



Kudumbashree - An Economic Security to Rural Women: A Case Study

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Kudumbashree (Self Help Groups), the state poverty eradication mission initiated by the government of Kerala in India is an alternative to the commercial model of microfinance institutions in the country. The basic idea behind Kudumbashree is the social responsibility of the community to reduce poverty. In this sense the very concept of Kudumbashree has its bearings in the culture of togetherness which makes Kerala unique.

Introduction

The big bang decentralization of Kerala came in two bursts in transfer of powers to local governments. First in October 1995 when the decision to transfer most of the development institutions to local governments along with staff was taken and the second in August 1996 when the decision to transfer about a third of State Plan resources to local governments was announced and the People's Plan Campaign launched. Alongside it was decided to universalize the Anti-Poverty Programme of the State under the name of "Kudumbashree". The concept of Kudumbashree sought to match the energy of the self help group movement with the need for a community platform to interface with local self governments.

Kudumbashree strives to develop the model of a micro finance led financial security process into a more comprehensive model of local economic development under the aegis of local governments. This would hopefully sustain the transformation of the local governance agenda from welfare to entitlement. Such a transformation does not come about easily and requires rewriting established administrative and development practices. It requires the community acquiring voice and being heard. It requires institutionalizing processes that allow for participation and meaningful contribution. And when we speak of community we speak of the people for whom government is a palpable entity influencing the quality of their lives, as well as of the people on the periphery, both social and physical, for whom manifold deprivations have snuffed out hope of change. We speak of the women who are finding, through collective endeavours, the stepping stones leading from participation to citizenship in its truest sense. It is through the realization of citizenship that Kudumbashree would be able to significantly address issues of equity and justice.

Case Study

Name of SHG: OM SHAKATHI, Kidagavila, Athiyanoor Gram Panchayat, Kerala

Members : 16

History of the group

The case study was conducted in the year 2013, Smt. Rajam gave a spark in the mind of some women in that area. She explained the benefits they can gain from a Self Help Group (SHG). From this motivation they started the Kudumbasree unit with 13 members. Then the members started increasing by seeing its benefits with at present 16 active members. The main objective of this kudumabashree is women empowerment and poverty alleviation.

Status and Working

Now the unit has 16 members. Weekly meetings were held on every Fridays at 3-4 pm in any of the member's house wherein review of work during the week was discussed. Each week responsibilities were allotted to different members in case of any need, the members could apply for a loan from the deposit for a maximum of Rs. 5000, addition to this, they also raised a common monthly fund of Rs. 10, penalty amount /profit amount etc which is used to meet the marriage expenses, giving free note books to school children's etc. The group also maintained a register book, savings passbook and minutes report.

During the weekly meetings, the unit president delivers welcome speech, and then the secretary informs about that week's account matters. If any member having ideas opinion or any disagreements in any of the activities or plans in their units, they can suggest their views, at the end of the meetings any need for financial assistants can be addressed. On 5th day of every month the account book should have to be referred to the panchayath.

Group activities

1. **Banana cultivation** : By taking loans from the banks and getting assistance from province agrosysstenms
2. **Vegetable cultivation** : Different vegetables were cultivating in their own land and leased land by getting assistance from vfpck
3. **Rice selling shop**: The unit bought rice in bulk quantity and sold it among the members and also to outsiders.
4. **Chit funds**: The members deposit chit funds of Rs.50 monthly. At the end they can withdraw it as huge amounts for their needs such as marriage, construction of houses, hospital payments etc.

Level of success

Om Shakthi is a successfully running kudumbasree unit. From this unit the members gained financial and social stability to some extent.

Benefits of the group**1. Social benefits**

It developed a unity among the women. It empowered them. By the empowerment of women, whole family and then the society was empowered. Whenever a member faces a problem, the group supports the person. They also have some social responsibilities. They give financial support to poor for hospital treatment. Poverty alleviation is their main aim. They attend funeral ceremonies, marriages, festivals like Onam, Christmas etc.

2. Personal benefit

They earn some amount for their family. Leadership quality was developed. By taking responsibilities their skill and confidence level were enhanced. They learn to manage money. Through training programmers they acquire new skills. Time was utilized in an effective manner. Their personality and standard of living were improved.

3. Economical benefits

The members get interest from the deposits of the unit. Profits from various activities were divided among the members.

SWOT analysis

1. Strength

Team work, Leadership, 16 active members, Willing to start new enterprises, Support from samagra, Support from family, Loan availability, Diversified activities, Free training courses from District mission.

2. Weakness

Lack of education, Lack of assistance from the technically skilled persons, Lack of their own building.

3. Opportunity

Loan availability, Availability of matching grants and subsidies, Increasing demand for their products, less competition.

4. Threat

In availability of loans on time, pest and disease attack in banana and vegetables. Perishability of agricultural produce.

Conclusion

SHG brought a level of satisfaction among the members. Each member felt a real freedom. They became more social. Full support was realized among their families as well as from the society they lived.
