

## **Research Paper**

### **Title:**

**KUDUMBASHREE: PROMOTING THE SELF-HELP GROUP MODEL OF EMPOWERMENT THROUGH WOMEN ENTREPRENEURSHIP IN KERALA - A STUDY.**

### **Authors Name and Address:**

**1. Dr. Ashutosh Kumar**

Professor,

Amity Business School, Amity University Haryana

Amity Education Valley, Gurgaon (Manesar) – 122 413.Haryana

**2. Jasheena. C.J**

Research Scholar,

Amity Business School, Amity University Haryana

Amity Education Valley, Gurgaon (Manesar) – 122 413.Haryana

Email:- jasheenarakhin@gmail.com

## **KUDUMBASHREE: PROMOTING THE SELF-HELP GROUP MODEL OF EMPOWERMENT THROUGH WOMEN ENTREPRENEURSHIP IN KERALA - A STUDY.**

**Abstract:** *Women are the basic unit of the society. They become even more critical as a long-term solution to a sustainable livelihood. The women entrepreneurship through empowerment aims to create human resources within the productive sector and to sustain for the further development process. Kerala is only the state in India that attained a remarkable status fulfilling all the criterion of various social well-beings compare with some of the developed countries in the world, which is widely known as 'Kerala model of development'. This achievement reflects in respect of literacy level of women, salary or wage structure of employment, technical and professional services, women got equality with men. This Political and socio-economic scenario within the state, reinforce to redefine the consciousness about poverty concept. In this sense, poverty is dynamically viewed as freedom of choice from a socio-economic functioning than only the concern of income or money. Again, poverty reduction is not only the matter of an overall economic growth in a society, but also that interconnected with various social aspects like women empowerment and women entrepreneurship. All these multi-dimensional approach lead the government to form a female community intended poverty reduction project in the state and results to the birth of "Kudumbashree". The mission has set as self-help groups (SHG) model of women empowerment to encouraging the wide range of female entrepreneurial activities. Now Kudumbashree became one of the largest women's movements in Asia. This research study was conducted within the time period of three months from July to September 2015, among the female entrepreneurs those who are actively participating in Kudumbashree mission in Kerala. The aim of this paper was to explore the activities and influence of Kudumbashree and the way it stimulates women empowerment, as well as female entrepreneurship.*

**Key Words:** *Kudumbashree, Women Empowerment, Women Entrepreneurship, SHGs*

**JEL:** M100, M130, O1

## **1. INTRODUCTION**

*“The principle of gender equality is enshrined in the Indian constitution in its preamble, fundamental rights, fundamental duties, and directive principles. The constitution not only grants equality to women but also empowers the state to adopt measures of positive discrimination in favor of women”.*

- *-(National Policy For The Empowerment of Women 2001 & Articles 14, 15, 15(3), 16, 39(a), 39(b), 39(c) and 42 of the Constitution of India).*

Nowadays, the role of women in society has been greatly overseen by people. But they also involved in earnings and economic activities by the choice of a career or entrepreneurship in addition to unpaid family works and caretakers of the family. The increase in the number of women in the labor market signifies an important trend regarding women's employment (Rustagi, 2013). Frequently, they are the sole breadwinner of the family, and even they become more crucial as a long-term solution to a sustainable livelihood. From the various observations and studies, it can understand that women are more into social networking; they always like to talk, mingle and share. They have the ability to understand another person instinctively, without the need for rational conscious faster than men. Also, tolerance, the capability of multi-tasking, patience, and listening etc. are far better than a man.

Gender equality and women's empowerment are significantly interconnected. Gender places a vital role in power. It embraces legal and casual rights, access to resources, and the quest for learning and individual goals and cuts crosswise over most areas in family culture and society. Critically, men have a tendency to reveal the power more prominent than women,

and quite often it domains, even have power over women (Kishor, 2007). Empowering women means enabling women to participate completely in economic life over all segments through all levels of essential economic activities, like “build strong economies; establish more stable and just societies; achieve internationally-agreed goals for development, sustainability and human rights; improve quality of life for women, men, families and communities; and propel businesses’ operations and goals”. And one of the principles of the women’s empowerment says “implement enterprise development, supply chain, and marketing practices that empower women” (Women's Empowerment Principles, 2015). Ascher (2012) illustrate that women have greater confidence in their skills and abilities to build their enterprises. This shows that women entrepreneurship has a significant role in women’s empowerment, i.e. women have to be a powerful source in socio-economic in development through gender equality.

The globalization era opens new employment opportunities that increasing their economic security and well-being. In contrast, Moghadam (2015) point out that, globalization results inadequate payments, insecure jobs and higher unemployment rates compare with men’s and feminization of poverty. However, nowadays women make independent decisions on their personal growth, effective in crisis and urgent circumstances as well as for projects that need to be executed in a particular way, especially in an urban society. Eagly et al. (2003) further described as “Female leaders were more transformational than male leaders and also engaged in more of the contingent reward behaviors that are a component of transactional leadership” (p. 569). The reports of UNIDO (2003) shows a large number of women are mainly engaged in subsistence agriculture as well as in micro and small-scale enterprises (MSE). Worldwide, women comprise up one-quarter to one-third of the total business population and one-third of the global labor force in manufacturing in the MSE sector. These all are point out that, women entrepreneurship is a significant source of economic growth.

In India, to a greater extent in rural and less educated women, these three markers are altogether low (Upadhyay, 2010). However, Individual motivation and family structure, education and unemployment, demography and socio-economic ambiance are the main risk perceptions in the female entrepreneurial process. Again, in recent years, there are substantial changes in the role of women undergone due to the globalization and commercialism in India. Sharma (2013) point out that, technically, any woman with considerable initiative and risk, who organizes and manages any enterprise, is known as, a 'women entrepreneur'.

There are three different roles has been identified for the participation of women in the unregistered Micro, Small & Medium Enterprises (MSME) sector. They are owners, managers, and employees of the women enterprise.

The Government of India has defined women entrepreneurs as "A Small Scale Industrial Unit/ Industry related service or business enterprise, managed by one or more women entrepreneurs in proprietary concerns, or in which she/ they individually or jointly have a share capital of not less than 51% as Partners/ Shareholders/ Directors of Private Limits Company/ Members of Cooperative Society" (GOI, 2016; Khan et al, 2014). According to the GEM Executive Report (2007), overall men entrepreneurial activity rates at 18.21% and 9.66% for women, this is almost half of the proportion of men in India. Fourth all India MSME (2007) census shows no. of women enterprises are 2.15 Lakh in the registered sector (13.72%) and 18.06 Lakh in the unregistered sector (9.09%) out of 26.61 Lakh in total. In contrast, Kerala is one of the states, among other few states the share of women's employment was significantly higher, i.e. more than 20 % (Annual Report - 2013-2014). In the Indian context, this entrepreneurial activity gap is immense and this is the challenge and opportunities to socio- economic factors of entrepreneurship environment. Also, advancing women's education, minimizing feminized poverty, preventing and demolition of violence against women, etc. are not resolved up to the mark in the country (Hazarika, 2011), even

though, the government has initiated various steps for women's empowerment. This is mainly due to the consequential gaps between policy advancements and practice at the community level (Upadhyay, 2010).

These point out that; the lack of economic freedom of women is one of the major issues of women empowerment in India, which can overcome through women entrepreneurship by utilizing various government schemes. Women Entrepreneurship is a dynamic viewpoint concentrate on the creation of new businesses. It not only makes self-growth to the business owner but also opens occupational choice to others that result in an overall economic growth in a society and very much interconnected with various social aspects. Thus, Women Entrepreneurship has a vital role in poverty reduction in India. In this context, this study is an attempt to reveal how the self-help groups (SHG) of Kudumbashree units became a model of women empowerment through female entrepreneurship in Kerala state, India.

## **2. KUDUMBASHREE: THE CONCEPT OF KERALA MODEL DEVELOPMENT IN WOMAN EMPOWERMENT AND ENTREPRENEURSHIP.**

Kerala is one of the Indian states, located in the southwest part of India formed on November 1, 1956. Evaluation of Kudumbashree activities is not fulfilling without indicating about 'Kerala model of development'. Since the formation of Kerala as a one of the state in India, the developments are extended to basic education, better health care, land reform and better social security in terms of pension and employment rights. The remarkable point is that the achievements are reached without a huge investment in economic growth. Hence, Kerala has become a model for social development with minimal progress in industrialization. In 1975, Centre for Development Studies (CDS), Trivandrum shared this experience in one of their case studies and thereafter referred to as the 'Kerala model of development', which obtain much appreciation during the 1980s.

Nowadays, Kerala has been addressed as a model of development due to the status of achievements in the criterion of various social well-beings (Know India, Kerala, 2015). Franke & Chasin (1999) coined that, “Kerala Model can be viewed as a set of quality of life indicators that put Kerala closer to high-income developed countries than to the rest of India or to its counterparts in the low-income world” (p. 17). The 2011 census data shows, there are 1,084 women for every 1,000 men where the sex ratio is above the equality ratio and often been referred to as the ‘land of women’.

## **2.1 What is Kudumbashree?**

Kudumbashree is a neighborhood-based group network that would work in associate with self-governments for poverty destruction and women empowerment by encouraging women entrepreneurship. Kudumbashree means ‘prosperity of the family’ in Malayalam, the local language of the state.

The goal of the mission assigned to a self-help groups (SHG) model of empowerment of women to promote their broad range of entrepreneurial activities to make sure that the women should not be long-suffering beneficiaries of public help, but the dynamic leaders in women- incorporated development strategies. The vision of Kudumbashree aims to transform microfinance superiority security version into a more all-inclusive model of local economic developments. Consequently the mission of the program is stated as “To eradicate absolute poverty in ten years through a concerted community action under the leadership of Local Governments, by facilitating the organization of poor for combining self-help with demand led the convergence of available services and resources to tackle the multiple dimensions and manifestation of poverty holistically" (Kudumbashree – Annual Administration report- 2009-2010, p. 6).

## **2.2 The Emergence of Kudumbashree.**

At the beginning of the 1980s, self-help group (SHG) concept was introduced. Meanwhile, National Bank for Agriculture and Rural Development (NABARD) encouraged various banking programs in a viable microfinance model. After 1991, i.e. in the post-liberalization periods, the major difficulty faced by Kerala economy was the lack of an efficient mechanism that enables all the sections in the society to get the benefits of economic growth and development like rest of the part of the country. The government of India consigns much attention to micro-credit schemes and self-help groups (SHGs) to empower women as a strategy for poverty alleviation. The Government of Kerala successfully implemented this concept with the strong backing of local self-governments and self-help groups (SHG) initiatives. In 1992, Indian Parliament passed remarkable acts with 73rd and 74th amendments to the Indian Constitution of a ‘three-tier’ system of Panchayati Raj institutions (PRIs) and Urban Local Bodies (ULBs). These amendments helped to introduce local self-governance in rural and urban India and lead to nourish the various programs in the area of women’s self-help group and entrepreneurship in the state. Later in the early 1990s, a community-led poverty identification format was developed. In 1994, the state government assimilates these experiences and develops a woman based community structure for service delivery of various government programs in Malappuram, one of the districts in Kerala. In continuation to this, a female deployed, community focused poverty depletion project longed by Government of Kerala on May 17, in 1998 at Malappuram and called as “Kudumbashree” (John, 2009; Irshad & Juman, 2015).

### **2.3 The Organizing Structure.**

The Kudumbashree is a confederacy of the innovative methodology under a well-networked, community-based organization. A three tier community-based organization (CBO) is in action for the effective convergence of the program (Kudumbashree – Annual Administration report- 2009-2010 p. 7, Williams et al., 2011; Kudumbashree, 2015). They are (I) A



Neighborhood Group (NHG), (II) Area Development Society (ADS) and (III) Community Development Society (CDS) and briefly outlined as below.

**I. A Neighborhood Group (NHG)** is the grassroots level constitutes of 10-20 women members from economically backward families. Among its members, five volunteers who are internally elected for undertaking the various task. A woman volunteer from a poor family became the first stepping-stone towards leadership. The selected members are acting as office bearers of the NHG as below:

- i. **President** – The women held this position govern the weekly meetings and will provide the leadership and guidance to the members of the group.
- ii. **Secretary** – The motivation and team building is the responsibility of the Secretary. She also records the proceedings of the meeting and necessary follow-ups.
- iii. **Income generation activities (IGA) volunteer** – The mission imparts necessary training to the IGA Volunteers in enterprise development, accounting, etc. to manage the collection, of accounts books maintenance and consolidation, as well as registers in connection with thrift mobilization. She acts as local Micro Enterprise Consultant (MEC). She persuades and motivates the members of NHGs to take up micro- enterprises and the activities that securing the necessities of life using the thrift loan, the linkage banking loans etc. At present, each Neighborhood Group has minimum one microenterprise.
- iv. **Health & Education (HE) volunteer** – The responsibility of HE Volunteer is looking after the various health- related aspects of the members of the group, including kids, women and the aged. Under the leadership of HE Volunteers various programs undertaken by Health and Social Welfare Departments.
- v. **Infrastructure volunteer** - The duties of Infrastructure volunteer included guidance and stimulation of the micro plan preparation for the NHG. She links and liaison with the local

bodies and acts as a catalyst to tackle the infrastructural backwardness of the group with the aid of governmental programs those are ongoing.

**II. Area Development Society (ADS):** This is the second tier of the organization established at ward level by integrating of 8-10 NHGs. The women representatives elected from various NHGs have decided the activities of the ADS. The ADS consist of:

- i. **General body** – General body contains Presidents, Secretaries, and representatives of Resource Persons selected from that area.
- ii. **Executive Committee** - Executive Committee consist 3 sectorial volunteers of the federated NHGs apart from all Presidents, Secretaries.

**III. Community Development Society (CDS)** is the third tier of the organization. This is formed under the Travancore-Cochin Literacy Scientific and Charitable Societies Act to federate all ADS in a Panchayath or Municipality level as a registered body. The CDS is constituted by:

- i. **General Body** - It consists of all ADS Governing Body members.
- ii. **Executive Committee** - It includes representatives of each ADS general body corresponding to the total number of ADS and also includes a Chairperson and Vice-Chairperson elected by the CDS executive committee, Local Self-Government Institutions (LSGI) nominates the CDS member secretary as the ex-officio member; elect the 5 women to represent the LSGIs, two experienced ex-CDS Chairpersons as co-opted ex-officio members. Besides, Scheduled Caste and Scheduled Tribes representation are proportionately ensured.

#### **2.4 Kudumbashree: Challenges and Opportunities**

Kudumbashree has the strategy that any women who 18 years of age and above are residing in Kerala state can become a member of the Kudumbashree units (known as Ayalkoottam in Malayalam, the language of Keralites) whether she belong to a below poverty line (BPL) or

above. This creates an opening for the above poverty line (APL) families also to enter into the community structures of Kudumbashree. Again, it is further ensured that the majority of the office bearers should belong to BPL families. These structures are an added value to women empowerment both in social and economic. Basically, Kudumbashree is a State Poverty Eradication Mission implemented by the government of Kerala through Local Self Government Institutions. It has been focusing primarily on poverty alleviation through microfinance and micro-enterprise development. The several government schemes and projects are linked with the Kudumbashree mission for the rights of the economically and socially weak women.

Besides, Kudumbashree mission involves into women's collectives, leadership - decision-making training to women, thrift - credit operations and 24-hour banking system, Infrastructural facilities and better living conditions, micro-enterprises for sustainable economic development etc.

According to State Poverty Eradication Mission, Govt. of Kerala, functions of the Kudumbashree is focusing on (I) Economic Development and (II) Social development (Vijayanand, 2009; John, 2009). These are delineated in the following manner.

**I. The Economic Development:** Aiming for a sustaining model of micro-level planning and local economic development by strengthening both local governments and the women's community network. The updated activities involved in the category of Economic Development are given below:

- i. ***Thrift and Credit Societies & Micro Credit*** - This is aiming for financially weak women to save and provide them with cost-effective and easy credit facilitate through thrift and credit societies. The savings of the women are pooled together and given out as loans to the most

deserving. These loans have been used for purposes ranging from covering hospital expenses to meeting working capital needs for micro enterprises.

- ii. ***The Bank Linkage program*** – This program helps the Neighborhood Group (NHG) to increase their existing resources collected through thrift and link with various banks under the Linkage Banking Scheme
- iii. **Matching Grant to Thrift & Credit Societies** - Matching Grant is an incentive provided to Neighborhood Group (NHG). This grant linked to the amount of thrift mobilized, the performance of NHG in the Grading and loan availed from banks.
- iv. ***Interest Subsidy*** – This scheme is initiated by the Government of Kerala to intensify the affordability of formal credit. Commercial and cooperative banks those who are part of this scheme are prepared to lend to Kudumbashree NHGs under the linkage banking program at 9% or below. The interest subsidy would be provided as annual installments to the banks.
- v. ***The Kudumbashree Accounts & Audit Service Society*** – This is a homegrown enterprise to ensure proper account keeping in the community network. They function as a concurrent audit mechanism as well, giving inputs to the mission teams about capacity building requirements for financial management.
- vi. ***Financial Literacy Campaign*** – Majority of the poor women have the lack of knowledge about banks procedures, misconceptions regarding interest rates and lack of awareness about banking ombudsmen etc. Kudumbashree has a comprehensive Financial Literacy Campaign in order to provide a platform for NHGs to be aware of and benefit from formal banking services.
- vii. ***Business Correspondent Model*** - This program implement in association with State Bank of Travancore in order to address lack of access to formal banking service especially In un-banked tribal, coastal and remote rural areas as well as the Kudumbashree groups those

who are not able to avail bank loans due to high transaction costs involved in dealing with bank branches.

viii. **The other economic development schemes** - Micro Enterprises, Special ME Projects, Skill Training, Special Livelihood Programs, Marketing include the Community Marketing Network, Retail Shop, Sales and Marketing Enterprises and the Home shops, Samagra Projects - to address the entire production -supply value chain holistically, Responsible Tourism, The National Rural Employment Guarantee scheme.

**II. The Social development:** The goal of Social development is reaching out to the poorest of the poor, to empowering tribals, caring for the disabled, the opportunity to children from poor families, empowering women to become the social conscience of the community as well as claiming and upholding rights of the women. The updated activities involved in the category of Social development are given below:

I. **Asraya** – This scheme is for Destitute Identification Rehabilitation and Monitoring Project for the rehabilitation of destitute families. They are identified using a transparent risk index and participatory need assessment framed by the Mission. The project envisaged to address the lack of food, health problems including chronic illness, pension, educational facilities to children, land for the home, shelter, drinking water, safe sanitation facilities, skill development, employment opportunities, etc.

II. **BUDS** –This is Special School for Mentally & Physically Challenged Children. These schools set up on the basis of community surveys and health assessment by local governments with the aim of improving the well-being of these special children.

III. **Balasabha**- Balasabhas are structured neighborhood network of children. The prime objective of constituting Balasabhas is to prevent inter-generational transmission of poverty through capability enhancement of children.

- IV. ***Balapanchayath***- The idea behind the Bala Panchayath is the creation of a children's forum where children issues and concerns can be brought into the notice of local development planners- i.e. the Local Self Governments.
- V. ***The Holistic health program*** - This is a sport based cultural intervention for holistic child health in Kerala. Holistic health strives for the physical, mental and emotional well-being of the child using a group/collective game.
- VI. ***Tribal Special Projects*** – This program conducting in collaboration with the Tribal department to address the special issue of the tribal population of the state, in a systematic manner. . The objectives of the mission are planned to be achieved by the active convergence of various government and Non-Government Agencies as well as departments.
- VII. ***Gender Self Learning Program*** –This program aims at getting women to discuss the gender dimension of their issues. Locally contextualized modules on issues such as women and work, women and health, women and mobility, women and entertainment are developed and deliberated in Neighborhood group meetings.
- VIII. ***The other Social development schemes***- Apart from this other government schemes and programs implemented by Kudumbashree like Swarna Jayanthi Shahari Rozgar Yojana (SJSRY), Jawaharlal Nehru National Urban Renewal Mission (JNNURM), and Interest Subsidy Scheme for Housing the Urban Poor (ISHUP), Rajiv Awas Yojana (RAY) etc.

## **2.5 Kudumbashree: A Tool for Poverty Alleviation in Kerala.**

Kudumbashree differs from various conventional anti-poverty programs, which appraise poverty not just as the deprivation of money, but also as the deprivation of basic rights for survival in the society. Kudumbashree helps to protect these rights through a collective voice by providing a platform to the poor women. The self-help groups (SHG) dynamics are used

to synchronize the various socio-economic development activities in Kerala under the Kudumbashree mission (Jose, 2006).

Since its implementation, Kudumbashree mission has the policies to reduce the poverty in the state by the path of human development. So far, various governments spend state funds to Kudumbashree units to execute various projects and schemes for the improvement of education, health and living standards in all parts of Kerala (Evaluation Report, 2012). In earlier days, income was used for identifying the poor to measure the poverty. Several anti-poverty programs depended on these estimations.

Basically, these conventional methods were inaccurate and insufficient and often deviated from its goals. The main drawback that, these programs were supply driven and not a need or demand based driven. In these circumstances, the state governments initiated to develop the ‘Risk Index’ as an effective instrument to identify poor. This was first implemented in 1992 and then modified later. Now the Government of Kerala formulated its own criteria to define the poverty line. Consequently, Kudumbashree mission created the poverty indexes to identify the poor (see Table-1). According to the current policy of the state, poverty may be defined as “Poverty is a complex and multifaceted issue which requires numerous activities to be carried out simultaneously to deal with the problem effectively and efficiently” (Economic Review, 2015).

<b>Table-1</b>	
<b>The Risk Factors of the Poverty Indexes Use in Kudumbashree to Identify the Poor.</b>	
Rural	Urban
1. Living in a substandard house or hut.	1. No Land/ Less than 5 cents of Land.
2. No Land.	2. No house/ Dilapidated House.
3. No access to sanitary latrines.	3. No Sanitary Latrine.
4. No access to safety drinking water within 150 Meters.	4. No access to safe drinking water within 150 Meters.
5. Getting only 2 meals a day or less.	5. Women headed house hold/ Presence of a widow, divorcee / abandoned lady/ unwed mother.
6. Women headed house hold /Presence of a widow, divorcee/ abandoned	6. No regularly employed person in the family.

lady/ unwed mother.	
7. Having no or only one earning member.	7. Socially disadvantaged groups(SC/ST)
8. Belonging to socially disadvantaged groups.	8. Presence of Mentally or physically challenged person/Chronically ill member in the family.
9. Having an illiterate adult member.	9. Families without color TV
(Source: State Planning Board Government of Kerala, August 2012)	

## **2.6 Contribution of Kudumbashree in Women Empowerment and Entrepreneurship: Case Study Analysis.**

### ***Case-1: Women Empowerment.***

Shyja of Mangattidam is today an icon of women empowerment, inspiring many women towards the path of self- sufficiency. During the three years, she was Chairperson of the Kudumbashree Community Development Society, the number of Neighborhood Groups in her Panchayat went up from 108 to 152, Rs.97 lakhs was amassed as thrift and 142 Neighbourhood Groups were linked by the CDS to the banks. With the active support of the Panchayat, 22 micro enterprises were set up in this little village of Kannur. Recognizing her talent, Kudumbashree selected her for a rigorous training program as a business development consultant. The training took her to Italy as part of a study team, and she is now a resource person for Kudumbashree, having single- handed organized business orientation programs in ten other panchayats and provided business counseling support to 27 ongoing enterprises.

(Source: [http://www.kudumbashree.org/?q=home\\_story\\_womenempower](http://www.kudumbashree.org/?q=home_story_womenempower))

### ***Case-2: Enterprising Experiments.***

Jams are a successful micro-enterprise in Manjeri municipality of Malappuram. It is well known today for its breakfast kit of Pathiri (a pancake made of rice flour) powder, Puttu (a Kerala breakfast dish) powder, wheat powder and Rava (a wheat product and a form of semolina) powder, in half kilogram packs. The two-kilogram kit priced at Rs.65 makes for a healthy breakfast for a family for a week. The kits are attractively packed in cloth bags. In addition, to these Jams also makes one-kilogram idli mix packets priced at Rs.54 and one-



kilogram dosa mix packets priced at Rs.56. The group also purchases mustard, cumin and fenugreek seeds in bulk at wholesale prices and after washing, drying and packing them deliver them in shops. All these ventures have been profitable and the group has been able to purchase a goods carrier to take its produce around. Jams member Ambika states they are always on the lookout for new opportunities depending on market needs. During 'Bakrid' (Id-ul-Azha) this year, they made special Pazhampori (Banana fry snack) which sold well. The eight women in Jams believe in the adage 'unity is strength'. They started working together three years ago producing Nutrimix for anganwadis (courtyard shelter for kids). The unit was set up with an investment of Rs.2.5 lakhs of which Rs.1.5 lakhs was mobilized as subsidy and member contributions of Rs.12,500 each. They were able to supply Nutrimix to 103 anganwadis. Since the machinery was not utilized to the full they decided to diversify and make the breakfast powder kits. The group constantly strives to be different. Each month they make sales of up to Rs.1.5 lakhs. The members of the unit Ambika, Jayanti, Ramlat, Mini, Saraswati, Sheeja, Munira and Cecily, the group leader work on all days of the week, often even on Sundays. Their commitment and focus are contributors to their success (Source: Irshad & Juman, 2015).

## **2.7 Kudumbashree: Few Radical Issues.**

How much the concepts are as excellent as; Kudumbashree also has its own insufficiencies just like any other movements. As mentioned earlier, Kudumbashree is a community-based network and its group members engage in a wide range of activities. In spite of Kudumbashree have its own objectives, nature, and working methods are so localized and political, social, cultural and economic aspects are reflected vary from working groups one among another. Hence, an attempt on an individual review of each group may become a hard task and this article highlights only the common issues.

- a) Politicization and interference of religious groups-** The political interference on Kudumbashree units are the major critiques about its functions. Some local government leaders, as well as religious organizations, may enforce the women members to show their supremacy. This may lead to an unhealthy relationship, between Kudumbashree and local bodies.
- b) Services Delay** - Result in unnecessary delay in transferring funds, barricades in getting financial assistance and often a diversion of funds from financial institutions.
- c) Lack of coordination of local government institutions** – This is the other deficiencies. Since the Kudumbashree organogram, as well as local government institutions, works of a three-tier system, lack of coordination between local governments institutions like may happen. This is mainly due to the local political interests.
- d) Duplication of products** – Some cases are reported that behalf of Kudumbashree products, duplicate organizations are marketing several unauthorized products. This may affect the reputation of real Kudumbashree Units.
- e) Formation of parallel organizations** – Unfortunately, the current government (2011-2016) started to promote some parallel organizations only based on their political interest those who are trying to imitate Kudumbashree, like Janashree. In the recent years, several reports have come that most of these units are fraudulent and corrupted.
- f) Competition in Markets** –Most of the women entrepreneurs is concentrating on the homogeneous product, which is supplied in the same local markets. These units meet a tough competition from branded manufacturers and they are forced to sell their products at comparatively lower prices.

### **3. RESULTS AND DISCUSSIONS.**

The role and contribution of women in the economic are one of the significant indicators of a wellbeing society. Because participation of women in economic activities other than home is

the most influential factor bears on gender relations within the household. It declines the gender inequality by economic self-sufficiency. In addition, it is the most influential evidence in an economic development of a society. In this context, the activities of Kudumbashree shows that ‘women should not be viewed as objects of development; but an ‘agents of development’ as they have the power to transmute their welfare into the wellbeing of their families as well as society and activities of the Kudumbashree self-help groups (SHG) proved the same. This achievement became possible because Kudumbashree mission is a continual part of Kerala model of development. Hence, it is essential to evaluate the contribution of Kudumbashree in a broad sense of an economic development of Kerala instead of limited range or extension of an organizational activity.

The data given in the tables are not exclusively for the growth indicator for Kudumbashree activities. It is a general data of socio-economic variables in Kerala. From the table 1980s-1990s shows the period before the emergence of Kudumbashree mission in the state. However, after the implementation of Kudumbashree mission in 1998, the results of all the data must inclusive and reflects the activities of the Kudumbashree. Also, the lives of the poor are notably improved through activities of Self Help Groups of Kudumbashree, but financial credits alone may not produce the desired impact. Even though, empowerment of poor women driving their development is a powerful strategy to alleviate poverty, (see Table No.2).

<b>Table No.2</b>								
<b>Head Count Ratio of People Below Poverty Line in Kerala and all India</b>							<b>Poverty Line in Rural and Urban areas - based on Expert Group (Rangarajan) Methodology (Per Capita / Month) 2011-12</b>	
							<b>Poverty Line</b>	
<b>State</b>	<b>Rural</b>			<b>Urban</b>			<b>Rural</b>	<b>Urban</b>
	1983	1993-94	2004-05	1983	1993-94	2004-05		

Kerala	38.48	26.49	12.27	45.11	25.45	20.86	1054.03	1353.68
All India	45.76	37.26	29.18	42.27	32.56	26.02	972	1407
Kerala's Rank	9	12	13	6	11	10		

*Source: Planning Commission, & Provisional Report on 6th Economic Census – 2014; Dept. of Economics & Statistics, Kerala*

Even though, there are so many pitfalls and shortcoming. Besides, the micro units have been successful in reaching the unreached through providing ways and means of living and financial independence. In addition, it is noted that micro enterprises significantly strengthen ensuring freedom to spend and save earnings of rural women by the individual and family empowerment. Simultaneously, it improves the confidence to promote own micro-enterprises and also an inspiration to undertake risk.

Data of three socio-economic variables - the growth of employment, growth of enterprises and headcount ratio of poor in Kerala - are shown in the below tables for a comparison (see Table No. 3 & 4).

<b>Table No.3</b>									
<b>Growth of Employment Over the Years and Percentage of Increase in the Number of Employment in Kerala.</b> (Excluding crop production, plantation, public administration, defense & compulsory social security services activities)									
Location	Number of Employment					% increase in Employment			
	1980	1990	1998	2005	2013	1980 - 90	1990 - 98	1998 - 05	2005 - 13
Rural	1602839	1882721	2760059	3877364	3279190	17.46	46.6	40.48	13.25
Urban	848694	1400499	1089050	1855572	3640468	65.02	22.24	70.38	115.37
Combined	2451533	3283220	3849109	5732936	6919658	33.93	17.23	48.94	26.49

*Source: Provisional Report on 6th Economic Census – 2014; Department of Economics & Statistics, Kerala*

<b>Table No.4</b>									
<b>Growth of Employment Over the Years and Percentage of Increase in the Number of Employment in Kerala.</b> (Excluding crop production, plantation, public administration, defense & compulsory social security services activities)									
Location	Number of Employment					% increase in Employment			
	1980	1990	1998	2005	2013	1980-	1990	1998	2005

						90	-98	-05	-13
Rural	1602839	1882721	2760059	3877364	3279190	17.46	46.6	40.4 8	- 13.25
Urban	848694	1400499	1089050	1855572	3640468	65.02	- 22.2 4	70.3 8	115.3 7
Combined	2451533	3283220	3849109	5732936	6919658	33.93	17.2 3	48.9 4	26.49
<i>Source: Provisional Report on 6th Economic Census – 2014; Department of Economics &amp; Statistics, Kerala</i>									

Again, the Kudumbashree act as social safeguards increasing access to entitlements and provide avenues for political participation. And decision-making power; self-confidence and personal skills have been improved but not up to the mark as a contributing factor for women empowerment. Again, Awareness about nutrition needs, dangers of using pesticides and alcoholism and its effects has been improved.

According to the planning commission, govt. of India (2013) some of the important outcomes from Kudumbashree are significant increase in local agricultural production, creation of a cultivation calendar, creation of systems for steady prices to avoid inflation and market fluctuations, creation of 10 Karshaka Samity (farmers groups), with a total of 460 people, creation of 20 Kudumbashree units, with a total of 250 women, creation of five Micro Enterprises focused on women, one 'women fish processing unit', one 'women chicken processing unit'; one 'women Chapathy (local bread) processing unit' and two 'coconut supply units'. Another example given in the report is about women empowerment in Kumarakom village in Kerala. 760 women are included in the cultivation program, 35 in retail activities, 30 in art and cultural groups, and 45 in the village tour group. Responsible Tourism initiatives and projects in co-operation with Kudumbashree is an important step in such a way, a carefully managed tourism industry can help the poor rural women to become increasingly empowered, improve their status in their families and within the society.

After the longing in 1998, Kudumbashree became one of the largest women's movements in Asia through three critical components, microcredit, entrepreneurship, and empowerment. Now Kudumbashree has a membership of 41 lakhs representing an equal number of families brought under the community-based organizations (CBOs) consisting of 2.61 lakh Neighborhood Groups (NHG), 19,773 Area Development Societies (ADSs) and 1,072 Community Development Societies (CDSs) in rural and urban areas.

The various data shows mobilized a sum of Rs. 2073 crores as thrift and disbursed loans amounting to Rs.8539.55 crores to the members of Neighborhood Groups and 1,50,755 NHGs graded under the Linkage Banking Program, out of which 1,28,425 NHGs linked with banks and an amount of Rs.2712 crores mobilized as credit. Besides, 25050 individual enterprises and 1757 group (with minimum 5-10 members) enterprises of women developed in urban areas and 3516 individual enterprises and 10620 groups (with minimum 5-10 members) enterprises of poor women formed in rural areas. Also, 47611 Joint Liability Group formed as well as 2, 01,650 women cultivators in 47611 groups for collective farming.

Again, an increasing number of studies indicate that women in Kerala have a remarkable score in respect of literacy level; employment as well as professions and improved gender equality. It can be found that there is no significant variation between women and men in the context of the rate of literacy and self-employment in both rural and urban area (see Table-5). Again, the imbalance between unemployment rates and literacy rate are indicating aspects of educated unemployment among women in Kerala.

<b>Table- 5</b>				
<b>Gender Comparison in Percent on Literacy &amp; Employment in Rural and Urban Kerala.</b>				
Particulars	Rural		Urban	
	Female	Mail	Female	Mail
Literacy Rate	90.94	95.29	93.33	96.83
Self-employed	36.4	38.9	36.3	36.3
Regular wage/ Salaried Employee	23.0	15.5	46.6	31.6
Casual Labor	40.5	45.6	17.1	32.1

Workforce Participation	20.2	53.6	16.0	51.76
Unemployment Rates	22.7	3.9	19.2	3.3
Source: MSPI, Govt. of India, 2011				

Therefore in ideal conditions, like men, women essentially needed an economical stability that guarantees the protection of their rights, social security and gender equality to promote the potential women empowerment. Also, women's economic empowerment is highly considered as the prime contribution factor to attain the goal of equality between women and men and this prerequisite has been attained through a strong socio-political system in Kerala.

Thus, the key observations from the study have been highlighted as follows

1. The women especially poor women biased from the society, not because of their inability, but the lack of motivation from the society.
2. Kudumbashree mission in Kerala is one of the best examples of self-help groups (SHG) model of empowerment of women that encouraging the wide range of entrepreneurial activities.
3. Kudumbashree mission is a continual part of Kerala's own model of development.
4. Only a political, social and economic environment can promote women entrepreneurship in a society, which is the responsibility of a government with a strong political view.

#### **4. CONCLUSION.**

The study has provided an insight into the activities of Kudumbashree community organization network, which is present in all the 999 Gram Panchayats, 53 Municipalities and five Corporations in Kerala. Kudumbashree mission is now one of the largest women empowering project in India that recognized all over the world. It assumed the status of the helpline to many of the women. It is a massive anti-poverty program of the Government of Kerala aiming at eradicating poverty and salvages the destitute from the wretches of extreme deprivation. The paradigm shift in the approach is that any woman who is residing in the Gram Panchayat can become a member of the Kudumbashree.

The benefits of the Kudumbashree model are that it is managed wholly by the representatives of the poor and has the leverage of a non-governmental organization which helps in channeling additional resources from various sources both internal and external. The Community Development Society at local body level facilitates both autonomy and effective linkage with Local Self Governments. Thus, the study concludes that Kudumbashree became the lifeline to many of the poor women in Kerala.

#### **4.1 Policy Implications**

Besides demonstrating the benefits of self-help group model of empowerment in women entrepreneurship, the results of the current study suggest the following key policy recommendations:

1)**Productive life in harmony with nature:** Being an association with concerned local governments, self-help groups (SHG) can provide a family well-being cluster schemes and programs. This program may primarily initiative to promote sustainable agriculture and allied sectors for local food availability, various household production by utilization of rural technologies, local truism etc. that has high economic value and low environmental impacts. This can ensure women employability in full-time as well as part-time or women entrepreneurship and also empowering the poor. Indeed, it consists of raising the living standards by participate each family in a specified local area or a cluster that based on the nature of the activity.

2)**Adequate skill training on women entrepreneurship:** Technical and managerial knowledge background are the vital resources for any successful entrepreneurship. Self-help groups (SHG) can promote various skill oriented training for potential entrepreneurial levels through family-friendly work practices. The family-friendly work practices certainly encourage more educated women to enter into entrepreneurial activities. Also, the



government has to essentially support such training through financial subsidies and infrastructures and later these centers need to be developed as female-owned start-up centers and women business incubators for livelihoods options for women, particularly newly educated girls.

**3) Formation of policy towards sustainable women empowerment development:** The current limitation of various policies in this domain is that it can be simply changed as per the political view of ruling governments in Kerala. Also, this may diversify the aim and continuity of the different government schemes and program aids and its implementation. Mostly it also affects the activities of Kudumbashree mission. Thus, a basic genuine policy is adequate in this sector that focuses on women's rights and the well-being of their communities in a sustainable way of development. This policy must be facilitating to decent work in a green economy, which stimulate high awareness and participation by women through the better scientific perception of environmental protection as well as socio-economic dimensions.

#### **4.2 Limitations of the study**

The present study limited to the analysis of overall components of Kudumbashree mission activities and it's relevant to Kerala model development background. Also, this study did not examine the impact of Kudumbashree mission activities on the growth of socio-economic structure of Kerala. Again, the contribution of Kudumbashree in women empowerment and entrepreneurship analyzed through two case studies that may subject to the number of criticism including methodological rigor and researcher subjectivity.

The secondary data sources provided for this research, that admissible with another limitation because many data used in this study were not clearly intended for the present research purpose. Also, lack of control over data quality and asynchronous nature of data are the weaknesses of this study.

### 4.3 Scope for further research

The scope of present study explores the Kudumbashree activities in women empowerment through women entrepreneurship by promoting self-help group in Kerala state. Hence, it opens up the potential for further research in the contribution of Kudumbashree towards the aspects of economic growth in Kerala state. Nowadays the fruitfulness of Kerala model development highly impacted by globalization and rapid urbanization that results in the Kerala has become a highly consumer-oriented state. In this context, the future study can also be concentrate on the active role of Kudumbashree in women empowerment and women entrepreneurship.

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