultivation has also been declining rapidly with increasing population. With regards to land holding and family status of respondents, the sample survey reveals that 77.08 per cent of respondents together had no land and holdings upto 25 cents of land. That is, out of 77.08 per cent of the respondents, 5.95 per cent had no land holdings. On the other extreme, only 2.92 per cent had land holdings above 150 cents. The details are given in Table 3.5.

**Table 3.5**  
**Distribution of Respondents according to Landholdings and Family Status**

*(In Numbers)*

Landholding in Cent	Family Status											
	Grand Mother		Daughter		Mother-in- Law		Daughter-in- Law		House-Wife		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
Up to 25	3	1.25	12	5.00	3	1.25	19	7.92	148	61.68	185	77.08
26-50	3	1.25	0	0.00	0	0.00	1	0.42	17	7.08	21	8.75
51-75	0	0.00	0	0.00	0	0.00	2	0.83	11	4.58	13	5.42
76-100	1	0.42	0	0.00	0	0.00	1	0.42	6	2.50	8	3.33
101-125	0	0.00	0	0.00	0	0.00	0	0.00	1	0.42	1	0.42
126-150	1	0.42	0	0.00	0	0.00	2	0.83	2	0.83	5	2.08
Above 150	0	0.00	0	0.00	0	0.00	2	0.83	5	2.08	7	2.92
<b>Total</b>	<b>8</b>	<b>3.33</b>	<b>12</b>	<b>5.00</b>	<b>3</b>	<b>1.25</b>	<b>27</b>	<b>11.25</b>	<b>190</b>	<b>79.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

### 3.1.6 Type of Family

For the study, families are classified into nuclear, joint and others such as foster and extended family. Nuclear family refers to a family group consisting of father, mother and any number of children, who share living quarters. Another family type is joint family. Beauty about the Indian culture lies in its age-long prevailing tradition of joint family system. It is a system under which even extended members of a family, one's parents, children, the children's spouses and their off springs etc. live together. The elder-most, usually the male member is the head in the Indian joint family system who makes all important decisions and rules, whereas other family members abide by it dutifully with full respect. The sample survey revealed that 80.42 per cent of respondents belonged to nuclear family. Of this, 79.17 per cent were house-wives and only 1.25 per cent respondents were daughters. Joint family constitutes 19.58 per cent and out of this, 11.25 per cent respondents were daughters-in-law,

3.75 were daughters, 3.33 were grand-mothers and 1.25 per cent were mothers-in-law. This indicates that more Kudumbashree members belonged to nuclear family system. In the survey no family came under the category of foster or extended family. The details are given in Table 3.6.

**Table 3.6**  
**Distribution of Respondents according to Type of Family and Family Status** (In Numbers)

Family Type	Family Status											
	Grand Mother		Daughter		Mother-in-Law		Daughter-in-Law		House-Wife		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
Nuclear	0	0.00	3	1.25	0	0.00	0	0.00	190	79.17	193	80.42
Joint	8	3.33	9	3.75	3	1.25	27	11.25	0	0.00	47	19.58
Others	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
<b>Total</b>	<b>8</b>	<b>3.33</b>	<b>12</b>	<b>5.00</b>	<b>3</b>	<b>1.25</b>	<b>27</b>	<b>11.25</b>	<b>190</b>	<b>79.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

### 3.1.7 Education

In Kerala, education has been given special attention since pre-independence periods. Kerala has built a tradition for female education in the beginning of 19<sup>th</sup> century. According to provisional figures of Population Census 2011, Kerala has the highest male as well as female literacy rate in the country with 96.02 and 91.98 per cent respectively. The survey had revealed that 1.67 per cent of Kudumbashree respondents were not able to read or write. The percentage of post-graduates and graduates were also very low with 0.83 and 2.50 per cent respectively. Table 3.7 clearly illustrated that majority of respondents (47.50 %) had studied upto SSLC only, followed by 26.25 per cent completed upper primary (See: Table 3.7).

**Table 3.7**  
**Distribution of Respondents according to Education and Family Status** (In Numbers)

Education	Family Status											
	Grand Mother		Daughter		Mother-in-Law		Daughter-in-Law		House-Wife		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
Illiterate	1	0.42	0	0.00	0	0.00	0	0.00	3	1.25	4	1.67
Lower Primary	1	0.42	1	0.42	2	0.83	0	0.00	13	5.42	17	7.08
Upper Primary	3	1.25	1	0.42	1	0.42	6	2.50	52	21.66	63	26.25
SSLC	3	1.25	7	2.91	0	0.00	13	5.41	91	37.92	114	47.50
Higher Secondary	0	0.00	1	0.42	0	0.00	4	1.67	29	12.08	34	14.17
Graduates	0	0.00	2	0.83	0	0.00	3	1.25	1	0.42	6	2.50
Post Graduates	0	0.00	0	0.00	0	0.00	1	0.42	1	0.42	2	0.83
<b>Total</b>	<b>8</b>	<b>3.33</b>	<b>12</b>	<b>5.00</b>	<b>3</b>	<b>1.25</b>	<b>27</b>	<b>11.25</b>	<b>190</b>	<b>79.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

### 3.1.8 Housing

The housing status was classified into rented, hut, kutcha, thatched, semi-thatched and concrete. Majority of Kudumbashree respondents (55.83 %) were living under semi-thatched houses, that is partially tile thatched or asbestos combined by concrete roofing. This status is followed by families living in concrete houses (33.75 %). No families were reported to be living under fully (tile) thatched houses. Five per cent respondents had reported that they were living in either huts or in kutcha houses. The survey also revealed that 5.42 per cent respondents did not own a shelter at the time of survey and they lived in rented houses. Hence it is inferred that around 90 per cent of Kudumbashree families have better housing status. This indicates that the impact of activities of Kudumbashree Mission in the area of housing to the poor population is very effective. Details are given in the following Table.

**Table 3.8**  
**Distribution of Respondents according to Housing and Family Status**

(In Numbers)

Housing	Family Status											
	Grand Mother		Daughter		Mother-in-Law		Daughter-in-Law		House-Wife		Total	
	f	%	f	%	f	%	f	%	f	%	f	%
Rented	0	0.00	0	0.00	0	0.00	1	0.42	12	5.00	13	5.42
Hut	0	0.00	0	0.00	0	0.00	0	0.00	9	3.76	9	3.75
Kutcha	0	0.00	0	0.00	0	0.00	0	0.00	3	1.25	3	1.25
Thatched	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Semi-Thatched (Asbestos/Concrete)	5	2.08	8	3.33	3	1.25	20	8.33	98	40.83	134	55.83
Concrete	3	1.25	4	1.67	0	0.00	6	2.50	68	28.33	81	33.75
<b>Total</b>	<b>8</b>	<b>3.33</b>	<b>12</b>	<b>5.00</b>	<b>3</b>	<b>1.25</b>	<b>27</b>	<b>11.25</b>	<b>190</b>	<b>79.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

### 3.1.9 Employment

According to 2001 Population Census, majority of women workers of Kerala (19.38 lakh) are working in rural area. But representation of women in the primary sector of Kerala is much lower compared to that at the all India level. Unemployment of educated males as well as females is highest in Kerala compared to other states. The overall unemployment rate in Kerala is 12 per cent showing a wide gender gap with 24.30 per cent for women and 6.50 per cent for men. The all India percentage is only 3.10 per cent. In the study, employment are classified into five categories viz., agricultural labour/coolies,

self employed/small business, class IV employees, clerks/teachers and class I officers/lecturers. As presented in Table 3.9, the sample survey indicated that 83 per cent and 17 per cent respectively were belonged to self employed/small business group and agricultural labour/seasonal employment/casual labours. Hence, it is concluded that majority of the Kudumbashree respondents were self employed or doing small business. This shows the efficacy of Kudumbashree Mission in setting up of a wide range of MEs by providing self employment/small business to a large number of poor women in the state.

**Table 3.9**  
**Distribution of Respondents according to Employment and Family Status**

*(In Numbers)*

<i>Employment</i>	<i>Family Status</i>											
	<i>Grand Mother</i>		<i>Daughter</i>		<i>Mother-in-Law</i>		<i>Daughter-in-Law</i>		<i>House-Wife</i>		<i>Total</i>	
	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
Agricultural Labour/Seasonal Employment/Casual Labour	4	1.67	4	1.67	1	0.42	4	1.67	28	11.67	41	17.08
Self Employed/Small Business	4	1.67	8	3.33	2	0.83	23	9.58	162	67.50	199	82.92
<b>Total</b>	<b>8</b>	<b>3.33</b>	<b>12</b>	<b>5.00</b>	<b>3</b>	<b>1.25</b>	<b>27</b>	<b>11.25</b>	<b>190</b>	<b>79.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

### 3.2 Socio-Economic Status

SES is the relative position of a family or an individual on a hierarchical social structure, based on their access to or control over wealth, prestige and power. More recently, SES has been defined as “A broad concept that refers to the placement of persons, families, households and census tracts or other aggregates with respect to the capacity to create or consume goods that are valued in our society”. Wilson (1985) approached that SES as a classification of occupation, income, education or some other indicators of social status. SES of a family would mean the ranking of the position of that family in the society determined by indicators such as income, wealth, education, occupation, physical assets etc. In developed countries, SES has been identified as one of the most important demographic and social determinants of older adult health. As given in the methodology part, the standardised SES scale developed by Dr. V. Vijayakumar (2009) with necessary modifications has been applied for measuring SES of Kudumbashree households. The

indicators of the scale are income, occupation, education, housing and landholding. These indicators are equally weighted with a maximum score of ten per indicator. For every indicator, six alternatives are identified and every alternative is assigned weighted scores. The scale possessed test-retest method of reliability and concurrent validity as the pre-requisites for standardisation. In the scoring procedure, all five indicators are equally weighted, each having a maximum score of ten and a minimum of zero. The total socio-economic score of households are obtained by summing up the scores of five indicators in the scale. The maximum score in the scale is fifty with a minimum of zero. The possible score of the family then satisfies the condition  $0 \leq x \leq 50$ . The individual observations from 0 to 50 are divided into five equal parts by calculating four positional values, viz., 20<sup>th</sup> (P<sub>20</sub>), 40<sup>th</sup> (P<sub>40</sub>), 60<sup>th</sup> (P<sub>60</sub>) and 80<sup>th</sup> (P<sub>80</sub>) percentiles. These positional values are 9.4, 19.8, 30.2 and 40.6 respectively. Based on these positional values the families are classified into five categories of SES such as lower, lower-middle, middle, upper-middle and upper socio-economic status group. The distribution of scores in the standardised scale for the five categories of SES group is given in Table 3.10.

**Table 3.10**  
**Distribution of Scores and SES in the Standardised Scale for SES**

<i>Total Score</i>	<i>Category of SES</i>
0 - 9.4	Lower
9.5 - 19.8	Lower-Middle
19.9 - 30.2	Middle
30.3 - 40.6	Upper-Middle
40.7 -50	Upper

*Source: Kerala University*

### 3.2.1 SES: Findings

Regarding SES of the households, the sample survey reveals that 65.42 per cent of households belonged to lower-middle SES group, 29.16 per cent to middle SES group and no family came under upper SES category. In the case of lower and middle SES group families (50.42 % and 23.75 % respectively), majority of respondents were house-wives. Details are given in Table 3.11 and 3.12. This also indicated that house-wives from lower-middle and middle SES group are more actively participating in Kudumbashree activities. The study

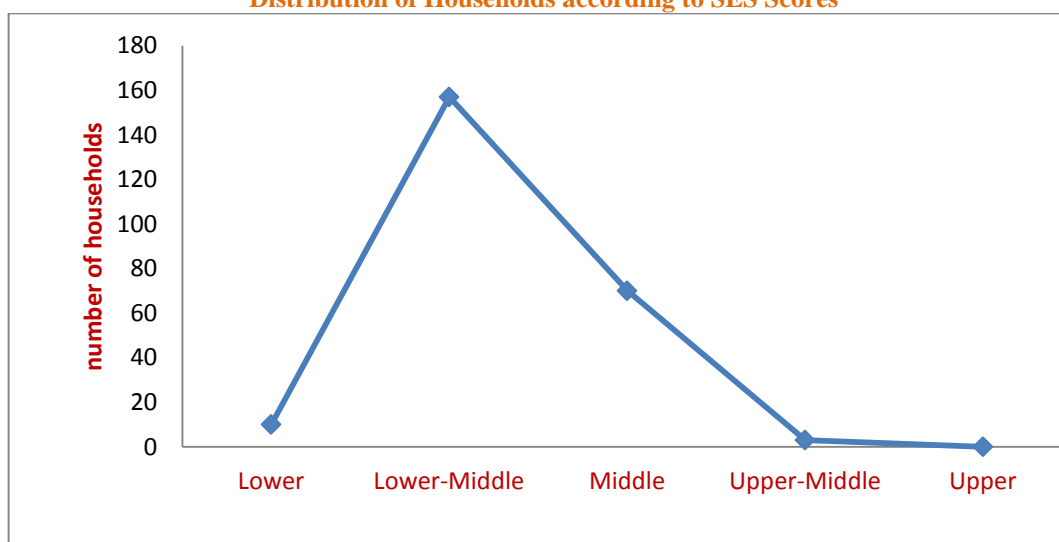
further showed that the scale is positively skewed, indicating that majority of the respondents are in lower-middle SES group. There is, thus, the need to assist the Kudumbashree families in improving their SES. The positively skewed distribution is depicted in Figure 3.1. In figure, the curve has a longer tail to the right hand side, indicating that Mean, Median and Mode of the distribution are in the ascending order. The coefficient of skewness of the distribution is,  $\beta_1 = 1.432$ . Hence the positively skewed distribution on SES score of Kudumbashree households reveals that ten years of Kudumbashree activities on lifting the SES position in the society has not proved to be effective so far. Hence needs more effective measures to raise the SES of poor households in the state.

**Table 3.11**  
**Distribution of Households according to SES Scores**  
*(In Numbers)*

<i>Total Score</i>	<i>Category of SES</i>	<i>Number of Households</i>	<i>Percentage</i>
0 - 9.4	Lower	10	4.17
9.5 - 19.8	Lower-Middle	157	65.42
19.9 - 30.2	Middle	70	29.16
30.3 - 40.6	Upper-Middle	3	1.25
40.7 - 50	Upper	0	0.00
<b>Total</b>		<b>240</b>	<b>100</b>

Source: Sample survey

**Figure 3.1**  
**Distribution of Households according to SES Scores**



**Table 3.12**  
**Distribution of Respondents according to SES and Family Status**

*(In Numbers)*

SES	Family Status											
	Grand Mother		Daughter		Mother-in-Law		Daughter-in-Law		House-Wife		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
Lower (0 - 9.4)	0	0.00	0	0.00	0	0.00	1	0.42	9	3.75	10	4.17
Lower-Middle (9.5 - 19.8)	5	2.08	10	4.17	3	1.25	18	7.50	121	50.42	157	65.42
Middle (19.9 - 30.2)	3	1.25	2	0.83	0	0.00	8	3.33	57	23.75	70	29.16
Upper-Middle (30.3 - 40.6)	0	0.00	0	0.00	0	0.00	0	0.00	3	1.25	3	1.25
Upper (40.7 - 50)	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
<b>Total</b>	<b>8</b>	<b>3.33</b>	<b>12</b>	<b>5.00</b>	<b>3</b>	<b>1.25</b>	<b>27</b>	<b>11.25</b>	<b>190</b>	<b>79.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

## Reference

1. <http://www.newageweekly.com/2011/04/women-and-development-kerala-paradox.html>, Accessed on 26th April 2011.
2. Wilson C (1985), *The Dictionary of Demography*, Blackwell Publishers, Oxford, 1985.



## CHAPTER IV

### EMPOWERMENT OF WOMEN

Empowerment is defined as decision-making power, access to information and resources for taking proper decision, positive thinking on the ability to make change and increasing one's positive self-image and overcoming stigma. Women empowerment refers to increasing the spiritual, political, social or economic strength of women. It often involves developing confidence in their capacities. The empowerment of poor women is a process of changing the existing power relations in favour of poor and the marginalised women and requires changes in knowledge, attitude and behaviour of not only women, but of the society. Many nations, both developed and developing have come forward to develop effective support systems to enable women to participate in economically productive activities and to enhance the status of family.

Women in India now participate in all activities such as education, politics, media, art & culture, service sectors, science and technology etc. The Constitution of India guarantees to all Indian women equality (Article 14), no discrimination by the state (Article 15(1)), equality of opportunity (Article 16) and equal payment for equal work (Article 39 (d)). In addition, it allows special provisions to be made by the state in favour of women and children (Article 15(3)) and also allows for provisions to be made by the state for security just and human conditions of work and for maternity relief (Article 42).

Economic progress in any country whether developed or under developed could be achieved through social development. Empowerment of women contributes to social development. Empowerment of women can be classified as political empowerment, economic empowerment and social empowerment.

#### 4.1 Political Empowerment

Political empowerment for women is regarded as a key factor for economic and social empowerment. Constitutional Amendments 73<sup>rd</sup> and 74<sup>th</sup> in 1993 brought about significant

changes in the political scenario of the country with regard to women's participation in politics. India is the first country to reserve 50 per cent seats for women at LSG level from the year 2009 onwards. The Government believes that this move would facilitate the entry of more women into public sphere and lead to their empowerment. Kerala Assembly unanimously passed two bills; The Kerala Panchayati Raj (Second Amendment) Bill 2009 and the Kerala Municipality (Amendment) Bill 2009 that reserves 50 per cent seat in local bodies for women in Kerala. According to the agency 'Daily News and Analysis' in August 2009 reported that the most high performing women ward members are from Kerala. Women have emerged in large numbers as leaders in Kerala civil society, especially in the context of Kudumbashree movement.

With the structured schedule an attempt was made to understand the extent of political empowerment of women as a result of Kudumbashree movement during the last decade. The interview schedule was so designed to know the extent of participation in politics and election process in Panchayati Raj Institutions and to know their constraints while optimising their functions and duties. The findings of the study revealed that, neither the reservation for women nor their representation in local bodies would empower the women politically, unless the society is to be transformed and replaced by a better socio-economic set up where men and women will have equal status. It is important to consider that these women are making the authorities and the state sensitive to issues of gender injustice, poverty and inequality. The respondents reported that they are forced to contest in elections due to pressure from the family as well as from organisations and not because of their self interest in politics. The 50 per cent reservation system has also forced them to contest in elections. All on a sudden, these women were stepped into politics and administration.

#### **4.1.1 Political Empowerment: Findings**

The following are the findings of the sample survey regarding the political empowerment of women as a consequence of Kudumbashree movement.

The sample survey revealed that 96.25 per cent respondents were not elected for local bodies. This amply reveals that the representation of Kudumbashree members were marginal (3.75 %) in local bodies as elected members. The details in this regard are given in Table 4.1. Out of the respondents elected for LSGs, 77.78 per cent had disclosed that they had elected only in a single chance and the remaining (22.22 %) in three chances.

**Table 4.1**  
**Distribution of Respondents Elected to Local Self Governments**  
*(In Numbers)*

<i><b>Elected</b></i>		<i><b>Not Elected</b></i>		<i><b>Total</b></i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
9	3.75	231	96.25	240	100

*Source: 1. Sample survey 2. Output of SPSS*

The sample survey revealed that 80.83 per cent of the respondents have no interest in contesting elections for the seats in LSGs and the remaining 19.17 per cent have interest in contesting elections. The details are given in Table 4.2

**Table 4.2**  
**Distribution of Respondents Interested to Contest in Election**  
*(In Numbers)*

<i><b>Interested</b></i>		<i><b>Not Interested</b></i>		<i><b>Total</b></i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
46	19.17	194	80.83	240	100

*Source: 1. Sample survey 2. Output of SPSS*

With regard to the question of other members, male or female elected to LSGs, 5.83 per cent of family members were elected to LSGs. The details are given in Table 4.3. Among the elected family members other than Kudumbashree respondents, 78.57 per cent were elected for one time only, 14.29 per cent in 2 times and 7.14 per cent in 3 times elected to LSGs.

**Table 4.3**  
**Distribution of Kudumbashree Family Members other than Respondents Elected to Local Self Governments**  
*(In Numbers)*

<i><b>Elected</b></i>		<i><b>Not Elected</b></i>		<i><b>Total</b></i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
14	5.83	226	94.17	240	100

*Source: 1. Sample survey 2. Output of SPSS*

Modern women occupy all socio-cultural activities and top rank in attaining immense success in all fields such as sports, politics, performing arts, police, administration, medicine etc. Now a days, encouragement of co-education, women have cast off the age old inferiority

complex and are marching side by side with men in every walks of life. Women are becoming socially more active. The socio-cultural and economic changes that have taken place in Kerala over a long period of time have also influenced the women to a great extent. There is very high women participation in connection with many activities.

The sample study revealed that 85.83 per cent Kudumbashree women were participating in socio-cultural activities (See: Table 4.4). Out of this, 47.09 per cent respondents were participated occasionally and the remaining 52.91 per cent permanently.

**Table 4.4**  
**Distribution of Respondents Participated in Socio-Cultural Activities**  
*(In Numbers)*

<i>Participated</i>		<i>Not Participated</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
206	85.83	34	14.17	240	100

*Source: 1. Sample survey 2. Output of SPSS*

With regard to the question of any member in the family other than Kudumbashree respondents participating in socio-cultural activities, 63.75 per cent respondents had revealed that the members of their family were participating in socio-cultural activities (See: Table 4.5). Out of this, 44.44 per cent were participated occasionally and remaining 55.66 per cent permanently.

**Table 4.5**  
**Distribution of Family Members other than Respondents Participated in Socio-Cultural Activities**  
*(In Numbers)*

<i>Participated</i>		<i>Not Participated</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
153	63.75	87	36.25	240	100

*Source: 1. Sample survey 2. Output of SPSS*

This indicate that, even though 50 per cent seats are being reserved for women at LSG level elections, the representation of women from Kudumbashree families are low because of political illiteracy, patriarchal values, family restrictions, lack of access and control over income and other resources. And also lack of critical numbers of women elected representatives impedes them from negotiating for important portfolios such as finance, home, defence etc. which are primarily controlled by men. But more women are participating in socio-cultural activities.

## 4.1.2 Achievements and Constraints while acted as Elected Representatives

### Achievements

The following achievements were reported by the respondents, who were elected to LSGs.

- **Communication Skill:** Majority of the respondents pointed out that they have acquired confidence to address public meetings because of their experience as elected members. As entrants, they felt hesitant to present their views in various meetings and in making policies in front of the audience. But now the situation has changed and they acquired confidence to speak in meetings or addressing the public.
- **Leadership Quality:** The respondents opined that their self-confidence and leadership qualities have been strengthened. They also acquired self decision-making power and more organisational capacity.
- **Administrative Capacity:** The respondents mentioned that, they came into contact with enlightened people with good administrative capacity from different spheres so that their administrative capacity/skill has also been enhanced.
- **Addressing Development Issues:** They felt that, they had tried to make the state sensitive to issues of gender injustice, inequality and poverty. They are also able to highlight social issues of women. They could come up with new development priorities.
- **Self Confidence:** Being elected representatives, they felt the liberating effect of knowledge and information upon them. The training they obtained in decentralised state craft often proved an instrument for self empowerment and building self confidence.
- **Public Interest:** They could work for the interests of the public. They could work for the general welfare and development of the people of their constituency

and that of women interest in particular. They claim that they got the privilege to help the deserving people in the society.

- **Popularity:** The respondents disclosed that now they are popular in their domestic panchayat, which is another achievement in their life by way of elected representatives.
- **Mobility for Travelling:** Another achievement is that, they could acquire confidence for mobility to travel long distances without any kind of fear.

### **Constraints**

The constraints that women had faced while performing their functions as elected members have to be addressed by the society with utmost importance. The constraints that disclosed by the respondents are summarised below:

- **Domestic Constraints:** Majority of the respondents reported that they need more time for social activities. This often creates problems in the family when the spouse and the other family members were reluctant to help in household chores. In some cases, spouse discouraged the elected women representatives for attending the meeting or causing unnecessary hindrances in their activities. This lack of liberal outlook and support from the family is a big challenge they are facing.
- **Monetary Constraints:** The women respondent reported that as they belonged to poor family, they were not performed at the best as elected members because of poor monetary resources. They were worked for the general welfare and development of the society and the remuneration or honorarium was seldom sufficient for their work. Moreover, they had forgone or sacrifice their daily wages and household duties for the task of identifying the beneficiaries and to the recommendations for preparing the future Annual Plans of grama panchayats.

They reported that even though they want to serve the community better, they are unable to do so because of insufficient income.

- **Gender Disparity:** Majority of the respondent regretted that they didn't get co-operation from the public or society. In the meetings, their views were not considered and they did not get support from the male members, as a result they were not strong to express their views or ideas in the meetings. They felt that the male colleagues are not motivating them and there is frustration of not being heard. Non co-operation by male members also forced them to be absent in many meetings as they felt useless to attend the meetings as their views, even if they presented, befitting and relevant arguments were not considering. Such discriminations were affected their performances as elected representatives.
- **Lack of Transparency:** The respondents reported that some of the panchayat members were exclusively guided by their personnel interests. Such self motive nature of male members also posts hindrances in performing duties by female members. Lack of transparency in the administration of local bodies also causes problems.
- **Educational Constraints:** Low educational qualification and lack of knowledge in administration caused difficulties in their performance as elected members. Lack of orientation programmes for building up self-confidence and skill training for efficient leadership was another obstacle. Lack of confidence to address the public often caused difficulties in communicating with the public in the beginning of their political life.

#### 4.2 Social Empowerment/Gender Equality

Gender equality is a base for an indicator of social empowerment of women. Fertility rate, sex-ratio and life expectancy are the other important indicators of social empowerment of women. Here an attempt is made to examine the social empowerment of women in terms of

gender equality only, which are being experienced in the state as a consequence of Kudumbashree movements. Gender equality is a social order in which women and men share the same opportunities and the same constraints on full participation. Women benefits equally with men from an activity. Elimination of gender disparities within the family and society by empowering women is an important pre-requisite for eradicating poverty. Gender balance is the equal and active participation of women and men in all areas of decision-making and in access to and control over resources and services. Gender equality is central to economic and human development in a country. Removing inequalities gives societies a better chance to develop. When women and men have relative equality, economies grow faster, children's health improves and there is less corruption. Gender equality denotes women having the same opportunities in life as men, including the ability to participate in the public sphere. The goal of gender equality sometimes called substantial equality, moves beyond equality of opportunity by requiring transformative change. It recognises that women and men have different needs, preferences, and interests and that equality of outcomes may necessitate different treatment of men and women. The term gender equity is often used interchangeably with gender equality. Gender equity denotes the equivalence recognising their different needs and interests and requiring a redistribution of power and resources.

#### **4.2.1 Social Empowerment: Findings**

Feeling of gender equality within the family and society is an important aspect. The study revealed that 95.42 per cent of respondents felt gender equality within the family and 77.08 per cent within the society. Mobility of women is another important aspect of enhancing of social empowerment. In Kerala, traditionally women were restricted to go out for employment or other social activities. A number of programmes were introduced by Kudumbashree Mission to make remarkable changes in the mobility of women for doing social works. The field survey revealed that majority of women (97.08 %) were free to go out for employment as they desired and reported that they were not restricted by spouse,



brother or father. In case of matters related to education, 96.67 per cent reported that they were enjoyed equalities vis-a-vis with the male members of the family. In the case of casting votes in general election, 94.58 per cent respondent had revealed that they were enjoyed freedom in casting votes in favour of their attitude towards election. Details are given in Table.4.6

**Table 4.6**  
**Distribution of Respondents in Relation to Gender Equality**

*(In Numbers)*

Sl. No.	Subjects	Yes		No		Total	
		<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
1	Gender equality within the family	229	95.42	11	4.58	240	100
2	Gender equality within the society	185	77.08	55	22.92	240	100
3	Employment freedom	233	97.08	7	2.92	240	100
4	Equality in education	232	96.67	8	3.33	240	100
5	Freedom in casting votes	227	94.58	13	5.42	240	100
	<b>Average</b>	<b>221</b>	<b>91.82</b>	<b>19</b>	<b>5.61</b>	<b>240</b>	<b>100</b>

*Source: 1. Sample survey 2. Output of SPSS*

Gender equality is also examined in terms of participation of women in decision-making in some important activities. The present study had looked into decision-making in education of members of the family, agricultural related activities, cattle rearing, poultry, saving of the family, expenditure of the family, activities inside and outside home, activities inside and outside the home, which require monetary inputs and in casting of vote. In the field survey, it was observed that 87.92 per cent of the respondents took decisions jointly with spouse on matters related to education. In agricultural related activities, in 78.33 per cent of the families, decisions were taken jointly. Around 11 per cent of the sample respondents were not responded to the decision-making questions related to agricultural activities. Cattle rearing is an important activity, which gives supplementary income to families. In case of components of cattle rearing activities, majority of times (62.50%) decisions were taken jointly in the family by husband and wife or collectively with other members of the

family, followed by women alone in 22.92 per cent families. In backyard poultry, decisions were taken jointly with spouse in 46.67 per cent families followed by farm women alone in 42.50 per cent cases. In money saving matters, joint decisions were accounted in 82.50 per cent families and women alone in 10 per cent cases. Regarding decision on expenditure pattern of families 80.83 per cent respondents had reported that the decisions were taken jointly in the family, followed by husband alone in 8.75 per cent cases and women in 8.33 per cent cases. Decisions on general activities inside the home, in 69.58 per cent families decisions were jointly taken with the spouse, followed by farm women alone in 24.17 per cent cases. But in case of general activities, which require monetary inputs, 76.67 per cent respondents had reported that the decisions were taken jointly in the family. In case of activities outside home 70 per cent had revealed that the decisions were taken jointly with the spouse, followed by spouse alone in 22.50 per cent cases. In case of activities outside home, which require monetary input, husband dominate in the family by taking decisions jointly with wife in 66.25 per cent cases and alone in 27.92 per cent cases. Women's exclusive decision on these matters were least (5.83%) compared to decision making in other activities. In case of casting of vote in general elections, men or women alone are not decided to cast votes in majority of times, but jointly decide (73.33%).

Out of the eleven activities listed to examine the decision-making pattern, which are rated on a three point scale by men and women on the two extremes and jointly in the middle, the decisions taken by men alone were least in the case of agricultural related activities and in poultrying (1.67% each) and highest involvement in activities outside the home, which require monetary inputs (27.92%). Women's involvement was least in activities outside the home which requires monetary inputs (5.83%) and highest in poultrying (42.50%).

In summary, for the eleven major activities listed, on an average, 71.32 per cent women respondent had disclosed that all decisions were taken jointly with spouse, 12.63 per cent reported that decisions were taken by them, 6.38 per cent that decisions were taken by

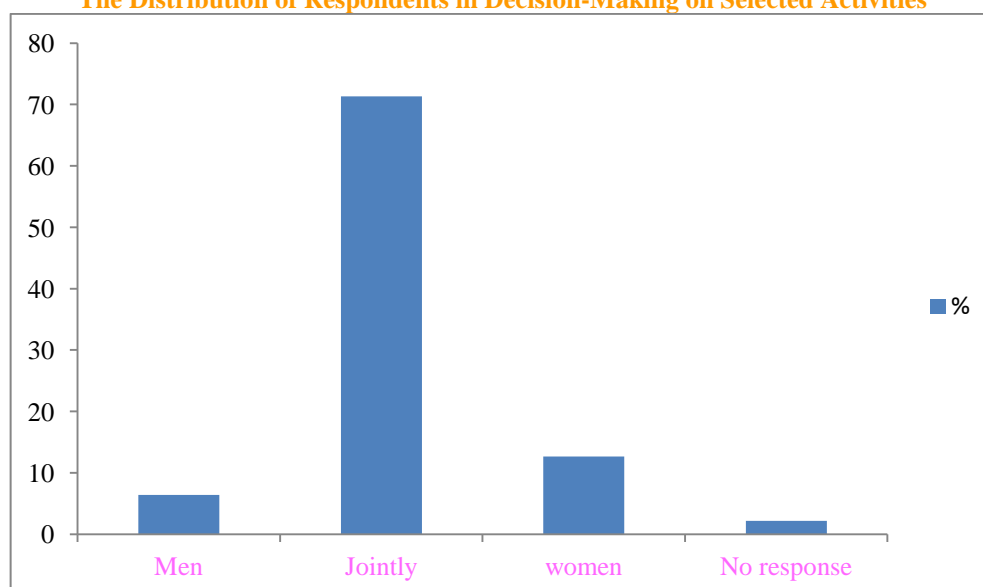
spouse alone and 2.17 per cent was not responded to the questions. Details on this regard are depicted in Table 4.7 and Figure 4.1.

**Table 4.7**  
**Distribution of Respondents in Decision-Making on Selected Activities (In Numbers)**

Sl. No	Activities/ Subjects	Decision-Making Pattern								Total	
		Men		Jointly		Women		No - Response			
		f	%	f	%	f	%	f	%	f	%
1	Education	12	5.00	211	87.92	16	6.67	1	0.41	240	100
2	Agriculture	4	1.67	188	78.33	22	9.17	26	10.83	240	100
3	Cattle rearing	15	6.25	150	62.50	55	22.92	20	8.33	240	100
4	Poultry	4	1.67	112	46.67	102	42.50	22	9.16	240	100
5	Savings	16	6.67	198	82.50	24	10.00	2	0.83	240	100
6	Expenditure	21	8.75	194	80.83	20	8.33	5	2.08	240	100
7	Activities inside the house	10	4.17	167	69.58	58	24.17	5	2.08	240	100
8	Activities inside the house which requires monetary inputs	28	11.67	184	76.67	27	11.25	1	0.41	240	100
9	Activities outside the house	54	22.50	168	70.00	18	7.50	0	0.00	240	100
10	Activities outside the house which requires monetary inputs	67	27.92	159	66.25	14	5.83	0	0.00	240	100
11	Casting of vote	11	4.58	176	73.33	53	22.08	0	0.00	240	100
<b>Average</b>		<b>22</b>	<b>6.38</b>	<b>173</b>	<b>71.32</b>	<b>37</b>	<b>12.63</b>	<b>8</b>	<b>2.17</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

**Figure 4.1**  
**The Distribution of Respondents in Decision-Making on Selected Activities**



### **4.3 Economic Empowerment**

Women's economic empowerment could ease corruption and violence. The economic empowerment of women can broadly be categorised as (i) women's right to property, (ii) women work participation in income earning activities and (iii) women's accessibility to saving, credit and investment facilities. Kudumbashree Mission has tried to empower women economically by setting up of large varieties of MEs. The following subsection deal with MEs.

#### **4.3.1 Micro Enterprise: Need, Meaning and Definition**

Some developing countries followed the trickle down development approach for a few decades to eradicate poverty. The failure of such an approach to achieve its objective of poverty eradication prompted the policy makers to think of an alternative approach. Hence, after experimentation for a long time, a new concept was evolved in the name of "financing Micro Enterprises" for bringing about development and eradicating absolute poverty. The innovative poverty focused group based financing of MEs is a new paradigm, which aims at developing MEs for catering the needs of the poor.

MEs are identified as those having fixed capital or the number of workers under certain threshold levels. MEs constitute small businesses and shops, cottage industries, transport services etc. According to World Bank report, MEs can be defined differently, depending on country's stage of development, policy objectives and administration. Under MEs there are three categories of economic activities namely production, trading and services. In production, there are agricultural and non-agricultural activities. Agricultural activities are farming, cattle rearing, poultry rearing and fisheries. Non-agricultural activities include a wide variety of activities like food processing, producing different handicrafts and household items like pots, mats, books, cloth etc. Trading includes shop keeping, small business, selling specific items like vegetables, fish, etc. Services includes activities like transport services, clean environment, IT etc.

ME development is instrumental for employment generation and upliftment of the poor. High population pressure and limited employment opportunities in the agricultural and the modern manufacturing sectors leave a vast majority of the labour force without productive employment. The problem of providing employment to the surplus labour force can be solved to a great extent by establishing MEs. A World Bank study report in 1978 brings out the advantages of MEs as increasing the aggregate output, enabling the efficient use of capital and labour, bringing a regional balance, decreasing the inequality in the distribution of income, initiating indigenous enterprises and management skills.

Since the inception, Kudumbashree has been concentrating much in the area of ME development. The peculiarity of these enterprises is that a wide variety is found among them. Every enterprise started takes into account the demands of local people, the availability of local resources, market feasibility and conversion of social needs into business opportunities. A convergence of different departments, government agencies, banks, training institutions, research organisations, LSGs and community participation is ensured in Kudumbashree MEs and in all the livelihood programmes it promotes. But as these MEs are run by impoverished people, a lot of problems are confronting such as low returns, high price of finances, use of obsolete technology, limited input and output markets, inadequate infrastructure facilities, lack of access to funds from financial agencies etc.

The Kudumbashree Mission defines MEs as a production unit, which has an investment, ranging from ₹ 5000 to ₹ 2.5 lakh, has a potential to generate an income level of at least ₹ 1500 per member per month, enterprise fully owned, managed and operated by members themselves and a minimum average annual turnover of ₹ 1 lakh.

#### **4.4 Micro Enterprises: Findings**

In order to analyse the functions, operations and performance of MEs, emphasis is given for capacity building of micro entrepreneurs, problems and constraints, profitability and viability of enterprises, group dynamics, support from financial institutions etc.

#### 4.4.1 Capacity Building Training: Findings

The performance in the management and operations of MEs can be improved by imparting entrepreneurial skill development training and training on different aspects of ME operations. Under ME development programme, Kudumbashree has been providing trainings to women entrepreneurs in the form of general orientation programmes, entrepreneurship development programmes, skill development programmes, performance improvement programmes etc. Trainings provide a positive environment for micro entrepreneurs to tune fine their skill sets.

As indicated in Table 4.8, the sample survey revealed that before starting MEs 79.58 per cent of women entrepreneurs got training while remaining 20.42 per cent did not get any type of training.

**Table 4.8**  
**Distribution of Respondents Trained before Establishing MEs**

*(In Numbers)*

<i>Trained</i>		<i>Not Trained</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
191	79.58	49	20.42	240	100

Source: 1. Sample survey 2. Output of SPSS

Table 4.9 shows that after the establishment of MEs, 42.92 per cent of respondents had received training and 57.08 per cent had not received any type of training till at the time of survey. All entrepreneurs have to be trained on various aspects of micro-finance as well as MEs, as training provides a positive energy for the women in those units.

**Table 4.9**  
**Distribution of Respondents Trained after Establishing MEs**

*(In Numbers)*

<i>Micro Enterprises</i>				<i>Total</i>	
<i>Trained</i>		<i>Not Trained</i>		<i>f</i>	<i>%</i>
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>		
103	42.92	137	57.08	240	100

Source: 1. Sample survey 2. Output of SPSS

Table 4.8 & 4.9 also includes some simultaneous outcomes, that is, of the 42.92 per cent respondents trained after the establishment of MEs, 33.33 per cent were got training before starting the enterprise. The notable point is that Kudumbashree Mission has wasted a sizeable amount for training same persons more than once in same area. Hence Kudumbashree

Mission has to be taken strict measures for avoiding training duplication while imparting training to the members of MEs units.

#### 4.4.2 Training Agencies: Findings

Under the capacity development programme of women entrepreneurs, various training programmes in the areas like production, marketing, book-keeping, finance management, personality development, skill development etc., have been provided. An attempt was made in the field survey to find out the agencies impart training for women entrepreneurs. The survey findings revealed that State Kudumbashree Mission & District Missions, CDSs and LSG institutions are the main agencies imparting training. Around 80 per cent of the respondents got training from various agencies before starting the ME units (See: Table 4.8). Table 4.10 revealed that out of the respondents got training before establishing MEs 51.83 per cent of respondents got training through District Kudumbashree Missions, 21.99 per cent through CDS, 13.61 per cent through LSG institutions, 0.52 per cent through State Kudumbashree Mission and 12.04 per cent through other agencies.

Out of the respondents received training after establishing MEs units, 44.66 per cent got training through District Kudumbashree Missions, 27.18 per cent through CDS, 10.68 per cent through LSG institutions, 2.91 per cent through State Kudumbashree Mission and 14.56 per cent through other agencies.

**Table 4.10**  
**Distribution of Respondents and Institutions in Relation to Training**

*(In Numbers)*

<i>Trainings Arranged by</i>	<i>Before Establishing MEs</i>		<i>After Establishing MEs</i>	
	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
State Kudumbashree Mission	1	0.52	3	2.91
District Kudumbashree Missions	99	51.83	46	44.66
CDSs	42	21.99	28	27.18
LSG Institutions	26	13.61	11	10.68
Other Agencies	23	12.04	15	14.56
<b>Total</b>	<b>191</b>	<b>100</b>	<b>103</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

Table 4.11 shows that out of total respondents, majority (39.58%) had trained only once and 20.42 per cent had not received any training. At the same time 27.08 per cent and

9.17 per cent had received training twice and thrice respectively in the areas of entrepreneurship development programmes, skill development programmes, performance improvement programmes and management improvement programmes. Such differences have to be addressed while organising training programmes by Kudumbashree Mission in future.

**Table 4.11**  
**Distribution of Respondents in Relation to Training Frequency**  
*(In Numbers)*

<i>Training</i>	<i>f</i>	<i>%</i>
0	49	20.42
1	95	39.58
2	65	27.08
3	22	9.17
4	3	1.25
5	3	1.25
6	3	1.25
<b>Total</b>	<b>240</b>	<b>100</b>

*Source: 1. Sample survey 2. Output of SPSS*

#### 4.4.3 Training Need Assessment: Findings

Table 4.12 revealed that 78.33 per cent of the respondents had reported that they need further training in different areas to utilise optimum capacity of MEs with a view to accrue maximum profit. The remaining 21.67 per cent of women entrepreneurs were not interested in attending any future training programmes mainly because they are reluctant to move out of their residence for night stay at distant places since most of the training programmes of Kudumbashree are residential in nature so that the trainees are compelled to stay in the hostel for trainees.

**Table 4.12**  
**Distribution of Respondents in Relation to Training Need**  
*(In Numbers)*

<i>Training Required</i>		<i>Training not Required</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
188	78.33	52	21.67	240	100

*Source: 1. Sample survey 2. Output of SPSS*

The respondents of field survey were engaged in a wide range of activities in agriculture, industry and service sectors. They were aware of the fact that training will not only help to increase their income but also improve their organisational skill. There is a demand from the respondents that training programmes should be equipped by collecting accurate information about women's productive practices, constraints and preferences.



It is important to address their role within the household and scheduling of training should take into account the chores that women are expected to carry out such as cooking, cleaning and child care. Women's workload, cultural norms that prevented them from travelling and their domestic obligations made it more difficult for them to access training. Due to such difficulties women feel reluctant to attend distant and residential training programmes even if they are aware of the benefits of training.

The respondents engaged in agriculture and allied sectors had demanded entrepreneurial training along with training in agricultural practices so that they can increase their incomes and gain greater control over their business and finances by improving their confidence and recognition in a business context. In a highly commercialised agricultural environment, they should be provided training on marketing, quality control, capital management, price awareness, adaptability with change and crisis and facilitate diversification of livelihoods to manage risks.

Improved technology at a large extent is important in enhancing agricultural yields, reducing the amount of time that women spent on tasks and thus finding time to other productive activities and training should be provided in these areas, taking into account that women have different technology needs and production preferences to those of men. So women engaged in agriculture and allied activities should be given training to upgrade their skills to improve productivity along with training in business skills. This will reduce vulnerability in the market by improving women's knowledge and confidence in negotiating terms for their product and help them strategise to improve these terms.

The respondents engaged in enterprises related to industrial and service sectors also demanded that along with skill development, they should be provided training in financial management including book keeping, marketing and access to markets, financial services, diversification and new markets, business and project plan preparation etc. They all reported

that specific and need based training should be provided. The specific activities in which the respondents were engaged in and in which they need training are listed below:

1. Solid waste disposal and processing
2. Garments and readymade making
3. Tailoring and sari painting
4. Canteen and catering service
5. Food processing, curry powder, pickle and pappad making
6. IT school and IT cafe
7. Paper cover, paper bags and cloth bag making
8. Coconut processing and oil extraction
9. Coir yarn and coir products making
10. Book binding and book manufacturing
11. Toy making
12. Umbrella making
13. Ornaments making
14. Agarbathi and candle making
15. Paddy cultivation
16. Floriculture and horticulture
17. Dairy farming
18. Poultry farming

Even though Kudumbashree Mission provided training on these areas, coverings should be widened. And also suggested that a training need assessment report should be prepared by Kudumbashree Mission and based on that future training will be organised.

#### **4.4.4 Year of Launching of MEs: Findings**

The MEs which came under the survey were established since 1993, that is, even before launching of Kudumbashree Mission in 1998. The Table 4.13 shows that up to 2004 the number of MEs established were less (14.17%). Since 2006 there was a gradual and steady increase in the setting up of MEs till 2009. This was mainly due to the impact of launching of Yuvashree programme in 2005, a programme for generating jobs for 50 thousand youths. But in 2010 the number of MEs started was almost halved as compared to the number started in 2009. As per the survey, most number of units (26.66%) was

established during the year 2009. Around 86 per cent of the units were established since 2005 and the reason behind this is that the Mission had given more emphasis for ME development by revising the guidelines, conducting more number of dissemination workshops, providing more trainings for women entrepreneurs and making more funds available to those enterprises in the form of revolving fund, technology fund, innovation fund etc., for motivating women entrepreneurship. Modifying the guidelines of the Yuvashree programme by way of relaxation in age, educational qualification, subsidy component etc., had also helped to bring more number of entrepreneurs under this programme.

**Table 4.13**  
**Distribution of MEs in Relation to Launching Year**

*(In Numbers)*

<i>Launching Year</i>	<i>f</i>	<i>%</i>
1993	1	0.42
1995	1	0.42
1998	2	0.83
2000	3	1.25
2001	1	0.42
2002	11	4.58
2003	6	2.50
2004	9	3.75
2005	19	7.92
2006	15	6.25
2007	22	9.16
2008	49	20.42
2009	64	26.66
2010	37	15.42
<b>Total</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.5 Functional Status of MEs: Findings

The respondents reported that the MEs established under Kudumbashree movement are confronted with many problems. In spite of the efforts of the Mission to solve the problems of these units and make them technically viable, some units were closed down due to their, inability inefficiency and underutilisation of resources to cover even the average variable cost.

**Table 4.14**  
**Distribution of MEs in Relation to Functional Status**

*(In Numbers)*

<i>Functioning MEs</i>		<i>Defunct MEs</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
226	94.17	14	5.83	240	100

Source: 1. Sample survey 2. Output of SPSS

The results of the sample survey regarding the functional status of MEs are furnished in Table 4.14. The Table indicates that 94.17 per cent of the enterprises were functioning at the time of survey and the remaining 5.83 per cent were closed down due to many problems. As these MEs are run by women from impoverished families, any small crisis could affect the sustainability of the units adversely. The survey also indicated that many of the units were working at low profits and these units were not capable of crossing even the break-even point.

#### **4.4.6 Problems of MEs: Findings**

The women respondents who were engaged in a wide range of productive activities in agriculture, industry and service sectors came up with many issues and problems, which are posing barriers to their productivity and efficiency. Most of the units are working with low productive capacity, which generates low income, low saving, low investment and low employment opportunities. Low employment in turn causes low production. In order to break this vicious circle and to attain better productivity, the basic problems have to be solved systematically. For this an expert committee will be constituted with experts from different fields such as economists, industrialists, accountants, cost auditors, market analysts etc. Many of the MEs, which came under the survey were incurring loss and not technologically viable. Most of them were name sake entities with no vision or strategy and they simply exist to avail subsidy from government. These types of units will be closed down. Those units want to survive and face many problems, which disclosed by respondents, are discussed below:

- 1. Lack of Co-operation among Members:** Group dynamics is an important factor in the success of a ME based on SHG. Unfortunately most of the units face the problem of lack of co-operation among its members. The members often lack sense of responsibility and dedication.
- 2. Lack of Financial Support:** Most of the respondents complained that the financial support they got from Kudumbashree is quite inadequate to run the units and they had

been facing shortage of working capital. It was reported that due to such difficulties they are unable to expand production to reap economies of scale fully. Hence they were forced to borrow money from money lenders at very high rates of interest.

- 3. Time-Lag in Getting Finance:** The respondents reported that getting bank linkage for SHGs itself is a big task as they have to satisfy the 15 point index of NABARD. Even though the terms and conditions are fully satisfied, there is unnecessary time lag for sanctioning and disbursing of loan amounts and this forced them to approach the money lenders as a last resort for capital investment.
- 4. Competition from Rivals, Ineffective Branding and Advertisement:** The survey revealed that competition from rivals is another problem they have faced. They are facing severe competition from machine made branded and imported products. Branding and proper advertisements can solve these problems to some extent. But the poor women producers do not have the resources, vision or knowledge to advertise their products effectively. Due to shortage of money these units could not able to spend money as selling cost expenses. Besides, Kudumbashree products lack good and attractive packing and also did not followed a scientific pricing principle to fix the selling price of the products.
- 5. Lack of Quality Control Measures:** The respondents had revealed that the products they produce were not often competitive to the quality standards of substitute products already available in the markets. This is due to non-accessibility of equipments and machinery as well as lack of knowledge and expertise to control the quality of the products they are producing. In industrial field quality control of manufactured products is very important. Unfortunately, no effective quality control measures were followed so far by the Kudumbashree producers. Due to low quality and absence of competitive price, the demands for many Kudumbashree products were found to be low and inelastic at the time of survey.

- 6. Limited Markets:** The respondents had reported that limited markets for their products were another problem. The poor performance of units and subsequent closures could be attributed to the dependence on local markets for marketing of products. This problem of limited markets for a wide variety of Kudumbashree products is the result of poor selling strategy and reluctance to undertake hard-work. Door to door selling and organising of trade fairs, sales festivals etc., are some of the remedial measures to solve this dilemma.
- 7. Inadequate Infrastructure and High Rented Production Centres:** Majority of respondents reported that those units functioning in rented buildings had been facing the problem of high rent. This would push up the total cost of production beyond total revenue and as a result such units run at a loss. This is the case of many Kudumbashree IT units. Inadequate equipments and machinery also acts as hindrances.
- 8. Lack of Knowledge:** The respondents are facing many problems in areas of production, marketing, accounting, bank dealings, working of subsidy system etc. to run the business due to lack of proper knowledge. They are producing in a world of uncertainty.
- 9. High Price and Inelastic Supply of Raw-Materials:** The respondents reported that inelastic supply and high price of raw-materials often make their units sick. High cost of production and dependence on local markets for raw-material procurement are the main reasons associated with poor performance of the units and subsequent closures.
- 10. Low Income from the Units:** The poor Kudumbashree members expect daily income from their units for their daily needs. But many respondents reported that the income from their units were quite insufficient to meet their daily requirements. As a result majority of the producers run the units only as a subsidiary occupation, which results in low production.
- 11.** The respondents engaged in farming had faced the problems of lack of proper irrigation and marketing facilities, quality control issues, crop failure due to natural calamities, high price of inputs and low price of products etc. Those running poultry and dairy

farming units had reported problems like high price of concentrated mixtures and fodder, lack of subsidy, lack of insurance coverage, lack of high yielding variety animals, safety problems of animals, shortage of healthy cattle shed, infertility and diseases of animals etc.

12. The respondents engaged in clean Kerala business and bio-fertiliser units often work in unhygienic conditions. Waste collection is done without any safety measures and this causes severe health problems. The bio-fertiliser units had also faced the problems of lack of power and water.

#### 4.4.7 Number of Respondents in MEs: Findings

The membership status of MEs, which are selected for the survey, is shown in Table 4.15. The Table indicates that 25.83 per cent of the units were individual enterprises and 74.17 per cent were group enterprises. The membership status ranged from 1 to 20 members. Of the group enterprises, about 30.42 per cent were 10 member groups and 22.92 per cent were 5 member groups. Here it is important to note that Kudumbashree Mission had promoted MEs only up to 10 member groups. The MEs with more than 10 members have been promoted by NHGs.

**Table 4.15**  
Distribution of MEs in Relation to Members at the time of Launching  
(In Numbers)

<i>Members at the time of launching</i>	<i>f</i>	<i>%</i>
1	62	25.83
2	3	1.25
3	3	1.25
4	1	0.42
5	55	22.92
6	3	1.25
7	1	0.42
8	1	0.42
9	4	1.67
10	73	30.42
11	1	0.42
12	9	3.75
13	3	1.25
14	8	3.33
15	5	2.08
16	1	0.42
17	2	0.83
18	1	0.42
19	2	0.83
20	2	0.83
<b>Total</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.8 MEs with Dropout of Members: Findings

The sample survey had revealed that some MEs had experienced dropout of members due to different reasons. The Table 4.16 shows that 19.58 per cent MEs had witnessed dropout of members at the time of survey.

**Table 4.16**  
**Distribution of MEs in Relation to Dropout of Members**

*(In Numbers)*

<i>Dropouts</i>		<i>No Dropouts</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
47	19.58	193	80.42	240	100

*Source: 1. Sample survey 2. Output of SPSS*

Dropouts from the MEs tell us something that these units often fail to cater to the needs of all members. Dropouts often take place when the units are not viable or profitable and also due to marriage or death of members. Financial difficulties of the members often force them to leave the enterprise if they are unable to find their daily bread or they are unable to make any regular savings. Group dynamics is yet another issue behind dropouts. Usually it is the member's decision to leave out of the firm to find any other remunerative work or otherwise it is a case of mutual agreement between the member and the group. There are even cases of group expelling a member for default.

When a member leaves the group, there is no much follow up of dropouts, that is, efforts to resolve differences between member and group or encourage a member not to dropout to avoid weakening of the group, provided if she is not quarrelsome or defaulter or irregular in making payments.

#### 4.4.9 MEs Admitted New Members: Findings

If a unit fails to cater to the needs of members, that is, if it is not viable or profitable or if there are issues related to group dynamics or due to marriage of members or due to other reasons, dropouts often taken place from the units. Drop out also took place because of employment opportunities in public as well as in private sectors.

The sample survey revealed that 85.42 per cent of the units have not admitted any new member to the units after the dropouts of the members while 14.58 per cent of the units have



recruited new members to offset the dropout for maintaining full strength of members of the unit.

**Table 4.17**  
**Distribution of MEs Recruited New Members**

*(In Numbers)*

<i>Recruited</i>		<i>Not Recruited</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
35	14.58	205	85.42	240	100

*Source: 1. Sample survey 2. Output of SPSS*

In case of beneficiary contribution collected from the newly admitted member, 17.14 per cent of the respondents intimated that they would refund the amount to the dropout members, 65.72 per cent used it as working capital, in 11.43 per cent units, the existing members shared the amount and 5.71 per cent disclosed that they had not collected any beneficiary contribution from a newly recruited member (See: Table 4.18).

**Table 4.18**  
**Distribution of MEs in Relation to Beneficiary Contribution from New Members**

*(In Numbers)*

<i>Beneficiary Contribution</i>	<i>f</i>	<i>%</i>
Given to Dropout Members	6	17.14
Used as Working Capital	23	65.72
Shared among the Members	4	11.43
Not Received	2	5.71
<b>Total</b>	<b>35</b>	<b>100</b>

*Source: 1. Sample survey 2. Output of SPSS*

#### 4.4.10 MEs in Relation to Gender: Findings

Till the year 2004-05, the ME units under Kudumbashree Mission were exclusively for NHG women members. But with the launching of Yuvashree programme, individual and group enterprises came up with exclusive male member groups, exclusive female member groups and mixed groups. Table 4.19 reveals that 90 per cent of MEs started with the aid of Kudumbashree Mission were owned and operated by women entrepreneurs only and out of the 10 per cent remaining, 5 per cent each were owned and operated by male members alone and by mixed groups. The mixed units of men and women have been constituted for those units, where the services of male members have been quite essential as in the case of fish stall.

**Table 4.19**  
**Distribution of MEs in Relation to Gender**

*(In Numbers)*

<i>Female units</i>		<i>Male units</i>		<i>Mixed units</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
216	90	12	5	12	5	240	100

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.11 Financial Assistance for MEs: Findings

All ME units that came under the survey were started not solely with the direct support of Kudumbashree. There were units started with linkage loans, that is, the beneficiaries had taken loan from NHGs or financial institutions and started the businesses. Another category of enterprises begun with the aid and support of various government departments and LSGs, women's welfare schemes and so on and the third category is the enterprises started with the help of Kudumbashree assistance under its RME and 50 K schemes.

As shown in Table 4.20, the sample survey revealed that about 70.83 per cent of SHG units had received financial assistance from Kudumbashree for running the enterprise and 29.17 per cent had not received any assistance from Kudumbashree. Kudumbashree provides assistance by way of bank linkage and subsidy. The viability and feasibility of the projects for starting the MEs are verified on the basis of 15 point index developed by NABARD and based on this rating the members of the units are allowed to link with the financial institutions under the Linkage Banking scheme. Then the financial institutions give loans to the units for setting up and functioning without any collateral security and the subsidy will be disbursed to the units through banks as back log subsidy. In addition to subsidies, second dose assistance for working capital, innovative fund for innovative ideas, technology fund for technological enhancement, and revolving fund and crisis management fund for meeting urgent working capital needs are also provided to the MEs.

**Table 4.20**  
**Distribution of MEs in Relation to Financial Assistance from Kudumbashree**

*(In Numbers)*

<i>Assistance Received</i>		<i>No Assistance Received</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
170	70.83	70	29.17	240	100

Source: 1. Sample survey 2. Output of SPSS

The respondents reported that those units which have not availed assistance (29.17 %) at the time of survey are waiting for bank linkage and they were working with their beneficiary contribution. Such groups are only name sake entities and they become full-fledged groups only if they receive assistance from Kudumbashree.

#### 4.4.12 Subsidy for MEs: Findings

Majority (35.83%) of the respondents had not responded to the question of whether financial assistance received from Kudumbashree Mission is adequate or inadequate because of their units had not received any monetary aid from Kudumbashree Mission. Around 35 per cent of the respondent had reported that the financial assistance received from Kudumbashree Mission was adequate to meet the needs of their units while around 36 per cent had reported that their assistance was inadequate to cater the needs of the units. Details are given in Table 4.21.

**Table 4.21**  
**Distribution of MEs with Financial Assistance from Kudumbashree Mission**  
*(In Numbers)*

<b>Financial Assistance</b>	<i>f</i>	<b>%</b>
Adequate	85	35.42
Inadequate	69	28.75
No response	86	35.83
<b>Total</b>	<b>240</b>	<b>100</b>

*Source: 1. Sample survey 2. Output of SPSS*

Sources of credit can be broadly classified as institutional and non-institutional. While institutional credit includes financial institutions and co-operatives, non-institutional credit comes from money lenders and friends and relatives. By forming groups, social collateral is introduced and loans are availed on social collateral security, instead of physical security. Loans are availed from banks through LB system and subsidy has been coming from Kudumbashree Mission, LSG institutions or from some other agencies in the public as well as in the private sectors.

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. The details of the source of financial subsidy and other assistance for MEs are shown in Table 4.22.

**Table 4.22**  
**Distribution of MEs who Availed Subsidy**

<i>Source of Subsidy /No Subsidy</i>	<i>f</i>	<i>%</i>
Kudumbashree Mission	128	53.33
LSG Institutions	16	6.67
Other Agencies	26	10.83
No Subsidy	70	29.17
<b>Total</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

As revealed in Table 4.20, out of total enterprises, 70.83 per cent received subsidy and the remaining 29.17 per cent did not. Out of the total enterprises studied, 53.33 per cent received subsidy through Kudumbashree, 6.67 per cent through LSG institutions like grama, block and district panchayats, and 10.83 per cent from other agencies like WDC, KSBCDC, SCDC etc. Here it should be noted that Kudumbashree has provided subsidy up to ₹ 1lakh for rural MEs and up to 1.25 lakh for urban unit. Table 4.23 shows the extent of subsidy received by the respondent enterprises. By providing much needed financial assistance to the poor, the subsidy system enable them to be self-employed in productive activities thereby increasing their income levels. These units receive good patronage from government by way of non-payable portion of loan, rent free office building etc.

**Table 4.23**  
**Distribution of MEs in Relation to Subsidy Pattern**

<i>Subsidy Received</i>	<i>f</i>	<i>%</i>
0	70	29.17*
1-25000	62	25.83
25001-50000	4	1.67
50001-75000	28	11.67
75001-10000	9	3.75
100001-125000	41	17.07
125001-150000	19	7.92
150001-175000	4	1.67
175001-200000	1	0.42
200001-225000	0	0
225001-250000	0	0
250001-275000	0	0
275001-300000	2	0.83
<b>Total</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS \* Not linked

The subsidy amount received varies for individual and group enterprises with a maximum of ₹ 7500 for individuals or 30 per cent of the project cost, whichever is less, and ₹ 50000 for a five member group or 50 per cent of the project cost, whichever is

less. The sample survey results show that of the total respondent enterprises, 25.83 per cent of enterprises received a total subsidy upto ₹ 25000, 11.67 per cent between ₹ 50001 and ₹ 75000, 17.07 per cent between ₹ 100001 and ₹ 125000. As the majority of the units were established with low project cost so that the subsidy received was also low.

#### 4.4.13 Repayment of Loans by MEs: Findings

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 provide 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. As the members of the group monitor the activities of each other to peer pressure induces the repayment of loans.

**Table 4.24**  
**Distribution of MEs with Bank Linkage**

(In Numbers)

<i>Not Linked</i>		<i>Linked</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
86	35.83	154	64.17	240	100

Source: 1. Sample survey 2. Output of SPSS

Table 4.24 reveals that 64.17 per cent of the units, which have availed loans from financial institutions with backlog subsidy to start the units and the remaining 35.83 per cent units had not availed loans. Out of the units availed loans, 73.38 per cent have outstanding loans at the time of survey while 26.62 per cent have fully repaid the loans (See: Table 4.25).

**Table 4.25**  
**Distribution of MEs with Outstanding Loans**

(In Numbers)

<i>No outstanding loans</i>		<i>Outstanding loans</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
41	26.62	113	73.38	154	100

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.14 Outstanding Loan Amount of MEs: Findings

Outstanding loan repayment status of respondent MEs is shown in Table 4.26. The Table shows that 39.82 per cent of ME units had outstanding loan amount up to ₹ 50000, 23.02 per cent between ₹ 50001 and ₹ 100000, 12.39 per cent in between ₹ 100001

and ₹ 150000, 11.50 per cent in between ₹ 150001 and ₹ 200000. Around 13 per cent of MEs had an outstanding loan amount beyond ₹ 200000.

**Table 4.26**  
**Distribution of MEs with Outstanding Loan Amount**

(In ₹)

<i>Outstanding Loan Amount</i>	<i>f</i>	<i>%</i>
Up to 50000	45	39.82
50001-100000	26	23.02
100001-150000	14	12.39
150001-200000	13	11.50
200001-250000	5	4.42
250001-300000	3	2.65
300001-350000	2	1.78
350001-400000	1	0.88
400001-450000	1	0.88
450001-500000	2	1.78
500001 and above	1	0.88
<b>Total</b>	<b>113</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.15 Investment Pattern of MEs: Findings

The programme of ME development of Kudumbashree was started with a strategy that these enterprises would start functioning with comparatively low capital, low risk and low profit and gradually they would be able to switch on to medium capital and medium profit. Table 4.27 shows the investment pattern of respondent units of Kudumbashree. It shows that majority of the respondent units (50.83 %) have an investment up to ₹ 100000 only and around 5 per cent of the units have an investment beyond ₹ 500000.

**Table 4.27**  
**Distribution of MEs in Relation to Investment Pattern**

(In ₹)

<i>Investment Range</i>	<i>f</i>	<i>%</i>
Up to 50000	93	38.75
50001-100000	29	12.08
100001-150000	21	8.75
150001-200000	16	6.66
200001-250000	21	8.75
250001-300000	30	12.50
300001-350000	14	5.83
350001-400000	1	0.42
400001-450000	4	1.67
450001-500000	1	0.42
500001-550000	6	2.50
550001-600000	1	0.42
600001 and above	3	1.25
<b>Total</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.16 Net Investment in MEs: Findings

Most of the MEs under Kudumbashree remain in operation with financial assistance and subsidy. A significant amount of subsidy is given to these enterprises, through state and centrally sponsored schemes like USEP, DWCUA, SJSRY etc. In spite of all these assistance, most of the ventures hardly find adequate profit, in excess of loan repayment, to make further investment. The net investment status of MEs is shown in Table 4.28. The Table shows that 35.83 per cent had not responded to the question of net investment after the establishment of the units, 35.42 per cent respondents had reported that they had made further investments for expanding their units. In 28.75 per cent of the units no further investments had taken place because of lack of savings from the part of the members.

**Table 4.28**  
**Distribution of MEs with Net Investment**

(In Numbers)

<i>Invested</i>		<i>Not Invested</i>		<i>No Rresponse</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
85	35.42	69	28.75	86	35.83	240	100

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.17 Annual Working Capital of MEs: Findings

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. In order to find working capital they often depend money lenders and this goes against the very principle of micro finance. The details of annual working capital of ME units are shown in Table 4.29.

**Table 4.29**  
**Distribution of MEs in Relation to Annual Working Capital**

(In ₹)

<i>Annual Working Capital</i>	<i>f</i>	<i>%</i>
Up to 50000	113	47.08
50001-100000	37	15.42
100001-150000	23	9.59
150001-200000	17	7.08
200001-250000	20	8.33
250001-300000	5	2.09
300001-350000	11	4.59
350001-400000	2	0.83
400001-450000	2	0.83
450001-500000	2	0.83
500001-550000	3	1.25
550001 -600000	2	0.83
600001 and above	3	1.25
<b>Total</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

Kudumbashree has been supporting these enterprises by providing revolving fund for meeting the urgent requirements of working capital. The results of the sample survey revealed that majority (47.08%) of the units were functioning with annual working capital of less than or equal to ₹ 50000 only.

#### 4.4.18 Earnings of Respondents from MES: Findings

The sample survey results revealed that the average monthly earnings of majority of the respondents (38.75%) from MEs were only up to ₹ 2500. Next to this, 21.67 per cent of the respondents have an income level in between ₹ 2501 and ₹ 5000 and only 3.33 per cent had earnings over ₹ 20000. This amply revealed that earnings from MEs is hardly enough to meet even the necessities of respondents family and a very few of them only could support the family effectively with the earnings from the units. The details of monthly income of the respondents are shown in Table 4.30.

**Table 4.30**  
**Distribution of Respondents in Relation to Average Monthly Income from the MEs**  
(In ₹)

<i>Average Monthly Income from MEs</i>	<i>f</i>	<i>%</i>
Up to 2500	93	38.75
2501-5000	52	21.67
5001-7500	41	17.08
7501-10000	17	7.08
10001-12500	11	4.58
12501-15000	7	2.92
15001-17500	7	2.92
17501-20000	4	1.67
20001-22500	5	2.08
22501 and above	3	1.25
<b>Total</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.19 Beneficiary Contribution: Findings

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 status of beneficiary contribution of the Kudumbashree enterprises is depicted in Table 4.31.



**Table 4.31**  
**Distribution of MEs with Beneficiary Contribution**

*(In Numbers)*

<i>Beneficiary Contribution</i>	<i>f</i>	<i>%</i>
0-5000	102	42.50
5001-10000	30	12.50
10001-15000	21	8.75
15001-20000	8	3.33
20001-25000	8	3.33
25001-30000	3	1.25
30001-35000	3	1.25
35001-40000	1	0.42
40001-45000	1	0.42
45001-50000	1	0.42
No response (individual units)	62	25.83
<b>Total</b>	<b>240</b>	<b>100</b>

*Source: 1. Sample survey 2. Output of SPSS*

As shown in Table 4.31, 25.83 per cent of the respondents had not disclosed the amount of beneficiary contribution. About 42.50 per cent of the units have an amount up to ₹ 5000 as beneficiary contribution, 12.50 per cent units had beneficiary contribution between 5001 to 10000, next to this, 8.75 per cent had beneficiary contribution between 10001-15000.

#### **4.4.20 Level of Co-operation from Financial Institutions: Findings**

The financial institutions provide small amount of loan to establish MEs without any collateral security. The loan repayment is the collective responsibility of the unit. The unit has to satisfy certain norms of the 15-point index for getting bank loan so that frequent visits to financial institutions are unavoidable. In such a perspective the level of co-operation of financial institutions should be evaluated. The sample survey results on the level of co-operation from financial institutions are shown in Table 4.32. The respondents of the survey had expressed that the level of co-operation from financial institutions is satisfactory. Of the total respondents, 13.33 per cent, 58.75 per cent and 7.92 per cent respectively had expressed that the level of co-operation from banks are excellent, good and bad. About 20 per cent had not given any response regarding this as their experience with bank is yet to be started.

**Table 4.32**  
**Distribution of Respondents in Relation to Co-operation from Financial Institution**  
*(In Numbers)*

<i>Level of Co-operation</i>	<i>f</i>	<i>%</i>
Excellent	32	13.33
Good	141	58.75
Bad	19	7.92
No Response	48	20.00
<b>Total</b>	<b>240</b>	<b>100</b>

*Source: 1. Sample survey      2. Output of SPSS*

#### 4.4.21 Level of Co- operation from LSG Institutions: Findings

The LSG institutions are enthusiastic in the functioning of MEs and they are extending their full participation and co-operation. As shown in Table 4.33, the sample survey revealed that the respondents were satisfied with the level of co-operation extended by LSG institutions. Out of the total respondents, 12.50 per cent, 77.92 per cent and 4.58 per cent respectively had expressed that the co-operation from LSG institutions are excellent, good and bad. Five per cent of the respondents did not respond to this question.

**Table 4.33**  
**Distribution of Respondents in Relation to Co-operation from LSG Institutions**  
*(In Numbers)*

<i>Level of Co-operation</i>	<i>f</i>	<i>%</i>
Excellent	30	12.50
Good	187	77.92
Bad	11	4.58
No response	12	5.00
<b>Total</b>	<b>240</b>	<b>100</b>

*Source: 1. Sample survey      2. Output of SPSS*

#### 4.4.22 Level of Co- operation from Kudumbashree Mission: Findings

An attempt was also made in the sample survey to analyse the level of co-operation extended by Kudumbashree Mission. With regard to the level of co-operation from State Mission, out of total respondents, 8.75 per cent and 77.08 per cent respectively had expressed that the level of co-operation from the office of Kudumbashree State Mission is excellent and good. No respondent had pointed out that co-operation from Kudumbashree State Mission is bad, but 14.17 per cent had not responded to the question. With regard to the level of co-operation from District Missions, 11.25 per cent had expressed that there is excellent co-operation, 77.50 per cent reported good co-operation and for 0.83 per cent, it was bad. About 10.42 per cent did not respond to this question. Details are given in Table 4.34

**Table 4.34**  
**Distribution of Respondents in Relation to Co-operation from Kudumbashree Mission**  
*(In Numbers)*

<i>Level of Co-operation</i>	<i>State Mission</i>		<i>District Mission</i>	
	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
Excellent	21	8.75	27	11.25
Good	185	77.08	186	77.50
Bad	0	0	2	0.83
No Response	34	14.17	25	10.42
<b>Total</b>	<b>240</b>	<b>100</b>	<b>240</b>	<b>100</b>

Source: 1. Sample survey 2. Output of SPSS

#### 4.4.23 Decision Making Pattern in MEs: Findings

The success of MEs, to a great extent, depends on the strength and solidarity of groups. Regarding decisions of units in various areas of production process there should be regular meetings and consultations among the members.

**Table 4.35**  
**Distribution of MEs in Relation to Regular Meetings**  
*(In Numbers)*

<i>Meetings Held</i>		<i>No Meetings Held</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
165	68.75	75	31.25 *	240	100

Source: 1. Sample survey 2. Output of SPSS

\*25.83 per cent are individual units and 5.42 per cent group

The sample survey revealed that the members of 68.75 per cent of the group enterprise convene regular meetings for making decisions on ownership of productive resources, production pattern, marketing etc and 5.42 per cent did not convene any meetings. Out of total MEs, 25.83 per cent units were individual units and hence no meetings required. The members in the remaining 5.42 per cent of the group enterprises make decisions without meetings or negotiations. Here one member might take decisions by superseding other officers (See: Table 4.35). The survey results regarding the level of co-operation among the members in the decision-making process is shown in Table 4.36. With regard to members of the MEs, who convened regular meetings, 29.70 per cent takes decisions unanimously, in 64.04 per cent cases by majority's decision is said to prevail and in 1.12 per cent cases decisions were taken by the powerful member without any discussion with other members.

**Table 4.36**  
**Distribution of MEs in Relation to DMP**

<i>DMP</i>	<i>f</i>	<i>%</i>
Unanimous Decision	49	29.70
Majority's Decision	114	64.04
Decisions without Discussion	2	1.12
<b>Total</b>	<b>165</b>	<b>100</b>

*Source: 1. Sample survey 2. Output of SPSS*

In those MEs, where regular meetings were convened, in 51.52 per cent cases the respondents reported that the meetings were held regularly in every month and 48.48 per cent reported that meetings were convened in every week (See: Table 4.37).

**Table 4.37**  
**Distribution of MEs in Relation to Interval of Meeting**

<i>Every Month</i>		<i>Every Week</i>		<i>Total</i>	
<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
85	51.52	80	48.48	165	100

*Source: 1. Sample survey 2. Output of SPSS*

#### 4.4.24 Suggestions to Improve the Functioning of MEs

It was revealed by the respondents that many of the MEs were not viable and profitable and they have come up with many problems and constraints in the overall working of these units. In this context they have put forward certain suggestions to make these units viable and profitable.

1. **Loans at Very Low Rate of Interest:** Shortage of working capital always posted difficulties for running the enterprise. More loans with greater subsidy at low or zero rate of interest should be provided and time lag in sanctioning and disbursement of finance should be avoided. Getting loans from financial institutions are being a big task, they are forced to borrow money from money lenders at very high rate of interest.
2. **CDS Intervention:** Hardly any review meeting takes place in these units. Therefore it is suggested that it should be made mandatory that CDS should supervise and scrutinize the functioning of the units so that their problems would be addressed then and there and the needful be done in time.

- 3. Importance of Group Dynamics:** In many of the units there is lack of unity and co-operation among the members. In order to sustain the units there should be unity, responsibility, dedication, co-operation and co-ordination among the members.
- 4. Infrastructure Facilities:** With regard to infrastructure facilities there is great shortage which has to be addressed. Majority of the units were functioning in hired buildings at very high rent. This enhances their cost of production and threatens their very existence itself. Many of the IT units started under Kudumbashree are confronted with this problem and they cannot afford this high rent as most of them are running in loss due to lack of sufficient work. Therefore, the problems of lack of infrastructure facilities should be addressed by LSG institutions and Kudumbashree Mission.
- 5. Product Diversification:** Majority of the units are struggling to cope-up with technology changes as they have no access to modern machinery and equipments. Most of these units are labour intensive and they mostly produce hand made products. In order to have product diversification and to cope up with the taste of the market, use of modern machinery and adoption of fast changing technologies are unavoidable. This problem should be solved by ensuring favourable atmosphere for the same.
- 6. Training:** Ignorance and lack of training in many areas of banking, production, quality control and marketing are standing as hindrances. These problems can be addressed by giving specific and need based training. The training time and location of trainings should be fixed only after considering the dual responsibilities of women, as women entrepreneur and as a housewife.
- 7. Market Extension:** Those units become viable only if there is adequate marketing for their products. Unfortunately, finding markets for their produce is a big challenge for these units. This problem can be solved by starting more marketing centres and conducting more trade fairs by Kudumbashree. The staff co-operative societies of

government offices can be utilised in this regard. Advertisement of Kudumbashree products, under a common brand name, using all types of media should be taken up by Kudumbashree Mission.

- 8. Assistance from Agricultural Department:** Many Kudumbashree units are engaged in activities in agriculture and allied sectors like paddy cultivation, horticulture, floriculture, dairy farming, goat rearing, poultry farming etc. In this context, the Krishi bhavans should be more equipped so that they can address the needs of these units too. Through these Krishibhavans, Kudumbashree shall provide high yielding variety seeds and animals, fertilisers, food, fodder and medicines at reasonable rate. Fodder deficiency is acute and this problem can be addressed if government takes steps to bring the uncultivable or fallow land under fodder cultivation.
- 9. Ensuring Sufficient Insurance Coverage:** The units should be given sufficient insurance coverage to meet unforeseen losses and risks. They have to be linked with insurance companies by the Kudumbashree Mission/LSG Institution by paying the premium.

## CHAPTER V

### FINDINGS AND SUGGESTIONS

Poverty is defined as a social phenomenon in which a section of a society is unable to fulfil even its basic necessities of life. The reality of poverty varies with geographical, social and political dimensions. It is a curse on humanity and its eradication is a greatest challenge. There are two broad concepts of poverty; relative poverty and absolute poverty. While relative poverty is measured in terms of inequality in the distribution of income, absolute poverty is estimated in terms of notion of subsistence. Kerala is the state with lowest food intake and hence rank first for the incidence of poverty in the entire country.

Generally, the development schemes are formulated and implemented in a trickle down and target oriented manner, while the poor are the passive recipients of benefits. The failure of anti-poverty programmes in the past can be attributed to the fixation of target, lack of involvement of beneficiaries, poor understanding of poverty and its causes and manifestations, and the over dependence on bureaucracy. Kerala state is seeking to achieve a break in participatory poverty reduction through Kudumbashree, which is implemented by the State Poverty Eradication Mission through the LSGIs. Kudumbashree Mission is now the largest women empowering project in the country, which was launched by the government of Kerala in 1998 for wiping out absolute poverty from the state within a period of ten years.

The broad objective of the study was to examine the socio-economic impacts of the developmental activities of Kudumbashree programmes. For poverty reduction and empowering women, the Mission had launched a large number of anti-poverty programmes by channelling large volume of money. The question is how far these measures are effective in wiping out absolute poverty.

Based on the broad objective the following specific objectives were framed for the study:

1. To examine the present SES of Kudumbashree households.

2. To examine the social, political and economic empowerment of women.
3. To examine the problems faced by the ME units and suggest measures to make these units viable and sustainable.
4. To identify and suggest measures for gender balance.

Kollam, Palakkad and Wayanad are the districts selected for the study. The grama panchayats namely, Elapully and Kulukkallor from Palakkad district, Panamaram and Vengappally from Wayanad district and Piravanthur and Thrikkaruva from Kollam district were then selected. In addition to the panchayats, Mattannoor and Kayamkulam municipalities were also selected. Thirty sample respondents each were picked up from each local body using simple random sampling irrespective of the size of population. Thus a total of 240 sample Kudumbashree women respondents were selected for the study using multistage purposive cum stratified simple random sample.

The findings of the study and possible suggestions to improve the functioning of Kudumbashree Mission are summarised below:

## **5.1 Findings**

The Kudumbashree Mission has become an important agency to execute various anti-poverty schemes of state and central government. Now Kudumbashree completes 12 years of its operations. Through concerted and continuous action, the project had created sustainable living options to the poorest of the poor masses. The CBOs of the Mission have covered almost all aspects of social and economic activities ranging from agriculture, manufacturing, trading, IT, Housing, , collection and processing of waste and welfare activities like protection of destitute, upliftment of the marginalised sections of society etc.

### **5.1.1 General Profile**

- Majority of the respondents (79.17 %) were house-wives.
- With regard to possession of conveyance facilities, the families did not have a good position. Only 21.67 per cent of households possess bicycles, 26.67 per cent possess



two-wheelers, 2.50 per cent possess three-wheelers and 7.08 per cent possess four-wheelers.

- Regarding communication facilities, the households show a better position with 72.92 per cent possessing colour television, 75.42 per cent possessing mobile phones and 24.17 per cent having land phones.
- In case of drinking water, 61.25 per cent of households depend on wells and 3.75 per cent on tube wells and 17.92 per cent have pump sets and 2.92 per cent households had no access to any of these amenities.
- Majority of the respondents (44.57 %) were in the age range of 30-39. Next to this, 32.92 per cent were in the group of 40-49. The information regarding age range of the respondents shows that majority of women are still in their active economic years. The percentage of respondents from the age group 60-69 and 70-79 is respectively 2.50 and 0.42.
- The survey revealed that 34.16 per cent respondents belonged to Hindu (backward) followed by 18.75 per cent from Hindu (forward) community and SC and ST respondents were respectively 17.92 and 1.67 per cent. Thus 72.50 per cent of Kudumbashree families belonged to Hindu religion.
- With regards to land holding 71.13 per cent of respondents had holdings up to 25 cents, 5.95 per cent had no land holdings and only 2.92 per cent had holdings more than 150 cents.
- Around 80 per cent of respondents belonged to nuclear family and no family came under the category of foster or extended family.
- Around 2 per cent of Kudumbashree respondents were not able to read or write. The percentage of post-graduates and graduates were also very low with 0.83 and 2.50 per cent respectively. Majority of the respondents (47.50 %) had studied up to SSLC only, followed by 26.25 per cent completed upper primary.

- Majority of Kudumbashree respondents (55.83 %) were residing in semi-thatched houses and 33.75 per cent in concrete houses. Five per cent respondents were living in either huts or in kutcha houses. Around 5 per cent respondents lived in rented houses. Thus over 90 per cent of Kudumbashree families have better housing status. This indicates that the impact of activities of Kudumbashree Mission in the area of housing is very effective.
- The study indicated that 83 per cent and 17 per cent respectively belonged to self employed/small business group and agricultural labour/seasonal employment/casual labours. Thus majority of Kudumbashree respondents were self employed or doing small business. This shows the efficacy of Kudumbashree Mission in setting up of a wide range of MEs by providing self employment/small business to a large number of poor women in the state.

### 5.1.2 Social Empowerment

- For social upliftment of the poor, Kudumbashree is engaged in various activities like Ashraya, Balasabha and Balapanchayats, BUDS School, Holistic Health, Special Projects for SCs and ST etc. But, regarding SES of households, the study revealed that 65.42 per cent of households belonged to lower-middle SES group, 29.16 per cent to the middle SES group and no family fell under upper SES category. The study further showed that the scale is positively skewed, indicating that majority of the respondents are in lower-middle SES group. There is, thus, the need to assist Kudumbashree families in improving their SES.
- The study revealed that 95.42 per cent of the respondents felt gender equality within the family and 77.08 per cent within the society.
- Majority of women (97.08 %) were free to go out for employment.
- In case of matters related to education, 96.67 per cent reported that they were enjoyed equalities vis-a-vis with the male members of the family.

- In case of casting of votes in general election, 94.58 per cent respondent had revealed that they were enjoyed freedom in casting votes in favour of their attitude towards election.
- Around 88 per cent of the respondents took decisions jointly with spouse on matters related to education.
- In agricultural related activities, decisions were taken jointly in 78.33 per cent families.
- In case of cattle rearing activities, majority of times (62.50%), decisions were taken jointly by husband and wife.
- In backyard poultry, decisions were taken jointly with spouse in 46.67 per cent families, followed by farm women alone in 42.50 per cent cases.
- In money saving matters, joint decisions were accounted in 82.50 per cent families.
- Regarding decision on expenditure pattern of family 80.83 per cent respondents reported that the decisions were taken jointly in the family.
- In 69.58 per cent families decisions on general activities inside home were taken jointly with spouse.
- In case of general activities, which require monetary inputs 76.67 per cent respondents had reported that the decisions were taken jointly.
- In case of activities outside home, 70 per cent had revealed that the decisions were taken jointly with spouse, followed by spouse alone in 22.50 per cent cases.
- In case of activities outside home, which require monetary input, husband dominates in the family by taking decisions jointly with wife in 66.25 per cent cases.
- In case of casting of vote in general elections, decisions were taken jointly (73.33%).
- The decisions taken by men alone were least in case of agricultural activities and in poultrying (1.67% each) and highest involvement in activities outside home, which require monetary inputs (27.92%).

- Women's involvement were least in activities outside home which requires monetary inputs (5.83%) and highest in poultrying (42.50%).
- On an average, around 71 per cent women respondent had disclosed that all decisions were taken jointly with spouse, 13 per cent reported that decisions were taken alone and 6 per cent that decisions were taken by spouse alone.

### 5.1.3 Political Empowerment

- Regarding political empowerment, many respondents of them had contested in elections and some of them got elected to the local bodies. But the findings of the study revealed that neither the reservation for women nor their representation in local bodies would empower women politically unless the society is transformed and replaced by a better socio-economic set up where men and women have equal status. The study revealed that 96.25 per cent respondents were not elected for local bodies. This amply reveals that the representation of Kudumbashree members were marginal (3.75%). Out of the respondents elected for LSGs, 77.78 per cent had disclosed that they had elected only in a single chance and the remaining in three chances.
- The study further revealed that 80.83 per cent of respondents were not interested in contesting elections for representation in LSGs.
- In case of other members of family elected to LSGs, 5.83 per cent were elected to LSGs.. Among the elected family members other than Kudumbashree respondents, 78.57 per cent were elected for one chance only.
- The study revealed that 85.83 per cent Kudumbashree women were participated in socio-cultural activities. Of this, 47.09 per cent respondents were participated occasionally.
- In case of any member in the family participated in socio-cultural activities, 63.75 per cent respondents had revealed that the members of their family were participated in socio-cultural activities. Out of this, 44.44 per cent were participated occasionally.

- Even though 50 per cent seats are being reserved for women at LSG level elections, the representation of women from Kudumbashree families are low but more women are participating in socio-cultural activities.
- The achievements of the respondents as elected representatives are better communication skill, improved leadership quality, good administrative capacity, bothering of addressing development issues, improved self confidence, enhanced public interest, popularity and freedom for mobility for travelling.
- The constraints they were faced while acting as elected representatives were domestic constraints, monetary constraints, gender disparity, lack of transparency and educational constraints.

#### 5.1.4 Economic Empowerment

- Before starting MEs 80 per cent of women entrepreneurs got training.
- After the establishment of MEs 42.92 per cent of respondents had received training.
- Out of 42.92 per cent of the respondents were trained after the establishment of MEs, 33.33 per cent were got training before starting the enterprise. The notable point is that Kudumbashree Mission wasting a sizeable amount for training the same person more than once in same area.
- Out of the respondents got training before establishing MEs 51.83 per cent got training through District Kudumbashree Missions, 21.99 per cent through CDS, 13.61 per cent through LSG institutions, 0.52 per cent through State Kudumbashree Mission and 12.04 per cent through other agencies.
- Out of the respondents received training after establishing MEs units, 44.66 per cent got training through District Kudumbashree Missions, 27.18 per cent through CDS, 10.68 per cent through LSG institutions, 2.91 per cent through State Kudumbashree Mission and 14.56 per cent through other agencies.

- Around 20 per cent had not received any training. At the same time 27.08 per cent and 9.17 per cent had received training twice and thrice respectively.
- Around 78 per cent of the respondents had reported that they need further training in different areas.
- Up to 2004 the number of MEs established were less (14.17%). Since 2006 there was a gradual and steady increase in the setting up of MEs.
- The study revealed that 94.17 per cent of the enterprises were functioning at the time of survey and the remaining 5.83 per cent were closed down.
- The survey revealed that the MEs have facing many problems like lack of co-operation among members, lack of financial support, time lag in getting finance, competition from rivals, ineffective branding and advertisement, lack of quality control measures, limited markets, inadequate infrastructure and high rented buildings, lack of knowledge, high price, inelastic supply of raw materials and low income from the units.
- Around 20 per cent MEs had witnessed dropout of members.
- The study revealed that 85.42 per cent of the units have not admitted any new members after the dropouts.
- In case of beneficiary contribution collected from the newly admitted member, 17.14 per cent of the respondents intimated that they would refund the amount to the dropout members, 65.72 per cent used it as working capital, in 11.43 per cent units, the existing members shared the amount and 5.71 per cent disclosed that they had not collected any beneficiary contribution from the newly recruited members
- Ninety per cent of MEs were fully owned and operated by women entrepreneurs and 5 per cent each were owned and operated by male members alone and by mixed groups.
- The filed survey revealed that 70.83 per cent MEs were availed subsidy for starting MEs.

- The sample survey results showed that, of the total enterprises, 25.83 per cent of enterprises received a total subsidy up to ₹ 25000, 11.67 per cent between ₹ 50001 and ₹ 75000, 17.07 per cent between ₹ 100001 and ₹ 125000. As the majority of the units were established with low project cost so that the subsidy received was also low.
- The study revealed that 64.17 per cent of the units had availed loans from financial institutions with backlog subsidy. Out of the units availed loans, 73.38 per cent had outstanding loan amount at the time of survey.
- Around 40 per cent of the ME units had outstanding loan amount up to ₹ 50000, 23 per cent between ₹ 50001 and ₹ 100000, 12 per cent in between ₹ 100001 and ₹ 150000, 12 per cent in between ₹ 150001 and ₹ 200000. Around 13 per cent of the MEs had an outstanding loan amount of more than ₹ 200000.
- Majority of the units (50.83 %) have an investment up to ₹ 100000 only and around 5 per cent of the units have an investment beyond ₹ 500000.
- Majority (47.08%) of the units were functioning with annual working capital up to ₹ 50000 only.
- Around 39 per cent respondents reported that the average monthly earnings from MEs were only up to ₹ 2500. This amply revealed that earnings from MEs are hardly enough to meet even the basic necessities.
- Around 35 per cent respondents had reported that they had made further investments for expanding their units. In 28.75 per cent of the units no further investments had taken place.
- Around 36 per cent respondents had not responded to the question of whether financial assistance received from Kudumbashree Mission is adequate or inadequate because of their units had not received any monetary aid from Kudumbashree Mission. Around 35 per cent of the respondent had reported that the financial assistance received from Kudumbashree Mission was adequate to meet the needs of their units

while around 29 per cent had reported that their assistance was inadequate to cater the needs of the units.

- In case of beneficiary contribution, about 42.50 per cent of the units have an amount up to ₹ 5000 as beneficiary contribution, 12.50 per cent units have beneficiary contribution between ₹ 5001 to 10000, next to this, 8.75 per cent have beneficiary contribution between ₹ 10001-15000.
- With regard to the level of co-operation from financial institutions, respondents expressed that the co-operation from financial institutions is satisfactory.
- The respondents were satisfied with the co-operation extended by LSG institutions.
- With regard to the level of co-operation from State Mission, the respondents had expressed that the co-operation was good. No respondent had pointed out that co-operation from Kudumbashree State Mission was bad
- With regard to the level of co-operation from District Missions, around 78 per cent reported good co-operation.
- The study revealed that the members of 68.75 per cent of group the enterprise convene regular meetings for making decisions on ownership of productive resources, production pattern, marketing etc and 5.42 per cent did not convened any meetings.
- Regarding the level of co-operation among the members in decision-making process 29.70 per cent took decisions unanimously, in 64.04 per cent cases majority's decision is said to be prevailed and in 1.12 per cent cases decisions was taken by the powerful member without any discussion with other members.
- In those MEs, where regular meetings were convened, in 51.52 per cent cases, the respondents reported that the meetings were held regularly in every month and 48.48 per cent reported that meetings were convened in every week.



- The respondents engaged in farming are facing problems like lack of proper irrigation and marketing facilities, quality control issues, high price of inputs, low price of products etc.,
- Those running poultry and dairy farming units had reported problems like high price of concentrated mixtures and fodder, lack of subsidy, lack of insurance coverage, lack of high yielding variety animals, safety problems of animals etc.,
- The respondents engaged in Clean Kerala Business and bio-fertilizer units often work in unhygienic condition. Collecting waste without any safety measures and this would cause severe health hazards. The bio-fertilizer units also face the problem of lack of power and water.
- There is a sharp increase in the propensity to save of poor people through thrift-credit operations and this huge savings would facilitate capital formation of the state.

## 5.2 Deficiencies

In spite of all its efforts and achievements in uplifting the under privileged households in the state, the programmes of Kudumbashree Mission are not free from drawbacks or deficiencies, which left unaddressed can cause adverse impacts in the working of the system itself and may pose hindrances in attaining the long run objectives of the Mission.

- There were instances of misuse of NHG members by political parties. The political party in power in some LSGIs is forcing the members to attend their political programmes.
- In certain panchayats there are instances of strained relationships between CDS and Panchayats due to political differences. In such cases there is lack of co-operation between local bodies and the Mission functionaries and such differences affect the functioning of the Mission adversely.

- The field survey revealed that majority of MEs were unsustainable and loss making and they remain in operation just to avail the subsidy from government. There are also instances of multiple memberships in MEs.
- There exists stiff and unhealthy competition among MEs and this occurs due to lack of markets and most of the units in the locality are producing homogeneous products, which are supplied in the same local markets. The products also face stiff competition from branded items and hence they are forced to sell the products at a comparatively lower prices.
- There is unnecessary delay in getting financial assistance from financial institutions and this delay forces the women to borrow money from money lenders at a high interest rate.
- Many Kudumbashree households, which came under survey, have well constructed houses with all modern household appliances showed that undeserving APL families are availing the benefits intended for BPL families through Kudumbashree. APL families are enjoying the benefits and at the same time the deserving members are excluded from the BPL list.
- The survey finding revealed that the women engaged in lease land farming faces many problems like lack of high yielding variety seeds, low price of products, lack of irrigation facilities, attack from wild animals and pests, crop failures due to change in climatic conditions etc.
- Kudumbashree needs need based training programmes.

### 5.3 Suggestions

It was revealed from the feedback that the Kudumbashree programmes in the state, in spite of all its achievements faces some acute deficiencies and the working of the Mission can be further improved if certain appropriate measures and strategies are to be executed by policy makers.

- The positively skewed distribution of SES score of Kudumbashree households revealed that 10 years of Kudumbashree activities on lifting the SES position in the society has not yet proved to be effective. Hence needs more effective measures to raise SES of the poor households in the state.
- Kudumbashree Mission has to take strict measures for avoiding training duplication while imparting training to the members of MEs units. The differences in getting training twice and thrice have to be addressed while organising training programmes by Kudumbashree Mission in future.
- Some suggestions such as; loans at very low rate of interest, CDS intervention, importance of group dynamics, ensuring adequate infrastructure, technology for product diversification, needful training, market extension and sufficient insurance coverage were put forward by the respondents to make MEs economically more viable and technically feasible.
- The specific activities in which the respondents were engaged in and in which they need training are listed below:
  1. Solid waste disposal and processing
  2. Garments and readymade making
  3. Tailoring and sari painting
  4. Canteen and catering services
  5. Food processing, curry powder, pickle and pappad making
  6. IT school and IT cafe
  7. Paper cover, paper bags and cloth bag making
  8. Coconut processing and oil extraction
  9. Coir yarn and coir products making
  10. Book binding and book manufacturing
  11. Toy making
  12. Umbrella making
  13. Ornaments making
  14. Agarbathi and candle making
  15. Paddy cultivation

16. Floriculture and horticulture

17. Dairy farming

18. Poultry farming

Even though Kudumbashree Mission provided training on these areas, coverage should be widened.

- The current BPL list invites conflicts as there are cases of inclusion of undeserving APL families in the list and at the same time deserving poor families are excluded from the list. The social and educational institutions of the locality should be envisaged with the task of monitoring the accuracy of the list. The accuracy and transparency of the list which is very essential for the poor to get the deserving, patronage of government should be ensured.
- The micro credit activities of the Mission should be subject to close monitoring. Most of the credit has not been utilised for the purpose for which it is availed. The members and the banks should be educated and guided in this regard.
- The Mission should ensure complete autonomy of CDS. Utmost care and guidance should be provided to ensure a good and healthy relationship between CDS and local bodies.
- In case of MEs, unhealthy competition should be avoided. The different MEs producing the same output should be brought under a common umbrella project and new marketing strategies should be evolved.
- In order to extent market for Kudumbashree products, door to door selling and organising of trade fairs, sales festivals etc., are needed.
- In the case of unsustainable and loss making units the members leave the groups due to poor returns. The norms regarding the minimum requirement of members in the units may be re-examined.

- The members of Kudumbashree need specific and need based training. Here it is suggested that a training need assessment report should be prepared by Kudumbashree Mission and based on that future training will be organised.
- The marketing of products should be strengthened by ensuring quality of products, packing, catching brand name, trade mark etc. Essential steps should be taken to export Kudumbashree products to foreign countries and other sates of India.
- Most of the units are working with low productive capacity, which generates low income, low saving, low investment and low employment opportunities. Low employment in turn causes low production. In order to break this vicious circle and to attain better productivity, the basic problems have to be solved systematically. For this expert committees for each sectors are to be constituted with experts from different fields such as economists, industrialists, accountants, cost auditors, market analysts etc.

## Appendix

### Micro Enterprise Units

Computer Centre (Kannur)



Tailoring Unit (Kannur)





Tailoring unit (Kannur)



Vegetable cultivation unit (Kannur)





Cucumber cultivation unit (Kannur)



Banana Cultivation (Kannur)





Poultry (Kada) unit (Wayanad)



Poultry (Duck) unit(Kollam)





Lotion making unit (Kollam)



Soda making unit (Kollam)





Umbrella unit (Kollam)



Copra unit (Kollam)





Cashew nut processing unit (Kollam)



Candle making unit (Kollam)





Garment Unit (Kollam)



Book making unit (Wayanad)



Mushroom unit (Wayanad)

