

# A Study on the Kudumbashree Self Help Group (SHG) and the Pradhan Manthri Awas Yojana(PMAY)

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**Abstract** —“Kudumbashree” is a word in Malayalam which means prosperity of the family. One of the role was played by the Self Help Groups (SHG’s). In Kerala Kudumbashree programme was implemented by the Government of Kerala primarily for eradication of Poverty and empowerment of women. The slogan of the mission is “Reaching out to families through women and reaching out to community through family”. Kudumabashree has now become the benchmark for all other Self Help Groups (SHG’s). This paper focuses on the effectiveness of Kudumbashree for the implementation of the housing scheme Pradhan Manthri Awas Yojana (PMAY) in Kerala. A comparative study is made between the housing schemes Pradhan Manthri Awas Yojana (PMAY) and Livelihood Inclusion and Financial Empowerment (LIFE). Through this paper we have analysed the impact of the recent floods that hit Kerala in 2018 and the destruction caused to the houses constructed through PMAY and non-PMAY.

**Keywords**— *Kudumbashree, Pradhan Manthri Awas Yojana, Livelihood Inclusion and Financial Empowerme, Cluster Ananlysis and Hotelling’s T-square statistic.*

## I. INTRODUCTION

Poverty is one among the serious problems faced by most of the developing and underdeveloped countries in the modern world around the globe. But the problem of poverty can be tackled effectively if there is a constant support by the government. Increasing population growth is one of the significant factor for poverty in India. Poverty further increases the effects of certain factors like illiteracy, child labour, unemployment and related problems. This leads to various problems such as increasing crime rates, suicidal rates, human trafficking etc.

### Empowerment of Women

Women’s empowerment refers to the process by which women are given the necessary resources so that they gain self- confidence and thereby increasing their social standing in the society. This could lead them to earn higher wages, owning land or a small business or investing in their child’s education thereby increasing the role of women in the family. Women’s employment in family, farms, home or business are generally not recognized as productive. Past studies shows that women empowerment is the best strategy for poverty eradication.

### The Need of Self Help Groups (SHG’s)

The concept of microfinance has improved the life of women tremendously and has also brought women into the main

stream of national development. The Self Help Groups were a medium for empowering rural women so that they can easily get access to banking, insurance and entrepreneurial skills. The scheme of microfinance through SHG has transferred the real economic power in the hands of women thereby reducing their dependence on men. The development of any nation is possible only when women is considered as equal partners with the men.

### Kudumbashree: Women the Way Out of Poverty

Kudumbashree is a programme which was implemented by the State Poverty Eradication Mission (SPEM) of the Government of Kerala focussing on poverty eradication and women empowerment. The Government of Kerala had passed new Acts for panchayats and urban local government following the 73<sup>rd</sup> and 74<sup>th</sup> constitutional amendments. The name Kudumbashree in Malayalam means ‘Prosperity of the Family’. Kudumbashree women community network has a three-tier structure which has Neighbourhood Groups (NHG’s) at the lowest level, Area Development Societies (ADS) at the middle level and Community Development Societies (CDS) at the local government level.

Kudumbashree scheme aimed at improving the standard of living of poor women in rural areas by setting up micro-credit and productive enterprises. The programme distinguishes itself from other government agencies by

enforcing accountability through a unique three-tier system of local governance. Kudumbashree has a three tier structure. The first is the basic unit: the neighbourhood groups (NHGs) at the grassroots level, Area Development Society (ADS) at the ward level and the Community Development Society (CDS) at the village, town or municipality level. The idea of Community Development Society (CDS) and its structure could be traced back to programme by Government of India supported by UNICEF initially called as Urban Basic Services (UBS) which later came to be known as Urban Basic Services for the Poor (UBSP), implemented by the state of Kerala. Kudumbashree today is one of the largest women empowering project in the country. The programme has 39.97 lakh members and covers more than 50% of the households in Kerala. The grassroots of Kudumbashree are the Neighbourhood Groups that send the representatives to the ward level Area Development Society (ADS). The ADS sends its representatives to the Community Development Society (CDS), which completes the three-tier structure of Kudumbashree. Presently, there are about 2058 Lakhs NHGs over 19,854 ADSs and 1073 CDSs in Kudumbashree. It very much goes by the motto of Kudumbashree which is based on women empowerment through community based organisation. Rather than following a programme approach it follows a procedure approach. The slogan of the mission itself is “reaching out to families through women and reaching out to community through families”.

### **Pradhan Manthri Awas Yojana (PMAY) Affordable Housing: The need of the Hour**

Safe and secure shelter is one of the basic needs of every human being. The right to shelter has been recognized as one of the fundamental right. Article 21 of the Constitution of India which defines the protection of life and personal property also mentions about the right to shelter and right to livelihood which is also significant to the dignified living of an individual.

At least 23 million people are homeless in India. Despite a growth in the economic progress of the country, there is a shortage of 18.78 million houses in the country. During the last decade, fast paced industrialisation has led to unprecedented development with rural-urban migration, and metro cities swarming with increasing population thus pressuring the available housing stock. Thereby a mismatch in the demand and supply of both quantity and quality of housing soon became a commonality in the real estate industry.

To solve the problem of housing issue of the poor people in India the government of India as well as the State governments have initiated many projects. Most of the initiated projects has been successful yet the number of homeless increases day by day. Urbanization of nearby villages and urban – rural migration have triggered the issue

of urban houseless poor. Though several programmes has been initiated for the eradication of this problem. A comprehensive solution for the same has not been reached. Now, Prime Ministers Awas Yojana (PMAY) occupied the place of various housing projects to find a comprehensive solution for the issue of urban homeless.

### **The Devastating Monsoon Floods in Kerala**

The South Indian State of Kerala was affected by torrential rain, beginning on 9 August 2018, due to the unusual high rainfall during the monsoon season. The severe flood affected the State of Kerala very badly. It was the worst flood in Kerala in nearly a century. As a result around 483 people died, 14 are missing and many people lost their house and their lives. Red Alert were placed for all 14 districts of Kerala.

Chapter II outlines the Objective of the study.

Chapter III lists the related works in the form of review of literature.

Chapter IV illustrates the analysis of the data.

Chapter V gives the conclusion of the research work.

## **II. OBJECTIVES OF THE STUDY**

The study critically analyses the influence of micro enterprises run by the Kudumbashree units in poverty eradication process and to compare the economic status of entrepreneurs before and after their membership in the enterprise. The specific objectives of the study are:

- 1) To study about the housing schemes Pradhan Manthri Awas Yojana (PMAY) and Livelihood Inclusion and Financial Empowerment (LIFE) through Kudumbashree.
- 2) To analyse the impact of flood for the houses constructed through Pradhan Manthri Awas Yojana (PMAY) and non PMAY in the flood hit districts of Kerala.
- 3) To examine the role of Kudumbashree in the working of Pradhan Manthri Awas Yojana (PMAY)
- 4) To analyse the impact of Pradhan Manthri Awas Yojana (PMAY) and Livelihood Inclusion and Financial Empowerment (LIFE) in construction of houses for Homeless and Homeless & landless.
- 5) Analysing the problems involved and suggestions of resolving them.

## **III. REVIEW OF LITERATURE**

In this chapter an attempt is made to review some of the available studies on the working of Kudumbashree Self Help Group (SHG) and the Pradhan Manthri Awas Yojana (PMAY) and LIFE schemes The review of literature is undertaken with a view to study the status of research on the subject and also to study the programmes and how far they have achieved their objectives. Sustainability of Women Empowerment through Kudumbashree highlights the

relationship between gender equality and empowerment of women which plays a crucial role for achieving progress in all areas [1]. Through the course of the research they have indicated how Kudumbashree became the “lifeline” to the poor people in the state of Kerala. They have firmly concluded that the Kudumbashree programme could bring about radical changes in the lives of the poor sections of the society in the years to come.

Women Empowerment through Kudumbashree has found that the ‘thrift’ and ‘Credit’ operation of Kudumbashree which acts as the prime strategy of women empowerment. Over the years, they are growing as informal banks at the doorsteps of the poor women. Thrift and credit operations of Kudumbashree function well in rural areas in the district compared to the urban counter parts[2].

The role of Kudumbashree Micro Enterprises in alleviation of poverty with special references to their Marketing Strategies which talks about the holistic approach to tackle the multiple manifestations of poverty [3]. The study also discuss the role of Kudumbashree in alleviating poverty with special reference to their marketing strategies. Kudumbashree micro enterprises perceptibly depict how grass roots-level activities are essential for women’s active participation in social and economic life.

Kudumbashree plays an important role in financial inclusion since the management of Kudumbashree is a professional one and it is acclaimed as a model scheme. The main objective of the study is to analyze the impact of kudumbashree units on financial inclusion and the usage of modern banking services by the kudumbashree members. The result shows that after joining kudumbashree their access to banking service has increased. [4]. It has led to them going to banks and setting up accounts. Kudumbashree distinguishes itself from other government agencies by enforcing accountability through a unique three-tier system of local governance that begins from the neighbourhood groups at the grassroot level, Area Development Society at the ward level and finally the Community Development Society at the village, town or municipality level.

Kudumbashree members show independency by achieving satisfaction on self-activities, creating oneself essential to the family, determination issues with the help from cluster members at the time of issues etc [5]. They have also concluded that the Kudumbashree members achieved a state of psychological authorization to some extent.

The role of extension education on Kudumbashree Activities have come up in response to the weaknesses in public research and extension system, have given enough indications of the emergence of an agricultural innovation system in India [6]. This has resulted in the blurring of the

clearly demarcated institutional boundaries between research, extension, farmers, NGO’s and Private enterprises. It also has to create competent institutional models to improve the overall performance of the innovation system. Inability to play this important role would marginalize extension further.

An economically active woman with her own independent savings has more economic power and this makes a higher bargaining power within the household, thereby making her more empowered and likely to challenge the prevailing norms that restrict her ability to make choices [7].

Women’s empowerment has a powerful influence on family, norms, values and ethical laws that govern such communities [8]. It is a vital strategy for development efforts. The rural women in Self Help Groups (SHG’s) who recognized as a major element for survival and growth of the backward people. The experts and academicians focus primarily on the quality of women Self Help Groups (SHG’s) they reviewed the trend in a positive way. The majority of such literature explained the background of SHG’s, its management used in micro financing.

Women empowerment as a developmental goal is based on a dual argument that social justice is an important aspect of human welfare and is intrinsically worth pursuing and that women’s empowerment is a means to other ends [9].

The mission of Pradhan Manthri Awas Yojana (PMAY) in India is to provide central assistance to implementing agencies through States and UTs for providing houses to all marginalised and poor families till 2022 [10]. However, the programme has many inherent limitations and has been labelled as merely campaign for the government lacking sustainable elements.

While creating awareness and publicity about the Pradhan Manthri Awas Yojana (PMAY) scheme, many were lacking among the actual beneficiaries, the lack of documents, paucity of margin money, land related issues were few other issues and challenges identified by the housing finance institution officials in completing the housing loan procedural formalities [11]. They came to the conclusion that more coordination among and central nodal agency officials will help in making PMAY successful. In the book Housing and Social Policy, argues that conditions of the housing should be comprehensively understood to include not only physical aspects of the dwelling unit, but also control over living conditions and the cost of housing in its relation to its perceived value and ability of the economy to meet the expenses [12]. The facilities that go along with housing include the conditions of the surrounding neighbourhood, access to education, social life, access to community facilities and employment.

Housing Problem in India: Economic and Social Aspects feels that the housing problem is deep and could prove a Waterloo [13]. This book discusses certain important implications and intricacies of the Indian housing problem such as the rural-urban dichotomy in housing. It considers factors such as the disparity between the supply and demand for housing and examines the validity and effectiveness of organized efforts made to tackle this situation. This tries to show that the real roots of the housing problem lies in population explosion, urban expansion and widespread poverty.

Hand Book of Low Cost Housing deals with the low cost housing. In recent years, there is a growing emphasis on low cost housing to meet the housing requirements of the millions in the country [14]. This book makes an attempt to bring in various issues related to low cost housing under one umbrella, such as innovative cost effective construction techniques and materials, availability of land due to several legal complications, up gradation of slums and squatter settlements, low cost infrastructure services, rural housing scenario and measure to be adopted for making safe and durable houses in areas prone to natural disasters.

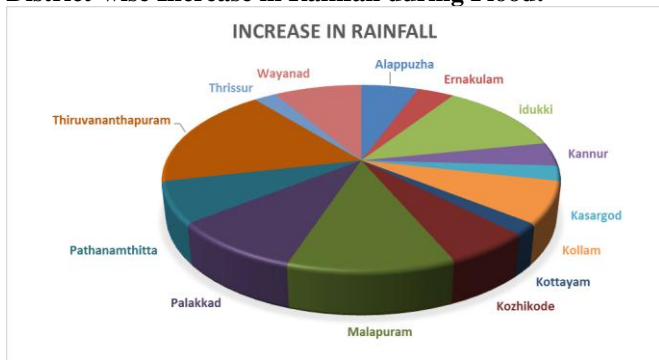
**IV. METHODOLOGY AND ANALYSIS**

The data is about percentage increase from normal rainfall to actual rainfall (% **increase**) during 2018 Kerala flood and total number of houses destroyed in flood (**TOTAL HOUSES DESTROYED**) for 93 Urban Local Bodies(ULB's) in 15 districts. The Urban Local Bodies (ULB's) are clustered using Hierarchical clustering by Euclidean distance and average linkage method.

The data is taken from:

- <https://www.thenewsminute.com/article/last-7-days-kerala-has-seen-257pc-more-rainfall-normal-86684>
- <http://www.kudumbashree.org/pages/669>

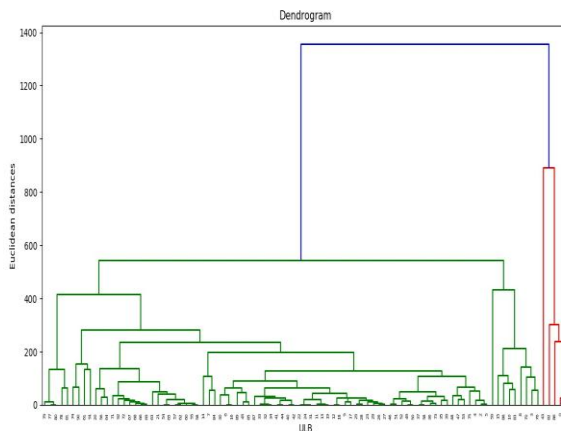
**District-wise Increase in Rainfall during Flood:**



A **pie chart** (or a circle chart) is a circular statistical graphic, which is divided into slices to illustrate numerical proportion.

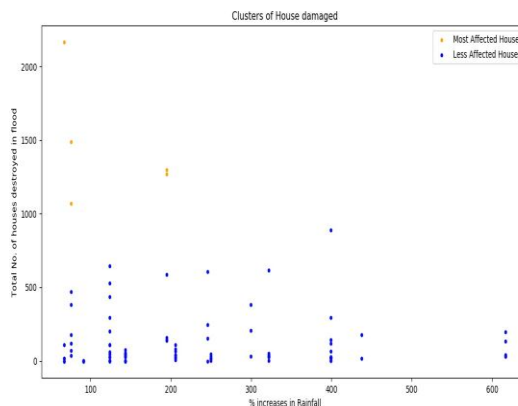
The above pie chart represents the percentage increase of rainfall during the 2018 flood in 14 districts of Kerala.

**Dendrogram:**



A *dendrogram* is a diagram that shows the hierarchical relationship between objects. It is most commonly created as an output from hierarchical clustering. The main use of a dendrogram is to work out the best way to allocate objects to clusters. Here the dendrogram illustrates the arrangement of the clusters of 93 ULB's by percentage increase in rainfall and total number of houses destroyed in the flood.

**Clustering:**



**Hierarchical clustering**, also known as *hierarchical cluster analysis*, is an algorithm that groups similar objects into groups called clusters. The endpoint is a set of clusters, where each cluster is distinct from each other cluster, and the objects within each cluster are broadly similar to each other. For the above cluster, we used Euclidean distance and Average linkage method to cluster the most affected and least affected houses in the flood. The

percentage increase in rainfall and total number of houses destroyed in flood are the concerned factors.

**Hotelling’s T-square statistic:**

The clustering number of Urban Local Bodies (ULB’s) are 1,2,44,83,87, According to the clusters we take the data for Table 1: LIFE and PMAY in *Landless* and *Homeless & Landless*

s.no.	Districts	ULB	LIFE-Landless	LIFE-Homeless & Landless	PMAY-Landless	PMAY-Landless & Homeless
1	Alappuzha	Alappuzha	135	3963	17879	10325
2	Alappuzha	Mavelikkara	40	520	5927	4835
44	Kottayam	Changanassery	104	1188	976	1088
83	Thrissur	Chavakkad	22	232	1085	85
87	Thrissur	Irinjalakkuda	90	781	587	164

Table 2: Normality fit

LIFE-Landless	LIFE-Homeless & Landless	PMAY-Landless	PMAY-Landless & Homeless
4.905275	8.284757	9.791365	9.242352
3.688879	6.253829	8.687189	8.483533
4.644391	7.080026	6.88295	6.991637
3.091042	5.446737	6.989335	4.442651
4.49981	6.660575	6.375365	5.098646

Checking multivariate normality for LIFE:

p-value = 0.05395

Here p- value is greater than 0.05, hence it follows multivariate normality.

Checking for multivariate normality for PMAY:

p-value = 0.5828

Here p- value is greater than 0.05, hence it follows multivariate normality.

Hotellings t-square for LIFE and PMAY:

**Null hypothesis:**  $H_0: \mu_1 = \mu_2$

There is no difference between the housing scheme LIFE and PMAY corresponding to Homeless and Homeless & Landless

**Alternative hypothesis:**  $H_1: \mu_1 \neq \mu_2$

There is a difference between the housing scheme LIFE and PMAY corresponding to Homeless and Homeless & Landless

Here the Hotelling’s t square value is **48.672** and the table value is **4.737414**. Hence the calculated value is greater than tabulated value. Thus we reject the null hypothesis and there is a difference between the housing scheme LIFE and PMAY corresponding to Homeless and Homeless & Landless.

**V. CONCLUSION**

It is evident from the study that the Kudumbashree project in Kerala has made instrumental changes in the economic, social, cultural, personal and familial empowerment of members. In spite of the different constraints and challenges women empowerment has raised the status of women in the society through SHG’s. The poverty eradication mission Kudumbashree has evolved as a strategic tool for poverty eradication and women empowerment in Kerala through various multiple schemes to reach out to people and to enhance the standard of living.

Kudumbashree has become the lifeline to many of the poor women in the state of Kerala. Through the various income generating cum developmental activities the confidence and morale of women became very high. Women who were regarded as voiceless and powerless started identifying their inner power, strength, opportunities for growth and their role in reshaping their life. An insight is provided into the activities of Kudumbashree community organization network, which is present in all the 999 Gram Panchayats, 53 municipalities and 5 corporations in Kerala. Kudumbashree mission has been recognised as one of the largest women empowering project in India that has got laurels around the globe.

The study focusses on the implementation of the housing scheme Pradhan Manthri Awas Yojana (PMAY) and the progress of the programme. We have also analysed the impact of the flood for the houses constructed through Pradhan Manthri Awas Yojana (PMAY) and non PMAY in the flood hit districts of Kerala.

We have also analysed the district wise increase in rainfall during the kerala flood in the form of a pie chart. The findings of the study reveals there is a significant difference between the housing scheme LIFE and PMAY corresponding to Homeless and Homeless & Landless. The result indicated a highly significant difference between the two groups LIFE and PMAY.

All of these are the brighter face of the Kudumbashree programme which is unique and one of the major step initiated by the government of Kerala for the improvement in the socio economic changes in the under development society by the ways of financial inclusion. The study has provided an insight on socio economic status of members of Kudumbashree who are working on daily wages. Hence the study concluded that some improvement is evident in Kudumbashree members but the journey is to be continued with more efforts so as to attain a higher achievement.

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