



**Kudumbashree**  
State Poverty Eradication Mission  
Kerala

Submitted by,

**KIRANCHAND VAYYATT**  
**URBAN INFRASTRUCTURE SPECIALIST**  
**TRIVANDRUM**  
**CONTACT NO: 8129078921**  
**EMAIL: kiranark2008@gmail.com**



## Contents

<b>1. Neighbourhood Groups (Ayalkoottam)</b> .....	<b>3</b>
<b>I. Case Study (Ayalkoottam)</b> .....	<b>5</b>
<b>2. CDS (Community Development Society)</b> .....	<b>5</b>
<b>I. Case Study – CDS</b> .....	<b>9</b>
<b>II. Case Study-Meeting with ward member</b> .....	<b>9</b>
<b>3. Micro Enterprises Units</b> .....	<b>9</b>
<b>I. Case Study – Micro Enterprises</b> .....	<b>10</b>
<b>4. Joint liability Groups</b> .....	<b>10</b>
<b>I. Case Study –JLGs</b> .....	<b>11</b>
<b>5. Asraya</b> .....	<b>12</b>
<b>I. Case Study – Asraya</b> .....	<b>12</b>

# 1. Neighbourhood Groups (Ayalkoottam)

## **Introduction**

Kudumbasree is essentially a community network that covers the entire State of Kerala. It consists of a three tier structure with Neighbourhood Groups (NHGs) as primary level units, Area Development Societies (ADS) at the ward level, and Community Development Societies (CDS) at the local government level. It is arguably one of the largest women's networks in the world. While the community network is formed around the central themes of poverty eradication and women empowerment, its main features include democratic leadership, and support structures formed from the 'Kudumbasree family'.

Neighbourhood Groups (NHGs) are the primary units of the Kudumbasree community organisation. Ten to twenty women from a neighbourhood form a NHG. The membership, structure, and functions of the NHGs are bound by the byelaws of Kudumbasree CDS.

## **Membership**

Membership is open to all adult women, and limited to a single membership per household. If a woman leaves the NHG, another woman from the family can be given membership. Even though membership is limited to one woman per family, other women can also participate in the discussions held at the NHG; they can also attend the training and development programmes that the NHG or ADS organises.

All the poor families are to be members of the NHG formed in that neighbourhood; the economic state of families – whether they are poor or not – is decided based on the standards that the government fixes from time

Women Self-Help Groups formed under central and State government schemes such as Swarnajayanti Gram Swarozgar Yojana (SGSY) are accorded the same status as that of NHGs under the Kudumbasree community network and affiliated to the CDS subject to the following conditions.

1. Such groups agree to abide by the Kudumbasree byelaws.
2. The groups democratically elect their Executive Committees.
3. The groups open bank accounts before applying for affiliation.
4. The groups agree to accept the leadership of local governments.
5. The groups accept the right and authority of the local governments and CDS in examining the utilisation of the funds that the local governments or CDS allot to the groups.

Membership is given to any woman from the neighbourhood desiring membership in a NHG subject to agreeing to work with the NHG, accepting the byelaws. Once a woman gets membership, she signs in the Membership Register of the NHG.

## **NHG Structure**

NHG elects a five members Executive Committee consisting of the following positions.

1. President
2. Secretary
3. Volunteer (Income generation)
4. Volunteer (Health and Education)
5. Volunteer

The NHGs in the community network performs all the functions of typical Self-Help Groups (SHG) such as conducting regular meetings, running a thrift and credit programme, and maintaining records and books of accounts. In addition, NHGs have development functions for which they work closely with the local governments. Participation in Gram Sabha meetings and other development related meetings is important to them. They also facilitate social audit at the Gram Sabha level. See Annexure 1 for a list of NHG functions.

### **Weekly Meetings**

In the meeting which decided on the formation of a neighbourhood groups, decisions are taken on the day and time for weekly meetings. NHGs are expected to hold the weekly meetings at the houses of members in rotation. All members are to attend meetings regularly; even though a quorum of 75% attendance has been fixed for meetings, 100% attendance is expected.

### **Thrift and Credit**

In the weekly meetings, members deposit the pre-fixed thrift amount with the secretary and get the corresponding figure entered in the passbook and signed. NHG can issue small loans from the group's savings to its members as per requirement. All decisions are to be taken by consensus or through majority support. All loans are subject to decision of the NHG.

The weekly thrift amount for members is fixed as equal to the weekly savings that the poorest member of the NHG can afford to make. Even though this is the general rule, NHGs may decide to allow reasonable levels of variation in the weekly thrift amount among members. Members who do not have source for savings at all are exempted from weekly savings. However, the exemption is not applicable for membership fee. In the case of those who have been exempted from weekly savings, their exemption does not prevent them from availing subsidies, financial assistance, and other support provided by the government and other agencies.

Once an NHG is formed, it works for three months with regular meetings and savings by members before it starts internal lending. Loans are approved by consensus or majority decision by the group after examining the demands by members put forward in weekly meetings. It is the prerogative of the group to decide on priority. NHG charges interest on loans at rates decided by the group.

Members are expected to keep high level of discipline in repaying their loans in installments as fixed by the NHG. In case of default in repayment, the NHG could resort to the following methods.

### **Bank Linkage**

NHGs initiate steps to establish bank linkage on completing six months of functioning with regular meetings and savings. The NHGs undergo grading to qualify for bank linkage. Once an NHG is linked with banks, it can avail loan and use the funds to lend to its members. For loans extended to members out of bank loans, repayment terms are fixed based on the repayment requirements of the bank.

### **Funds**

NHGs have own working fund generated from entry fee, membership fee, monthly subscription, interest on internal lending, penal interest, donations, and grants. All the funds are included in the accounts of the NHG and money is kept in the bank account.

## I. Case Study (Ayalkoottam)

### Palottukonam – Sreebadra Ayalkoottam

Head: Usha



### Topics of Discussion

- Collection of thrift and credit
- Collection of Chitty Amount
- Chitty Auctions
- Filing of Accounts
- General matters and news related to the panchayat
- Fun & Friendly talks

**Major USP:** Very much informal & Friendly talks. This gives each and every person to open up to any type of conversation discussed.

Helps to connect people more.

A participatory approach

**Suggestions:** At present around 95 % of the people who participate in Ayalkoottam has been from middle income & lower income. This should change, an equal amount of participation needs to be ensured from all classes of people.

## 2. CDS (Community Development Society)

Community Development Society (CDS) is the apex body of the three-tier Kudumbashree community organisation. It functions at the local government level, in both rural and urban

areas. While typically there is a CDS per local government, there can be more CDSs for urban government institutions with relatively large number of NHGs and ADSs.

### **Objectives**

- i. To work towards women empowerment, local economic development, and poverty eradication through the three-tier community organisation consisting of Kudumbashree Neighbourhood Groups (NHG), Area Development Societies (ADS), and Community Development Society (CDS).
- ii. To look after the expansion of the NHG network, coordination and monitoring of NHGs and ADSs within the local government area.
- iii. To work as a voluntary apex collective for the social, economic, cultural, and intellectual development of Kudumbashree NHGs.
- iv. To function as a community monitoring agency in the preparation of development plans of the local governments as well as in their implementation and monitoring.
- v. To participate in the activities for strengthening of local self-government institutions and for good governance.
- vi. To participate in activities relating to strengthening local level planning and for quality improvement.
- vii. To take part and provide leadership in development planning in areas such as local economic development, poverty eradication, Women Component Plan (WCP), women empowerment, and good governance.
- viii. To plan and implement local development activities for livelihood enhancement in general and poverty eradication and women's welfare programmes in particular as entrusted by the local self-government institutions.
- ix. To provide leadership to NHGs in efficient conduct of thrift and credit programme.
- x. To link NHGs with government departments, development agencies of the government, financial institutions and other relevant agencies, help them in availing shares of cooperative institutions, making deposits, and availing credit with the objective of improving the economic independence of the people of the area in general and the NHGs in particular.
- xi. To encourage and support NHG members in finding self-employment opportunities and managing initiatives in self-employment.
- xii. To provide training to member families for social and economic empowerment.
- xiii. To take up and implement programmes for local economic development.
- xiv. To engage in activities for ensuring the rights of persons with mental or physical disabilities, marginalised sections, and children, and work towards ensuring social justice for them.

### **Membership**

In the case of CDS, members are NHGs, and mode of membership is affiliation of the NHG with the CDS. As per the CDS byelaw (2008), every women Neighbourhood Group within the operational area of a CDS, which agrees to 'abide by the CDS byelaws', and 'functions under the auspices of local governments and as per the guidelines of central and State governments and Kudumbashree Mission' is eligible for affiliation.

The NHG seeking affiliation fills up an 'affiliation form' and submits it to CDS through ADS. The NHG is liable to pay an affiliation fee and annual subscription at rates fixed by the State

government. NHG gets an 'affiliation certificate' on completing the process for affiliation. Each NHG has a unique 'affiliation number', which is recorded in the 'affiliation certificate'. CDS keeps an 'affiliation register' with details of affiliated NGOs.

Only the Kudumbashree women NHGs working under the auspices of the local government are eligible for affiliation. Other women Self-Help Groups promoted by any government agency or local self-government institutions should be brought into the Kudumbashree CDS structure before affiliating them.

### **CDS – Structure**

- i. The upper limit for the number of ADSs that can be affiliated to a CDS is 30; when there are 31 or more ADSs, more CDSs are formed.
- ii. The CDS general body is composed of all the members of the seven-member Executive Committees of all the ADSs within the local government area (or the operational area of the CDS if there are more CDSs).
- iii. CDS Executive Committee consists of one representative of every ADS within its area. The number of members in the Executive Committee is equal to the number of ADSs.
- iv. Executive Committees of all the ADSs hold special meetings to elect their representative to the CDS Executive Committee. The Executive Committee of the CDS selects two office bearers – Chairperson and Vice Chairperson. An individual can hold either of these positions only for a maximum of two consecutive terms of three years each.
- v. In addition, the member secretary is the ex-officio member of the Executive Committee. The local government nominates an appropriate official as member secretary as per the directions of the State government. Typically it is the Assistant Secretary of the Gram Panchayat who would be nominated as the CDS member secretary. In places where there is no Assistant Secretary, the Panchayat may nominate Village Extension Officer (VEO) to the post.
- vi. Other ex-officio members of the CDS Executive Committee and general body are:
- vii. Five women ward members / councillors nominated by the local government.
- viii. Two experienced former office bearers of the CDS, selected by the current Executive Committee.
- ix. In addition to the two ex-officio members typically selected by the Executive Committee in its first meeting after election, CDS can bring in appropriate officials as invitees to the committee. Each member of the Executive Committee gets the responsibility of an ADS; this is allotted in the first meeting of the committee. Volunteers (for income generation, health and education, and infrastructure) are also selected in the first meeting.
- x. As per the CDS bye-laws, proportionate SC/ST participation is to be ensured in the general bodies and Executive Committees of CDS and ADSs.

### **CDS – Functions**

- i. **Meetings:** Kudumbashree CDS general body meets quarterly and the Executive Committee meets at least once a month.
- ii. **CDS Action Plan:** Every CDS prepares an annual action plan including the Kudumbashree programmes and other programmes of various government



departments, agencies, and local governments implemented through CDS. CDS submits it to the consideration of the Welfare Standing Committee of the respective local government. The action plan is further submitted to the board/ council of the local government with the comments and opinions of the Welfare standing committee. Once the CDS submits the action plan to the Welfare Standing Committee, the Gram Panchayat or the Municipal Council is expected to decide on its approval. If no decision is taken within 30 days, the CDS Action Plan is deemed approved, and can be taken up for implementation.

- iii. **Programme Review:** CDS has the responsibility to review and evaluate the various Kudumbashree programmes and poverty eradication programmes under implementation in the area.
- iv. **Monitoring:** The CDS Executive Committee discusses and takes necessary decisions on the detailed reports that the member secretary presents on the performance of NHGs and ADSs. CDS has the responsibility to ensure that the NHGs are able to avail the benefits of the poverty eradication programmes implemented by various government and quasi-government agencies.
- v. **Capacity Building:** CDS organises training programmes and seminars to improve the capacities and efficiencies of NHGs and ADSs.
- vi. **Coordination:** CDS is the agency to coordinate the poverty eradication programmes of local governments and other departments and organisations for effective implementation.
- vii. **Audit:** CDS looks after the annual audit of receipts and payments of the NHGs and ADSs affiliated to it. CDS gets its own accounts audited by a chartered accountant and submits copies of audited statements to the local government and the District Mission.
- viii. **Affiliation:** CDS takes leadership in affiliation, renewal of affiliation, and re-affiliation of NHGs. Re-affiliation here means the affiliation of those NHGs that had lost their affiliation in the past.
- ix. **Registration:** CDS is expected to renew their registration under the Charitable Societies Act annually as per the requirements of the Act. Annual general body meetings are to be held for this in October in this connection, and get the annual report and financial report approved so that these can be reported to the district office of the Registrar of Societies.
- x. **Elections:** CDS takes steps to conduct the elections to the three tier community organisation once in three years; elections are typically held in November.
- xi. **Data collection:** CDS provides leadership in data collection efforts for local as well as national level development programmes.
- xii. **Thrift and Credit:** Strengthening of thrift and credit at the CDS level is the responsibility of the CDS.
- xiii. **Local Economic Development:** CDS takes steps to strengthen traditional enterprises and marketing initiatives for local economic development.
- xiv. **Children's Programmes:** CDS takes care of the expansion of Balasabhaactivities including the conduct of Bala Panchayats and coordinate related activities.
- xv. **Micro Enterprise Promotion:** CDS is expected to take steps to register and train activity groups for promotion of micro enterprises.
- xvi. **Women Empowerment:** CDS provides leadership in gender studies and women empowerment and also organise activities relating to Jagratha Samithi. CDS also has

the responsibility to plan and implement women empowerment programmes entrusted by the government from time to time.

- xvii. **CDS – Funds** : Kudumbashree CDS has a working fund of its own. Entry fee/ affiliation fee, annual subscription, donations, grant received from government, the three-tier local government, other organisations, individuals, and financial institutions, earnings from economic activities, and incomes from regular activities are added to the working fund. CDS keeps its savings account in a nationalised, commercial, or cooperative bank. The account is jointly operated by the chairperson and member secretary subject to approvals and decisions by the Executive Committee.

#### I. Case Study – CDS

Visted CDS : CDS 3(Trivandrum Corporation)

Total no: of CDS in TVM Coporotaion : 4

No: of wards in CDS 3 : 25

Name of CDS Chairperson : Sheela Kumari(Kalady ward ADS)

Vice Chairperson : Anila

Member Secretary : Kusumakumari Amma

Prestigeous projects : NULM & Asraya

#### II. Case Study-Meeting with ward member

Member : C Madhusoodanan Pillai

Panchayat : Mangalapuram

Ward : Punnaikunnam

Position in the Panchayat : Standing Committee Chairman – Development

No: of visits in Ayalkoottam: once in a month

Portfolio : public works , Small scale Industries, Agriculture.

Elected Year : 2015

### 3. Micro Enterprises Units

Micro Enterprise promotion and development is one of the significant strategies of Kudumbashree Mission to facilitate economic empowerment of the poor. The Mission developed specific strategies analyzing the requirements of enterprises. This constitutes trainings, partial financial support marketing support and hand holding support to the

enterprises. These kinds of supports are applicable for both existing micro enterprises and new ones.

The Mission gives priority on the concept of Local Economic Development (LED) – local production, catering to local consumption to increase the economic activity within the local areas for micro enterprise development. In order to facilitate this concept we ensure the involvement of the community and LSGs to analyze the market demand and the development of products and services accordingly.

#### I. Case Study – Micro Enterprises

##### I. Unit type: **Food Products(Ice cream, Unniyappam, Soft Drinks)**

Unit Name : **Variety**

Kudumbasree Unit Name: Orma Kudumbasree

No : of Members/employees : 5

Ward Name & No : 12<sup>th</sup> ward varikkamukku(Mangalapuram Grama Panchayat)

##### II. Unit type: **Curry powder unit & mill(Pickles & Curry Masalas)**

Name : **SN Industries**

No: of employees/Members : 5

Ward name & No : 19<sup>th</sup> ward vailoor(Mangalapuram Grama panchayat).

**Suggestions:** Perks must be provided in terms of incentives & subsidiaries to the units which perform well. There should be an easy access to loans for new startup projects. Innovative projects must be promoted & supported.

## 4. Joint liability Groups

Joint liability groups of women farmers are formed under the collective farming initiative to help women cultivators access agricultural credit from the banking system. These JLGs are structured along NABARD guidelines, and open bank accounts in the name of the JLG. JLGs are brought under the purview of Interest subsidy scheme of Kudumbashree(ISS). They become eligible for ISS when they avail agricultural loan from banks. 5% subsidy on 7% interest agricultural loan is provided by state government of Kerala through Kudumbashree.

The process starts with the Kudumbashree community network identifying and assessing cultivable fallow land in the area of the local body. Once the land is identified JLGs are to be formed of four to ten NHG members. The members are from the same NHG or from different NHGs. Each JLG is controlled by the ADS to which the members belong. If JLG membership is from two ADSs, then the ADS to which the maximum membership belongs controls that JLG.

The JLG has to select its president and secretary and apply for registration to ADS on the prescribed format. The membership of JLG members in NHGs has to be testified by the president or secretary of respective NHG. The NHG also has to endorse that the JLG members are not part of multiple JLGs.

There is periodic monitoring by ADS and CDS office bearers. There is monthly progress reporting from JLG secretary to the CDS through ADS. CDS further reports to the District Mission Coordinator of Kudumbashree. The State mission gets reports from the District Missions.

Area and crops have to be verified by ADS president / secretary with the support NHGs and be reported to CDS. NREGS subcommittee and respective ADS also verify the facts at GP level. CDS chairperson and member secretary verify and endorse the subcommittee report.

The FFCs (Farmers' Facilitation Centres) established under MKSP now play role in supporting and monitoring farming activities.

MKSP (*Mahila Kisan Sashaktikaran Pariyojana*) launched in Kerala in 2011 as a sub component of NRLM (Nation Rural Livelihood Mission) with the objectives of increasing the visibility of women in agriculture, reducing drudgery and providing livelihood opportunities by adopting sustainable and eco-friendly agriculture. Kudumbashree, the programme implementing agency of NRLM, has been in the process of implementing the scheme through JLGs.

#### I. Case Study –JLGs

Name : **Triveni JLG**

Responsible person: Radha (CDS Chairperson -Mangalapuram)

Ward : 12<sup>th</sup> ward ,varikkamukku

Type of Farming : Banana, tapioca , Fish rearing , Hen & goat rearing and also vegetable terrace farming.

Total Land area: 50 cents

No: of workers :5(benefit shared equally between all the 5 employees)

Avg monthly income : 1000 to 1500 RS

Grants received : 25000 Rs as seed money from murinjapalam theerthada scheme

: Agricultural loan from SBI

## 5. Asraya

Asraya is a destitute rehabilitation program designed by Kudumbashree. The program is targeted at the poorest of the poor population. While implementing the poverty alleviation programmes, it was observed that the programmes implemented by the Government and other agencies never reach this population. These people, who live in utter distress and despair, constitute a very small number in the society, approximately the bottom two per cent of the total population. Kudumbashree designed a project called Asraya - Destitute Identification Rehabilitation and Monitoring Project for the rehabilitation of destitute families. Destitute families are identified using a transparent risk index framed by the Mission. Individual needs of the family are identified through a participatory need assessment. The project envisaged to address lack of food, health problems including chronic illness, pension, educational facilities to children, land for home, shelter, drinking water, safe sanitation facilities, skill development, employment opportunities, etc.

### Objectives of Asraya

- Rehabilitation of the destitute in every LSGI with the full support of the local self-governance structures
- Bringing the destitute families into the mainstream of society
- Providing the destitute families with basic necessities such as food, housing, drinking water, sanitation, health care and clothing based on the specific needs and requirements of each of these families.

#### I. Case Study – Asraya

Name : **Anandhavalli**

Address : Ayathil House, Kailathukonam, Kurukkada, Mangalarapuram Grama Panchayat.

Category : General

Ward No : 1

Status : BPL

No : of Members : 1

Benefits provided : house , food & medicines

:house reconstructed by the fund provided by the panchayat of 3 lakh rupees

:food and medicines provided through challenge fund