

TOPIC 6: KUDUMBASHREE (SHG)- THE BEST PRACTICE

The context: Kudumbashree, a women's Self Help Group (SHG) in Kerala, donated Rs 7 crore to the Chief Minister's Distress Relief Fund (CMDRF) to help flood victims and provided community service in post-disaster reconstruction.

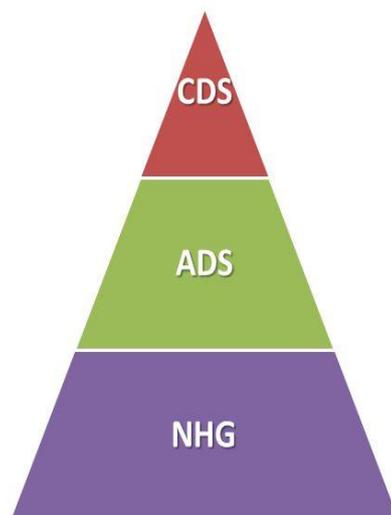
ROLE PLAYED BY KUDUMBASHREE DURING KERALA FLOOD

- Over 1.13 lakh residential premises across 10 districts have been cleaned and made habitable by the workers. They have also cleaned over 3,100 public spaces.
- Their community counsellors **offered psychological support** to over 11,000 affected people.
- Kudumbashree workers had been active from the initial days of the flood, **making packaged meals** available to affected people.
- The mission also mobilised workers en masse from non-affected or less-affected areas to carry out cleaning drives in hard-hit regions like Wayanad.
- Total of 6,757 women from the Kudumbasree neighbourhood groups were mobilised to clean living. Each cleaning team had about 20 to 25 women equipped with bleaching and cleaning lotions. They were supported by the respective panchayats, Health Department and Accredited Social Health Activists (ASHA workers).
- Its State-wide network proved effective in tackling tough situations. For instance, at Chengannur, the cleaning team suddenly realised that they needed the traditional brooms made of coconut leaf midriff to sweep the mud-laden premises of households. In no time, some 2,000 brooms were made available by our Kannur team for the purpose.

<p>WHAT IS SELF HELP GROUP (SHG)</p>	<ul style="list-style-type: none"> • A self-help group is a small informal association of people created at the grass root level to get economic benefits on the basis of mutual help, solidarity and joint responsibility. • The SHGs are formed voluntarily by the urban and rural poor for working together for social and economic upliftment. • The members of SHGs save and contribute to a common fund to be lent out to its members as per the decision of the group. • The basic philosophy underlying SHGs is the fact that the shortcomings and weaknesses at the individual level can be overcome by the collective responsibility and security accrued by the formation of a self help group. • Hence, SHGs serve as a novel and innovative organizational instrument in India for the welfare of women and upliftment.
<p>FEW ROLES OF SHGS</p>	<ul style="list-style-type: none"> • Income generation for poor. • Access to banks for poor, financial inclusion. • Against Dowry, Alcoholism etc. • Pressure group in Gram Panchyats. • Social Upliftment of marginal sections. • Upliftment of women. • Building social capital
<p>ABOUT KUDUMBASHREE</p>	<ul style="list-style-type: none"> • Kudumbashree is the poverty eradication and women empowerment programme implemented by the State Poverty Eradication Mission (SPEM) of the Government of Kerala. • The name Kudumbashree in Malayalam language means 'prosperity of the family'.

- Kudumbashree was set up in 1997 following the recommendations of a three member Task Force appointed by the State government.
- Its formation was in the context of the devolution of powers to the Panchayat Raj Institutions (PRIs) in Kerala, and the Peoples’ Plan Campaign, which attempted to draw up the Ninth Plan of the local governments from below through the PRIs.
- Kudumbashree has a three-tier structure for its women community network, with **Neighbourhood Groups (NHGs)** at the lowest level, **Area Development Societies (ADS)** at the middle level, and **Community Development Societies (CDS)** at the local government level.

Understanding Kudumbashree



Community Development Society

- Office bearers on ADSs in a local body*
- 7 office bearers
- Interfaces with local govt.

Area Development Society

- Office bearers on NHGs in a ward
- 7 office bearers
 - oPresident
 - oSecretary
 - o5 sector volunteer

Neighborhood Groups

- 10 to 20 women; one from each family
- 5 office bearers
- Weekly thrift, min decided by NHG
- Can undertake economic activities



- The community structure that Kudumbashree accepted is the one that evolved from the experiments in Alappuzha Municipality and Malappuram in early 1990s.
- Kudumbashree community network was extended to cover the entire State in three phases during 2000-2002. The Kudumbashree network by 15th March 2017 had 2,77,175 NHGs affiliated to 19,854 ADSs and 1073 CDSs with a total membership of 43,06,976 women.
- Kudumbashree membership is open to all adult women, limited to one membership per family.
- In 2011, the Ministry of Rural Development (MoRD), Government of India recognised Kudumbashree as the State Rural Livelihoods Mission (SRLM) under the National Rural Livelihoods Mission (NRLM)

DIFFERENT ACTIVITIES OF KUDUMBASHREE IN VARIOUS SECTORS

THRIFT & CREDIT

- Kudumbashree promotes Thrift mobilization by setting up Thrift & Credit Societies at NHG level to facilitate the poor to save and to provide them cost effective and easy credit.
- Thrift and credit Societies facilitate easy and timely credit to the un-reached.
- A member can avail loan up to a maximum of four times of his savings. The amount of loan and the priority of disbursement are decided by the NHG. The repayment is collected weekly during the routine NHG meetings.
- The income towards interest from thrift is generally used for re-lending.
- Thrift and credit societies organised by the Kudumbashree are fastly growing as Informal Banks of the poor women at their doorsteps. Most of the thrift societies are now capable of providing assistance even to income generating activities.

BANK LINKAGE PROGRAMME

- Efficiency and effectiveness of NHGs are to be verified on the basis of some objectively verifiable and easily identifiable parameters. NABARD has developed a 15-point index for rating NHGs on the basis of which they will be allowed to link with various banks under the Linkage Banking Scheme. Once the groups are linked, they will be eligible to receive finance in the ratio ranging from 1:1 to 1:9.

SOLID WASTE MANAGEMENT

- Kudumbashree has partnered with local bodies, Haritha Keralam Mission, Suchitwa Mission and Clean Kerala Company in waste management efforts.
- As many as 22,119 Kudumbashree workers has been deployed as Green Task Force members in 689 local bodies across the state.
- The workers will collect non-biodegradable waste from houses and institutions for recycling along with the local bodies concerned.
- They have been entrusted with the task of operating plastic shredding units set up by local bodies with the assistance of Clean Kerala Company.
- Suchitwa Mission and Haritha Keralam Mission will impart technical training to the Kudumbashree workers about the operation of the shredding units.
- Each Kudumbashree member will visit up to 300 houses to collect non-biodegradable waste against a user fee.

AGRICULTURE

- Just as women's groups are the backbone of the ongoing cleaning drives in Kerala's cities, similarly women's group farms can provide the key to reviving Kerala's rural livelihoods.
- Over the past 20 years, Kerala has set in place a unique system of group farming. In 2016, there were over 62,000 such farms across all 14 of Kerala's districts. Constituted of four to 10 members, the groups lease land and members pool their labour and capital to cultivate jointly, taking decisions collectively, and sharing costs, risks and returns equitably.
- Kerala's group farms embody basic principles: They are voluntarily formed, small sized, participative, and egalitarian.
- Constituted of women belonging to village neighbourhood groups, the farming groups are linked to area development societies at the ward level and community development societies (CDSs) at the panchayat level.
- Each CDS is registered as an independent society. They are supported by the State Poverty Eradication Mission or Kudumbashree Mission (K Mission), and the Kudumbashree network of CDSs (K network). This institutional structure provides the resilience which physical infrastructure alone cannot.

Benefits:

- The women used their earnings for investment, purchasing household goods, children's education, health-related expenditure, or settling family debts.
- Many of these women were earlier home bound with limited exposure to public institutions. They learnt to deal routinely with banks, agricultural extension services, land and input markets, and panchayats. Effectively, they moved from being mere farm wives to farm managers.

FINANCIAL INCLUSION

- The Kudumbashree movement has influenced in making the poor aware of bank linkage programmes, better utilization of the finances and in participating the collective process of self-help groups.
- SHGs are mainly women groups help them to enter formal financial system and thereby become socially and economically empowered.
- Micro finance has also work towards reducing dependence of poor borrowers on various informal sources of credit that are often notorious for the onerous terms at which they offer credit.
- Kudumbashree became the lifeline to many of the poor women in the state of Kerala. Resultantly, the women of the state have become active participants in the planning and implementation process of various ant poverty programmes.
- Corpus resources of the group have influenced the socio economic activities leading social capital formation through training and self-learning apart from mere financial transaction
- Empowering women contributes to social development. Economic progress in any country whether developed or underdeveloped could be achieved through social development.

MICRO ENTERPRISES

- 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.

TRIBAL DEVELOPMENT

- The Tribal special project is an initiative of Kudumbashree in collaboration with the Tribal department to address the special issue of the tribal population of the state, in a systematic manner.
- The project primarily targets at bringing the marginalized tribals under the aegis of the Kudumbashree network and provide them with facilities which were otherwise less accessible or denied, as part of its poverty eradication mission.
- The objectives of the mission are planned to be achieved with the active convergence of various government and non government agencies as well as departments.
- It is a process for empowering local communities especially vulnerable groups like tribal and combining awareness creation, self organization and action so that communities can work for changes that will benefit the social, emotional, financial and physical needs of beneficiaries.

DESTITUTE FREE KERALA/ASRAYA

- In 2003, the Government of Kerala introduced a new project through the State Poverty Eradication Mission (Kudumbashree), catering to these unreachable poorest of poor, called Asraya.
- In 2017 Asraya the Asraya project which had seen many phases was restructured into a more comprehensive one time program called Agathirahithakeralam (Destitute Free Kerala).
- The beneficiary families are identified by the Community Development Societies (CDS), the apex body of the three – tier community organization of Kudumbashree, and later ratified by the local self government Institutes (LSGIs).
- Agathirahithakeralam is different from other poverty eradication projects in the sense that instead of focusing on a particular aspect of poverty, it endeavors to look into various dimensions of poverty.
- While many of the basic, developmental and psychological needs of an Agathirahithakeralam beneficiary family are taken care under the aegis of Kudumbashree, the other needs are satisfied by Government Departments like LSGIs, Health Department, and Public Distribution System etc.

CHALLENGES FACED BY KUDUMBASHREE

<p>STRUGGLE FOR POWER</p>	<ul style="list-style-type: none"> • The functionaries of CDS at panchayat level and of ADS at ward level have developed a spirit of competition with elected members of panchayat in several cases. • It is a fact that conflicts exist at the local level between CDS/ADS and PRIs, especially in controlling Kudumbashree units. • The increasing financial strength and autonomy of Kudumbashree and its potential to become the political training ground for women have started giving concern to many local government leaders.
<p>POLITICALIZATION</p>	<ul style="list-style-type: none"> • Members of NHGs are compelled to carry out work for political parties and instructed to attend meetings and rallies of political party which is in power of the concerned local government.
<p>SOCIAL EXCLUSION</p>	<ul style="list-style-type: none"> • Due to constraints on money and time, women from some of the poorest households found it difficult to play leadership roles, and some were unable to join the groups at all.
<p>OVERLOADING</p>	<ul style="list-style-type: none"> • Increasing workload assigned to the functionaries of the Kudumbashree make the members averted to the voluntarism • Considering the fact that most of Kudumbashree members are housewives having family obligations, continuous multiplication of task could be counterproductive in terms of efficiency in delivery.
<p>DELAYED SERVICES</p>	<ul style="list-style-type: none"> • There are cases of deliberately delaying the release of funds to Kudumbashree by the local governments and even diversion or non-release of funds meant for the programme. • This situation occurs when the relationships between CDS and panchayat get strained due to political or non political reasons.

CROSS BORROWING AND INDEBTEDNESS	<ul style="list-style-type: none">• Most of the households (around 50 percent) were found to have multiple memberships in other micro-credit organizations.• This enables them to double dip and to smoothen the timing of the repayment• In the absence of positive returns from microenterprises (as in the case of many non-agricultural activities), it could lead to more indebtedness among borrowers.
UNSUSTAINABLE MICRO ENTERPRISES	<ul style="list-style-type: none">• The field survey reveals that about 80 percent SHG members who are running micro enterprises lack entrepreneurial skills.• Above 60 percent enterprises are found to be unsustainable but continue to operate to avail the subsidy and other facilities from government.• Over 38 percent of the respondents complained that they have been facing stiff competition from enterprises of neighboring Kudumbashree.
MICRO CREDIT: LACK OF MONITORING	<ul style="list-style-type: none">• There is no proper follow up or monitoring mechanism to ensure that the loan is used for the declared purpose• around 15 percent members who take loan from Thrift and Credit Society as well as from banks through bank linkage programme do not use the fund for the purpose for which the loan is availed.• Few members re lend the money at the interest rate to others.

CONCLUSION: Kudumbashree is a programme that has a uni-directional approach, a single goal in mind. As years passed, the need of the times too changed. When it started off, the main aim was to eradicate poverty through savings. Once this was achieved, the next aim was to provide women with skills to run a business of their choice, one which would ensure a steady income of their own. It has included other marginalised people into the organisation like tribals and transgenders. Kudumbashree has potential to make India better and achieving SGDs.

...Lead with Edge...