

MICRO-CREDIT AND EMPOWERMENT : A STUDY OF KUDUMBASHREE PROJECTS IN KERALA, INDIA

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ABSTRACT

Poverty alleviation schemes based on micro-credit system have been implemented in many of the developing countries in recent years. The Government of Kerala State in India has introduced a novel scheme of poverty alleviation based on micro-credit and self-help grouping. Paraphrased as Kudumbashree ('Prosperity of the Family'), the scheme aims at improving the living levels of the poor women in rural and urban areas. It seeks to bring the poor women folk together to form the grassroot organisations to help enhance their economic security. The project aims at removing poverty among rural women households through setting up of micro-credit and productive enterprises. The activities such as micro-credit and micro-enterprises under the scheme were undertaken by the locally formed Community Development Societies comprising poor women.

The State Poverty Eradication Mission-Kudumbashree-launched by the Government of Kerala in India is a massive poverty eradication programme in contemporary history. It has proved without doubt that women empowerment is the best strategy for poverty eradication. Women, who were regarded as voiceless and powerless started identifying their inner strength, opportunities for growth, and their role in reshaping their own destiny. The process of empowerment becomes the beacon light to their children, their families and the society at large. It opens a new vistas in development history. A new paradigm of participatory economics has been found emerging in "God's Own Country". Kudumbashree presents a unique model of participatory development, which can very well, be emulated by other developing countries.

Introduction

Poverty is a crucial problem in all developing countries in the present day world. It is felt that the problem of poverty can be solved through a concerted effort by the State. Sustainable livelihood opportunities can be provided to the deprived and the destitute by means of lending asset creating facilities.

Women households are the cruel victims of deprivation and destitution. Therefore, any programme for poverty alleviation must aim at improving the living environment of the womenfolk. It is through creating livelihood opportu-

nities for the women that they can be empowered, and the micro-credit and self-help groupings are a better means through which their living conditions can be improved.

Poverty alleviation schemes based on micro-credit system have been implemented in many of the developing countries in recent years¹. In all developing countries state actions are being reinforced in streamlining poverty alleviation programmes. (Buckley, 1996; Hulme and Mosley, 1996; Hussain, 1998) The institutional formations of various means are also invigorated for initiating schemes of poverty alleviation

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successfully (Hulme, et al, 1996; Yaron, 1992; Yunus, 1999).

The Government of Kerala has introduced a novel scheme of poverty alleviation based on micro-credit and self-help grouping. Paraphrased as *Kudumbashree* (Prosperity of the Family), the scheme aims at improving the living levels of the poor women in rural and urban areas. It seeks to bring the poor womenfolk together to form the grassroot organisations to help enhance their economic security. The project aims at removing poverty among rural women households through setting up of micro-credit and productive enterprises. The activities such as micro-credit and micro enterprises under the scheme were undertaken by the locally formed Community Development Societies consisting of rural households.

This Paper aims at examining the socio-economic impact of the *Kudumbashree* projects on the rural and urban poor in salvaging from deprivation and creating gender equity.

Anti-Poverty Programmes under Kudumbashree: An Overview

It is the State Poverty Eradication Mission, that has been paraphrased as *Kudumbashree* in local language, meaning 'prosperity of the family', which helps enjoy the economic opportunities by a good number of the poor womenfolk in rural and urban Kerala. The anti-poverty programme under *Kudumbashree* has been launched by the State Government of Kerala with the active support of the Central Government of India and the National Bank for Agriculture and Rural Development (NABARD) aiming at removing absolute poverty within ten years with the full cooperation of the local self-governments. Poverty is a multi-faceted state of deprivation. Hence a multi-pronged strategy alone can help eradicate poverty. The Mission of the *Kudumbashree*, therefore, states: "To eradicate absolute poverty in ten years through concerted community action under the leadership of local governments, 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." (<http://www.kudumbashree.org>)

Identifying the Poor: Identification of the poor is one of the prime requisites for the implementation of the projects. The following risk factors are considered for identifying the poor:

- * No land/less than 5 cents of land
- * No house/dilapidated house
- * No sanitary latrine
- * No access to safe drinking water within 150 metres
- * Women-headed household/presence of a widow, divorce/abandoned lady/unwed mother
- * No regularly employed person in the family
- * Socially disadvantaged groups(SC/ST)
- * Presence of mentally or physically challenged person/chronically ill member in the family
- * Families without colour TV

The Modus Operandi: The Community Based Organisation

The formation of the grassroot level Community Based Organisation (CBO) is the fulcrum of the *Kudumbashree* mission. The grassroot level poor women are organised through Neighbourhood Groups (NHGs) consisting of 20-40 women with five functional volunteers, viz.,

- * Community Health Volunteer
- * Income Generation Volunteer
- * Infrastructure Volunteer
- * Secretary, and
- * President.

The Neighbourhood Groups (NHGs) are coordinated at ward level through Area Development Society(ADS) by federating 8 to 10 NHGs. To coordinate the activities at the Panchayat level there is the apex body called Community Development Society (CDS), which is heading the Area Development Societies (ADSs).

The CBOs are the lifeblood of *Kudumbashree*. The NHG members used to meet once in a week in one of the members' house. The members, who meet together, discuss their problems and make joint effort to find solutions to their grievances with the support of the functional volunteers. This would bring up an interpersonal feelings among the members and would generate supportive attitude to build confidence among them. Apart from this, they practise small savings through thrift which should be used to create productive assets. The 'micro-plans' are prepared at the NHG meetings and the formulated plans would be sent to ADS for scrutiny and finalisation to form the 'mini-plan'. After consolidating the 'mini-plans' by judicious prioritisation at the CDS meeting a 'sub-plan' is formed to become the anti-poverty programme of the Local Self-Government. The formulation of micro, mini and sub-plans help facilitate the poor women households to participate in planning process as a major stakeholder. The local self-governing body monitors the implementation of the 'plans' and thereby proper linkage, coupled with autonomy is ensured in the participatory system of planning for poverty alleviation.

The Participatory Modelling : The Cases of Alappuzha and Malappuram

Alappuzha Model :The Prelude

The first spark of a women-based participatory approach for poverty eradication came out in Alappuzha Municipality in Alappuzha District in Kerala in 1993 when the Community Development Society of the poor women came into being as part of the implementation of the Community Based Nutrition Programme (CBNP) and the Urban Basic Service Programme (UBSP) with the assistance of UNICEF. The seven wards were selected for the implementation of the programme.

The programme began with the organisation of the poor women folks to form the Neighbourhood groups. The poor high risk families were identified to form the Neighbourhood groups on the basis of nine non-

economic indicators, such as occupation in temporary houses, no access to safe drinking water, no access to sanitary latrines, illiterate adult member in the family, not more than one earning member in the family, family getting barely two meals a day or less, children below 5 years in the family, SC/ST family, and alcoholic or drug addict in the family. 88 neighbourhood groups were formed of women from such high risk families and 7 ward level Area Development Societies (ADS) were formed from the grassroot level NHGs. The ADSs were federated to the town level Community Development Society (CDS).

Neighbourhood Groups (NHGs)

Neighbourhood group is the association of 20 to 40 women members, belonging to high risk families. They elect a woman from among themselves as Resident Community Volunteer, another one is selected as President of the NHG and the three others are selected as Community Volunteers, each of whom has specific responsibilities, viz., Health, Infrastructure and income generation. They are, therefore, designated as Community Health Volunteer, Community Infrastructure Volunteer and Community Income Generating Volunteer.

The Community Health Volunteer is responsible for all the health related activities of the NHG like immunisation, maternal care, child care, nutrition and propagation of ideas like cleanliness, hygiene, etc.

The Community Infrastructure Volunteer is in charge of the basic infrastructure needs of the NHG such as housing, sanitation, drinking water, drainage, etc.

The Community Income Generation Activity Volunteer looks after the income generating activities of the NHG. She has to identify all potential agencies, departments and organisations to be engaged in promotion of self-employment activities. She also liaises with the National Bank for Agriculture and Rural Development and commercial banks on behalf of the NHG.

Proper training and orientation are given to the above volunteers in their respective areas. Each NHG prepares an action plan on the basis of the needs of the member households of the NHG and such plans are called Micro Plan of the NHG.

Area Development Societies (ADSs): Area Development Societies at the ward level are formed of 10 -15 NHGs and the five member committee of all the NHGs constitutes the governing body of the ADS. The ADS has a Chairperson, a Vice-chairperson and 7 other members. The Community Organiser of the Municipality acts as the Member Secretary of the ADS.

The ADS integrates the micro plans of the NHGs and after discussion and scrutiny a consolidated action plan is prepared and is known as Mini Plan.

Community Development Society (CDS) : Community Development Society is the apex body at the town level and is the co-coordinating agency for programme implementation. Chairpersons, Vice-chairperson and Members of all the ADSs form the General Body of the Community Development Society. A project officer of the Municipality acts as the Member Secretary of the Community Development Society. The Community Development Society has a president, vice-president and seven other members elected from the General Body of the CDS to form the committee of the CDS. The Committee and the Member Secretary constitute the Governing Body of the CDS.

The Community Development Society monitors the programmes undertaken by the ADSs on monthly basis and takes steps to improve the implementation of the programmes.

Various developmental programmes initiated under Community Development Society and the Area Development Societies include training programme for women to start income generating units, water supply, conduct of health education camps, construction of dual

pit latrines, undertaking micro enterprises, raising of pathways, and cultural programmes, etc.

The participatory modelling under Community Development System brought the poor women in Alappuzha to the mainstream of the social life. They began to participate in the development process with greater enthusiasm. The NHGs were encouraged to meet as many times as possible. It provided them an opportunity to sit together and discuss their common problems to find out solutions. The poor women belonging to the high risk families become empowered and seldom accept poverty as their destiny. They proved beyond any doubt that they could identify their own problems. They learned the meanings of 'self-help' and 'self respect'. The united and empowered women fought against poverty quite valiantly and effectively. Poverty alleviation programmes began to deliver the goods through participation for the first time in history.

The Malappuram Model – the Continuum

The amazing success of the participatory system of poverty alleviation in Alappuzha Municipality prompted the Government of Kerala in 1994 to extend the scheme to the entire district of Malappuram, one of the most backward districts in India. The district of Malappuram has the highest fertility and infant mortality rates in Kerala.

The Government of Kerala, with the assistance of the UNICEF, chose the district of Malappuram to experiment with poverty alleviation programme called Community Based Nutrition Project and Poverty Alleviation Programme (CBNP & PAP) aiming at helping to reach out the unreached through community action. The strategy formed the Convergent Community Action and Self-Help to enhance the capacity of the family to help meet their basic needs such as drinking water, primary health care, basic education, safe environment and food security.

Like in Alappuzha Model, CBNP was implemented through Community Development Societies of women, who belonged to high risk families. The risk index adopted in Alappuzha model was slightly modified to suit the regional peculiarities of Malappuram district.

The non-economic risk indicators adopted for Malappuram model are:

- * Families with sub-standard houses and huts
- * Family with no sanitary latrines
- * Families having no safe drinking water supply within atleast 300 metres
- * Families having more than six members
- * Families with only one earning member
- * Families belonging to SC/ST
- * Families having illiterate members
- * Families having only two meals or less a day
- * Families having alcoholic, widows and divorcees

The Schemata : At the bottom level of the community structure of Malappuram, there are 4763 Neighbourhood Groups, each of which consists of 15 to 40 women members belonging to the risk families of a neighbourhood. NHG prepares micro plan based on the needs and requirements of the constituting families.

In each Village Panchayat, there are Area Development Societies at the ward level. Each Area Development Society is formed by the representatives of the NHGs in each ward. Functionaries are elected as we have seen in the Alappuzha Model. Area Development Societies prepare Mini Plans, integrating all NHG plans. There are 853 ADSs are working in Malappuram district.

Panchayat / Municipal Community Development Society functions as an apex body of all ADSs at Panchayat / Municipality level. The Society has an elected president, vice-president and seven Governing Body members. There are 91 panchayat CDSs and 5 Municipal CDSs in Malappuram district.

At Block level there is the Block CDS, which acts as a coordinating body of all CDSs in a Block. Block CDS prepares Block level plans, integrating all Panchayat CDSs' plans. There are 14 Block CDSs in the district.

The District CDS is the apex body. All the Block CDS Presidents and Town CDS presidents are members of the District CDS. The District CBNP Coordinator acts as the Member Secretary of the CDS. The District CDS prepares the Plans at the district level integrating all micro and mini plans.

The activities of the Malappuram CDS include Training and Orientation Programme for Women, Imparting Education for Children, Regular Meetings to share experiences and holding cultural programmes, Community Health Care, Environmental Sanitation and Informal Banking through Thrift and Credit Societies and Self - Help Groupings.

The Philosophy: The philosophy of CBNP is 'convergent community action'. With this end in view, attempts have been made from the very beginning to establish linkages with other government departments and agencies such as Education, Health, Social Welfare, Local Administration and Rural Development. UNICEF and NABARD also rendered their whole hearted support for training and in financing.

The Achievements

A. Training

- * More than 1,00,000 CBNP/CDS functionaries were given training on various aspects with the assistance of UNICEF.
- * More than 2000 CDS/CBNP functionaries were trained by NABARD in community financial management.
- * More than 4300 community volunteers were given training in community health care.
- * More than 12000 CBNP functionaries were trained and deployed for the conduct of the baseline survey.

- * 40 CBNP functionaries were trained and deployed as Tribal Volunteers.
- * About 13,000 CBNP/Literary workers trained and deployed for the conduct of the Poverty Index Survey.

B. Awareness Programme

- * 1700 community immunisation camps are organised
- * 99 awareness programmes against alcohol were conducted
- * 3418 awareness programmes were organised for popularisation of iodised salt.

C. Water and Sanitation

- * 5600 sanitary latrines were provided to the poor families
- * 20 borewells were provided
- * 10 open wells were provided.

D. Thrift and Credit Operations

- * Mobilised Rs. 150 lakh through thrift savings
- * Provided Rs. 135 lakh to CDS members as loan for income generation as well as for consumption purposes
- * Created 12322 self-employment through loans/revolving funds.

E. Employment

- * Established one Coir Training Centre to train 150 SC women in coir making
- * Set up one Coir Defibreing Production unit with an investment of Rs. 35 lakh.

The Epilogue

The coordinated effort and the convergence of resources of various agencies for the uplift of the poor women are the resultant of the CBNP in Alappuzha Municipality and Malappuram District in Kerala. An integrated approach with the coordination and convergence of inputs and services of the various ongoing programmes of the government and other sectors helped improve the health and nutrition status of the poor women and their children. A new limelight in the participatory ap-

proach has been emerging to open up the social and economic opportunities for the poor and the downtrodden and a new horizon has been visible to realise their dreams of betterment into realities.

Kudumbashree : Towards a New Paradigm of Participatory Development

The Mission for Poverty Eradication : A New Beginning

Enthused by the phenomenal success of the Alappuzha and Malappuram models of participatory development with the active involvement of the stakeholders, the State Government of Kerala resolved to extend the participatory women based programme to the entire State of Kerala in 1998. The Project has been envisaged as a mission for eradication of poverty, which has been christened as "Kudumbashree" ("Prosperity of the Family") and becomes the *Magna Carta* of the poor.

Kudumbashree, the State Poverty Eradication Mission of Kerala, proved a revolutionary initiative that has changed the lives of thousands of poor people in the State through its various programmes since its inception in 1998. The unique experimentation is being implemented through the Community Based Organisations (CBOs) of the poor aiming at a multi-pronged attack on poverty².

It is the Community Development Societies that work for the removal of risk factors, which are the basic causes as well as effect of poverty. With this end in view, the NHGs are identifying the most critical needs of the members. The micro plans or the NHG plans thus become the basis of delivery of services and resources through the CDS system. Each group is involved in the process of identifying their needs and problems, and accordingly preparing plans and implementing the programmes.

The Focus

Kudumbashree Mission focuses on:

1. Training for Change
2. Education

3. Share and Care
4. Community Health Care
5. Environmental Sanitation
6. The Poor Women's Bank, and
7. Community Financial Management

Let us have a brief overview:

Training for Change: It is stated that empowerment of women is the prime motto of *Kudumbashree*. Therefore, the decision making power must rest solely in the hands of the poor women. In order to exercise this power, they need proper orientation and training. To achieve this objective a number of specially designed training programmes are being conducted with focus on community structures, leadership, roles and responsibilities, thrift and credit operation, community financial management and accounting. These training programmes are organised with the support of UNICEF, NABARD and other institutions. More than one lakh women have been trained so far.

Education: The massive training programmes have helped further strengthen the already existing awareness among women on the need for educating their children and acquiring literary skills for themselves. Resultantly, the apathy in sending the children to schools has disappeared to a greater extent. The poor women are getting realised that their children do need education and that education alone can enhance their status and provide them gainful employment.

Share and Care: The NHGs are encouraged to meet as frequently as possible and most of them do meet once in a week. They are able to discuss every problem in the meeting and suitable solutions are coming up. The NHGs provide the poor women to share their grievances and joys.

Community Health Care: The trained women Community Health Volunteers are now able to provide basic medical care to the poor rural and urban womenfolk. With the emergence of the Community Health Volunteers, the health scenario in the less cared groups are undergo-

ing revolutionary changes. The incidence of cholera, malaria, typhoid and diarrhoea has come down considerably.

Environmental Sanitation: Environmental sanitation becomes the matter of greater concern of women today. Lack of sanitary latrines and safe drinking water are the twin basic problems faced by the poor people. Concerted efforts are made to address these problems. 5600 latrines have already been constructed in Vettom Panchayat in Malappuram district with the help of various Government Departments.

The Poor Women's Bank: The Thrift and Credit Societies are formed with the objective of encouraging the poor women to save their meagre means to widen the resource base of the NHGs. Women bring their little bit of savings when they come to attend the group meetings. This money is entrusted to the Community Volunteer, who in turn deposits it in the nearest bank. Each member is given an individual passbook.

The Thrift and Credit Societies are considered as poor women's bank. The poor women, who were hitherto dependent on their menfolk for every need and did not know the meaning of economic independence, have managed the impossible under *Kudumbashree*.

Members can avail of loans to meet their urgent needs like medical treatment, purchase of school books and uniforms for children, to pay off their old debts, etc.

It is interesting to note that more than 90 per cent of the savings in the thrift societies are given away as loans. The selection of beneficiaries, the rate of interest, the quantum of loans and the period of repayment, etc. are all decided and implemented by the women themselves. Since the decisions regarding the repayment of loans with the rate of interest are taken by the NHGs, the monitoring mechanisms are inbuilt and defaulting is rare. For the same reason the NHGs are also very considerate to genuine reasons of non-repayment and extensions are given. It is observed that 100 per cent

repayments are ensured which are rare in banking history. The Thrift and Credit Societies become the largest **informal bank** in Asia.

Community Financial Management: Formation of thrift societies and conduct of income generating activities have led to a large financial flow at NHG and ADS levels. This has necessitated proper maintenance of accounts and keeping records in a systematic way. So poor women activists were given proper training in 'Community Financial Management'.

The Strategies

Kudumbashree aims at empowerment of women to become the active leaders rather than passive recipients. The strategies thus form of:

- a. Formation of women collectives
- b. Information and training
- c. Skill upgradation
- d. Thrift-Credit operations
- e. Infrastructure development
- f. Micro enterprises development
- g. Power to the people, and
- h. Leadership

The ultimate objective, therefore, sets as 'reaching out family through women, and reaching out community through family'.

The Programmes under Operations

The programmes conceived as a part of the strategy to reduce poverty are:

- * Micro-finance operations/Thrift and Credit Societies
- * Micro Enterprises
- * Micro Housing/ *Bhavanashree*
- * Destitute Identification, Rehabilitation and Monitoring Programme/*Ashraya*
- * Lease Land Farming/ *Haritashree*
- * The S3 programme
- * Children's Neighbourhoods/*Balasabha*
- * Solid Waste Management /Clean Kerala Business

- * Special Employment Programme for the Educated Youth
- * Special School for the Disabled Children/ Buds
- * Self-Employment Programme under SJSRY
- * Goat-Rabbit-Quail (GRQ) Project

Micro-finance Operations: Thrift and Credit Societies are set up at Neighbourhood (NHG) level to facilitate the poor and to avail of easy credits, which have now grown up to **Informal Banks** of the poor women at their doorsteps. Now, 10,687 Thrift and Credit Societies are in operation in the 58 urban areas enveloping the major 58 towns. In the rural segment, 1,45,674 Thrift and Credit societies are in operation covering all the 991 Village Panchayats in the State. Most of the Thrift and Credit Societies are capable of providing financial assistance to income generating activities. Through micro-finance operations, Rs.651.42 lakh of thrift are raised and internal lending to the extent of Rs.1473.12 lakh are provided.

(www.kudumbashree.org).

The NHGs, which are able to avail of loans are linked with banks under linkage banking programme of NABARD. Till date, 99,356 NHGs were upgraded and 71,702 of NHGs were linked with banks Rs.258.78 crore is distributed as loan to NHGs for internal lending and credit of Rs 32281/lakh flow through linkage banking. Linkage banking programme becomes an effective tool to augment resources of NHGs. (A few examples of micro-finance models are given in Table I)

Micro Enterprises: Micro Enterprises foster the economic status of women as an effective means to eradicate poverty. The income generating activities under individual and group initiatives to meet the livelihoods of the poor women are massively promoted. Canteens/Catering units, IT units, Group farming units, Fruit Processing units, Footwear units, Condiments units, Umbrella units, Building materials units, Horticulture units, Electronics units, Readymade

garments units, Soap powder units, Toys units, Grocery shops, are some of the examples of Micro Enterprises that are undertaken by poor women under Kudumbashree mission. Women entrepreneurs are given training in entrepreneurship development, skill development, project management, performance improvement by the Entrepreneurship Development Institute of India, Ahmedabad. It is drawn that, as of date, there are 15,382 individual enterprises (Annexure I), and 1345 group enterprises in urban areas (Annexure II) and 14,662 individual enterprises and 20,017 group enterprises in the rural areas are on the run with the involvement of 2,42,482 women across the State.

Micro Housing/Bhavanashree : Under this programme poor families, who are in dire need of constructing new houses are able to avail of loans from banks and the repayment of which is ensured by tri-party agreement between the beneficiaries, the Community Development Societies and the Financial institutions/Banks, 19,922 houses were constructed by using credit amounting to Rs.6765.91 lakh.

The Destitute Identification, Rehabilitation and Monitoring Programme/Ashraya: This programme, named as "Ashraya" in local language (meaning 'depending') aims at uplifting the poorest of the poor from their destitution. Poorest of the poor families, which lack adequate food, drinking water, shelter, educational facilities for children, sanitation facilities, employment opportunities, land for shelter, and worst sufferers of illness and chronic diseases are identified and rehabilitated under various schemes. The programme was launched in 391 Village Panchayats and six Municipalities.

Lease Land Farming/Haritashree: Lease Land Farming Programme, named 'Haritashree' in local language, lend helping hands to those cultivators who are having no land at all. So Kudumbashree pools uncultivated lands on rent and provide the willing cultivators for agricultural operations. Last year, lease land farming was done in 18,489 hectares benefiting 3,15,613 families hailing from 31,980 NHGs in the State.

The S3 Programme: Kudumbashree addresses the multi-faceted deprivations of the poor families, which lack food, health care, education, basic amenities such as shelter, drinking water, safe latrines and employment. It is felt that poverty reduction would foster economic development if it sustains the secured gains. So, sustainable economic development assumes greater importance in the process of attacking poverty. So much so, Kudumbashree has evolved a project to build a model in select panchayats on the concept of comprehensive development. The projects focus on self-sufficiency, self-reliance and sustainability (S3) of the village panchayats. The project envisages to address the problems of child development, geriatric care, mentally and physically challenged, education, adolescent care, women empowerment, enterprise development, unemployment of the educated youth, agriculture/animal husbandry/dairy development, revamping the traditional sectors, basic minimum needs and destitute identification and rehabilitation.

Initially the programme was piloted in three panchayats viz., Venganoor in Trivandrum district, Kodakara in Trichur district and Munnayoor in Malappuram district. Later on, the programme was extended to 14 panchayats and the extension of the programme to another 70 panchayats is done.

Children's Neighbourhoods/Balasabha: The children from poor families are organised to develop their intellectual faculties by performing cultural activities from time to time. Termed as Balasabhas in local language it functions as a platform of the children to help develop their overall capabilities that combine education, entertainment and empowerment. 27463 Balasabhas comprising 504979 children were organised in different places in Kerala.

Solid Waste Management/Clean Kerala Business : Solid waste is serious menace for all the urban and semi-urban areas of Kerala. Now Kudumbashree mission tries to tackle this problem by setting up 'Clean Kerala Business' units in an organised and planned manner entrusting

to women entrepreneur groups to segregate, collect and transport solid waste from the households, commercial establishments, hotels, etc, 75 Clean Kerala Business units are formed in the State so far.

Special Employment Programme for Educated Youth: A special employment programme for the educated youth has been initiated and 50,000 educated youth were assigned with the task of *Kudumbashree* such as identification process, setting up of innovative micro enterprises, etc., 211 group and 170 individual enterprises have been formed under this programme, thus benefiting 1307 people.

Special School for the Disabled Children /Buds: Special Schools, called 'Buds', are set up aiming at providing for the developmental, social, and emotional needs of the disabled children. These children are being provided with the necessary medical attention, physical and mental therapy, mobility equipments, hearing aids, and vocational and educational training.

Self-Employment Programmes under SJSRY: Swarna Jayanthi *Sahari* Rozgar Yojana (SJSRY) is an anti-poverty programme launched by the Government of India and is meant for the urban areas of the State. It covers the 53 Municipalities and 5 Corporations. Individual enterprises and Group enterprises with a minimum number of 10 persons can be set up, 1365 group and 15382 individual enterprises are undertaken under this programme.

GRQ Project: The GRQ Project is a unique micro enterprises project for rearing the three species together to earn a steady income to the family entrepreneurs. The predominantly non-vegetarian population of Kerala necessarily ensures the potential market for the produce.

The GRQ project aims at utilising the inherent advantage of the homestead farming practised by a number of families. Quail rearing as an activity can ensure a weekly cash flow and that combined with the quarterly and half-yearly cash flow of rabbit and goat would ensure a source of steady income to the family.

Nutrimix- The Babyfood Products Production

Project: The *Nutrimix* Babyfood Production Project is an ambitious project recently launched by the *Kudumbashree* mission. The Project envisaged to start 500 babyfood production units in different parts of Kerala. 21 *Nutrimix* production units have already been started. It is estimated that 2500 women can find gainful employment through the programme, which targets the massive babyfood market dominated by big brands. The expected turnover is Rs: 200 crore per annum.

Some select *Kudumbashree* production units and their activities in Kannur and Kasargod districts are shown in Table 2.

Conclusion

The State Poverty Eradication Mission-*Kudumbashree*- launched by the Government of Kerala State in India is a massive poverty eradication programme in contemporary history. *Kudumbashree* became the lifeline to many of the poor women in the State of Kerala. It assumed the status of helpline to many. It is a massive anti-poverty programme of the Government of Kerala aiming at eradicating poverty and salvage the destitutes from the wretches of extreme deprivation. The formation of 1,65,840 NHGs of the women from 33, 45, 509 risk families, covering urban, rural and tribal areas of the State helps develop 2, 42, 489 poor women into vibrant micro-entrepreneurs. As a result, the poor women of the State have become active participants in the planning and implementation process of various anti-poverty programmes. By participating in various income generating –cum–developmental activities, the morale and confidence of women became very high. Capacity of the poor women of the State in several areas has gone up considerably. Status of women in families and community has also improved. *Kudumbashree* has gained national and international acclaim as an ideal and workable model of participatory development for eradicating poverty.

It has proved without any doubt that women empowerment is the best strategy for poverty eradication. Women who were regarded as voiceless and powerless started identifying their inner power, their strength, opportunities for growth, and their role in reshaping their own destiny. The process of empowerment becomes the beacon light to their children, their families and to the society at large. It opens a new vistas in development history. A new paradigm of

participatory economics has been found emerging in "God's Own Country". *Kudumbashree* presents a unique model of participatory development, which can very well be emulated by other developing countries. The strategy of participation and empowerment adopted in *Kudumbashree* mission ensures sustainable livelihoods to a number of poor women-the positive outcome, which a policy planner can always be enthused with.

Notes

1. Grameen Bank scheme of Bangladesh, SANASA in Sri Lanka, Mudzi Fund in Malawi, ICREP Juhudi Scheme and KIE-ISP of Kenya, Bancosol of Bolivia are a few examples. (For more details see, Chavan and Ramkumar, 2002)
2. The *Kudumbashree* Mission is functioning under the directorate of the Government of Kerala.

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Table 1 : Select models in micro finance

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1. Kuluthupuzha CDS
 Started *Kudumbashree* operations in July 2002
 No. of NHGs 233
 No. of members covered 4640
 Thrift mobilised Rs. 30,98,860
 Loans issued Rs. 30,72,330
- Capital mobilised
 Linkage Banking Rs. 141,30,700
 No. of NHGs linked 88
 SGSRY Rs. 22,76,500
 PMRY Rs. 7,50,000
 Enterprises started :
 Individuals 2200
 Group 64
2. Kinanoor –Karinthalam CDS
 Started *Kudumbashree* operations in April 2000
 No. of NHGs formed 210
 No. of members covered 4730
 Thrift mobilised Rs. 1,54,30,360
 Loans issued Rs. 7,45,38,680
 Linkage Banking Rs. 12,00,000
 No. of NHGs linked 143
3. Nedumkandam CDS
 Started *Kudumbashree* operation in April 2000
 No. of NHGs 331
 No. of members covered 6750
 Thrift mobilised Rs. 88,24,000
 Loan issued Rs. 1,28,10,000
 Linkage Banking Rs. 20,00,000
 No. of NHGs linked 33
-

Source: self-compiled.

Table 2 : Some select *Kudumbashree* production units and their activities in Kannur and Kasargod districts

S.No.	Name of the Unit	Panchayat/Ward	Products	No. of Persons
1.	<i>Udaya</i>	Karivellur	Chappels, Leather Products	20
2.	<i>Pulari</i>	Mokeri	Curry Powder	16
3.	<i>Salaya sangamom</i>	Mangattidam	Umbrellas	30
4.	<i>Puthuma</i>	Payam	Building Materials	23
5.	<i>Archana</i>	Punnad	Agricultural Farming	20
6.	<i>Samata Desabandhu</i>	Mangattidam	Electric Chalk	
7.	<i>Kairali</i>	Karivellur	Milk supplies	23
8.	<i>Gramashree</i>	Kalliassery	Hotel	7
9.	<i>Ambili</i>	Mangattidam	Garments	17
10.	<i>Souhrida</i>	Kunian	Washing Powder	
11.	<i>Aiswarya</i>	Uliyil	Telephone Mats	
12.	<i>Gramashree</i>	Puthur	Grocery shop	21
13.	<i>Navodaya</i>	Nellikunnu	Bakery/ Chicken	26

Source: Self-organised.

Annexure 1**List of micro enterprises (District-wise)**

As on 31-01-06

S.No.	Name of District	DWCUA	USEP
1	Thiruvananthapuram	173	1671
2	Kollam	51	1825
3	Pathanamthitta	28	577
4	Alappuzha	142	1818
5	Kottayam	57	535
6	Idukki	7	96
7	Ernakulam	344	1633
8	Thrissur	131	1016
9	Palakkad	61	1380
10	Malappuram	65	827
11	Kozhikkode	164	1864
12	Wayanad	12	102
13	Kannur	72	1442
14	Kasargod	38	596
	Total	1345	15382

Source: www.kudumbashree.org

Annexure II

List of group micro enterprises in urban area

S. No.	Name of Project	No. of Units
1	Direct marketing	87
2	IT unit	63
3	Clean Kerala business	62
4	Soap making unit	55
5	Catering service	55
6	Canteen	53
7	Ethnic delicacies	47
8	Dairy unit	46
9	IT @ school	45
10	Garments/readymade	45
11	Hotel	41
12	Provision store	32
13	Supermarket	32
14	Tender coconut selling unit	32
15	Laundry unit	31
16	Kerashree (coconut processing/oil extraction unit)	29
17	Mat weaving/cover making unit	27
18	Food products	25
19	Paper cover & paper bag	25
20	Remedial education centre	25
21	Curry powder unit	23
22	Umbrella manufacturing	21
23	Mobile market (pick up van)	20
24	Book binding unit	20
25	Agricultural nursery	19
26	Bakery/sweet products	19
27	KSRTC canteen	19
28	Sanitation unit	17
29	Tailoring unit	17
30	Grinding unit	16
31	Solid waste processing unit	16
32	Fish vending unit	15
33	Palm mat unit	14
34	Bag manufacturing	13
35	Pickles making	12
36	Consumer store/traders	11
37	Chappel making	11
38	Coconut products	9
39	Coir yarn/products	8
40	Vanilla nursery	8
41	Bamboo products	8
42	Cloth bag unit	7
43	Notebook manufacturing	7
44	Metal crushing unit	6

45	Neighbours - support services to friends	6
46	Handicrafts	6
47	Beauty parlour	5
48	Bricks/hollow bricks	5
49	Flowers & garland	5
50	Toy manufacturing	5
51	Computer hardware unit	5
52	Hospital restaurant	5
53	Telephone repair	5
54	Herbal nursery	4
55	Hosiery unit	4
56	Prasoothika	4
57	Rice/rice powder business	4
58	Chicken stall	4
59	Cooking mate/gas light/decoration (hiring service)	3
60	Electronic unit	3
61	Fish/sea shell processing	3
62	Instant mix manufacturing unit (Palada)	3
63	Paddy cultivation	3
64	Pappad making unit	3
65	United services	3
66	Water meter repair unit	3
67	Multi-purpose job club	3
68	Chips unit	3
69	Vegetable vending	3
70	Agarbathi/candle unit	2
71	Atta packing	2
72	Construction work of women	2
73	Courier service	2
74	Day care centre	2
75	Documentation/file works unit	2
76	Electronic choke assembling unit	2
77	Furniture manufacturing	2
78	Ice cream parlour	2
79	Marketing unit	2
80	Ornaments manufacturing unit	2
81	Painting unit	2
82	Pandhal unit	2
83	Poultry farm	2
84	Printing unit	2
85	Shawl/pardha making	2
86	Tarpolin production/chackuviri	2
87	Women hostel	2
88	Firewood	2
89	Photo album	1
90	Bio technology	1
91	Cashew nut processing	1

92	Cement products	1
93	Handloom weaving	1
94	Home nursing unit	1
95	Networks	1
96	Plastic chair & mat	1
97	Pottery unit	1
98	Soda making	1
99	Solar cooker	1
100	Sound system	1
101	Vehicle service	1
102	Wire coir carpet making unit	1
	Total	1345

Source: www.kudumbashree.org