

The Micro credit and Rural Micro enterprise scenario in Kerala: A study on 'Kudumbashree'

A Case Study of rural Thiruvananthapuram

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INTRODUCTION

Kudumbashree is an innovative, women-centred state poverty eradication programme being carried out since 1998 and 2000 in rural and urban areas of the State respectively. It aims at eradicating absolute poverty, within a definite time period, under the leadership of Local Self Governments. The Mission launched by the State Government under the active support of Government of India and the National Bank for Agricultural and Rural Development (NABARD) has adopted a different methodology in wiping out absolute poverty by organising the poor into community-based organisations.

EXECUTIVE SUMMARY

Women have been identified as carrying the burden of poverty and apparently this seemed to be the reason why they have been put in the spotlight of development agencies. Kudumbashree's different strategy of addressing the problems of needy women is interesting. Earlier poverty alleviation programs in India had been criticized for applying a strict 'top-down' approach, which was said to limit the practices and progresses of the programs. In contrast, the main idea of Kudumbashree was to change the situation of the poor 'from below' by giving support and to make possible incentives for action on grass root level through a participatory approach. The idea of decentralization permeates the structure of the Community Based Organization (CBO) in Kudumbashree and attempts to secure participation at grass root level through division of the project into three levels namely, Neighbourhood Groups (NHG), Area Development Society (ADS) and Community Development Society (CDS)¹.

Kudumbashree accomplishes its mission to economically strengthen poor women through the system of collective thrift accounts in the neighbourhood groups. Another side of economic empowerment is the setting up of micro enterprises with which the women can carry out various activities. The weekly thrift collection is conducted at the 'Ayalkootam' (neighbourhood group) meetings and with this the women have access to an informal banking system. The micro enterprise activity exists both at the urban as well as rural levels. This paper studies the activities of two such rural micro enterprises in the capital of Kerala – Thiruvananthapuram.

The activities of 'NUTRIMIX' PRODUCTION and GOAT REARING are studied in this paper. Nutrimix is a baby food supplement and Kudumbashree women are actively involved in the production and supply of this commodity to the 'anganwadis' (government nurseries) in the district. The costs and benefits of this enterprise are studied in detail and the problems that these women face

have been discussed. The second enterprise, Goat rearing, has also been critically analysed in detail to find out the costs, benefits and problems. Kudumbashree is doing a brilliant job at empowering the women of Kerala, both socially as well as economically. But there is a need to analyse its activities especially the micro enterprise scene. Each enterprise needs to be studied and monitored in order to improve its efficiency and to achieve its goal of economically stabilizing the women and wiping out absolute poverty.

THE FACETS OF KUDUMBASHREE

The advantage of Kudumbashree stems from its unique approach to identify the poor, by using a multi- dimensional index, rather than just a mere shortfall in income. Kudumbashree uses nine indicators in the urban areas to identify the poor households and these factors are known as the 'risk factors'. These risk factors seem to reflect the notion of 'capability poverty'ⁱⁱ.

A household is considered poor, if it possesses four or more of the nine factors. The combination of any four risk factors provides 126 ways of identifying a poor household. The revised risk indicators used in Urban Areas areⁱⁱⁱ:

1. No land / Less than five cents of land.
2. No house / dilapidated house.
3. No Sanitary Latrine.
4. No access to safe drinking water within 150 meters.
5. Women headed household / Presence of a widow, divorcee / abandoned lady / unwed mother.
6. No regularly employed person in the house.
7. Socially Disadvantaged Groups (SC / ST).
8. Presence of mentally or physically challenged person / Chronically ill member in the family.
9. Families without colour television.

Just like how identification of poor families using a non-monitory poverty index is a facet of the institution, organising the poor to a three tier Community Based Organisation (CBO) and empowering the women through these CBO's is another part of Kudumbashree's working model.

STRUCTURE OF CBO'S IN KUDUMBASHREE^{iv}

a) Neighbourhood Group (NHG)

The lower most tiers constitute the Neighbourhood Group consisting of 20-40 women members selected from the poor families. These NHG's are also called 'Ayalkootams' (meaning 'neighbourhood' in Malayalam) by the women. Meetings are convened on a weekly basis in the houses of NHG members. In the meeting the various problems faced by the Group members are discussed along with suggestions for improving the situation. In the weekly meeting all the members bring thrift, which will be collected and recycled to the system by way of sanctioning loans. Five volunteers are selected at this level: the Community Health Volunteer, Income generation activities volunteer, Infrastructure Volunteer, Secretary and the President. They look into the respective activities and problems of their groups.

b) Area Development Society (ADS)

The second tier is Area Development Society which is formed at the ward level by federating 10-15 NHG's. The ADS function through three distinct bodies:

General Body: It consists of the five volunteers and all the NHG's a part of it.

Governing Body: It is constituted by electing a President, Secretary and a five member Committee from the General Body.

Links with the Local Self Government: In Grama panchayats the ward member is the patron of the ADS and in Urban Local Bodies a separate Monitoring & advisory Committee is constituted with the ward Councillor as the chairperson.

c) Community Development Society (CDS)

At the Panchayat / Municipal level a Community Development Society (CDS), a registered body under the Charitable Societies Act is formed by federating various ADS's. It too includes three distinct bodies:

General Body: It consists of all the ADS Chairpersons and ADS Governing Body members along with representatives of Resource Persons and Officers of the Local Body involved in the implementation of the Poverty Alleviation and Women Empowerment Programmes.

Governing Body: It consists of President, Member Secretary and five selected Committee Members. Other Government Officials and representatives of Resource Persons will be nominated to the Governing Body.

Links with the Local Self Government: In the rural areas, the President of the Panchayat is the patron and in the Urban Local Bodies, a monitoring & advisory committee is constituted with the Mayor/ Municipal Chairperson as Chairperson.

The advantage of this three tier system is that it is managed wholly by the representatives of the poor and has the leverage of a non-governmental organisation, which helps in channelising additional resources from various sources both internal and external. It facilitates both autonomy and effective linkage with the Local Bodies.

The neighbourhood groups formed at the grass root level are providing a social platform for poor women to express their concerns, discuss their problems and search for better opportunities, which they think will improve their own living conditions. Through this greater interaction among the poor women, they will be in a position to come up with micro plans that will suit their local conditions and capability. These micro plans, voiced out at the NHG meetings, are scrutinized to form a 'mini plan' at the ADS level. Further Various 'mini plans' prepared by the Area Development Societies are integrated to form a CDS plan at the Local Government level. In fact, this CDS plan becomes the anti poverty sub plan of the village panchayat or the municipality^v.

MICROCREDIT

Kudumbashree promotes thrift mobilisation by setting up Thrift and Credit Societies at NHG level to facilitate the poor - to save and to provide them cost effective and easy credit. The NHG's hold weekly meetings during which all the members come together and deposit their weekly sum, which ranges from unit to unit. The sum is fixed according to the amount the poorest person in the group can contribute every week. This sum has to be compulsorily remitted and if this is forfeited a fine is charged with the amount due. The income towards interest from thrift is generally used for re-lending. The most important aspect of the thrift and credit societies is the prompt repayment of loans^{vi}.

INFORMAL BANKS

Thus, NHG's act like informal banks of the poor women, at their doorsteps. The money collected by the group is loaned to needy women in the group at a nominal interest rate of Rs 2 per Rs 100. No collateral is required for these loans and there is prompt repayment due to pressure from the group. Therefore these informal banks enable the women to deal with their financial difficulties and overcome tough times.

Status Report of NHGs and Thrift & Credit as on April 2008^{vii}

Thrift and Credit Operations (Amount in crores)

	District	No. of GPs	No. of NHG	No. of ADS	Thrift	Credit	
1	Thiruvananthapuram	78	16744		1259	96.62	212.62
2	Kollam	71	12165		1214	67.94	151.27
3	Pathanamthitta	54	6447		730	34.34	68.15
4	Alappuzha	73	13247		1113	76.21	172.9
5	Kottayam	75	10926		1153	54.47	104.6
6	Idukki	52	9160		750	59.38	148.76
7	Ernakulam	88	13020		1352	64.85	217.28
8	Thrissur	92	15631		1354	87.79	326.86
9	Palakkad	91	19922		1435	99.45	266.37
10	Malappuram	102	14467		1845	81.69	124.52
11	Kozhikode	78	14433		1309	102.04	258.28
12	Wayanad	25	7316		434	31.87	100.58
13	Kannur	81	11020		1264	65.93	220.02
14	Kasargode	39	5575		646	35.29	139.33
	TOTAL	999	170073		15858	957.87	2511.54
15	Urban (58 ULBs)		13387		1101	56.35	64.6
16	Tribal NHGs(9Dist)		2314			5.79	13.46
	GRAND TOTAL		185774		16959	1020.01	2589.6

LINKAGE BANKING

"NABARD has developed a 15 point index for rating NHG's 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- and the assistance so received can be utilised by groups for internal lending and taking up of micro enterprises. The criteria for the linkage banking programme are composition, age of the group, weekly group meetings, attendance, minutes of the meetings, participation in group discussion, frequency of savings, savings and loan recovery, style of functioning and group discussions, interest on loans, utilisation of savings on loaning, recovery of loans, books of account and bye laws/group rules"^{viii}.

Status of Linkage Banking as on April 08^{ix}

Name of District	NHGs Graded	NHGs Linked	Loan Disbursed (Rs in Lakhs)
1 Thiruvananthapuram	13538	9926	3976.8
2 Kollam	9546	9318	7115.48
3 Pathanamthitta	4467	2696	3796.56
4 Alappuzha	10227	10160	5863.42
5 Kottayam	4520	4261	2979.86
6 Idukki	4930	4719	3564.08
7 Ernakulam	10437	8961	4392.71
8 Thrissur	8200	7605	4732.1
9 Palakkad	14268	11675	5433.51
10 Malappuram	5320	4772	1966.48
11 Kozhikode	11666	6764	4487.18
12 Wayanad	6029	5429	4229.97
13 Kannur	8517	4640	2003.68
14 Kasargode	4329	3087	1599.94
TOTAL	115994	94013	56141.76

MICRO ENTERPRISES

The most widely publicised feature of Kudumbasree is the setting up of micro enterprises using local resources as well as skills. Micro enterprise development is viewed as an opportunity for providing gainful employment to the people below poverty line and thereby improving their income and living standard. Various commercial as well as co operative banks are extending loans to Kudumbashree groups for starting productive activity. These micro enterprise groups are different from the NHG's or 'Ayalkootams'. Members from various NHG's in an area come together and form an enterprise group. These women go for training programmes related to their activity to upgrade their skills as well as to get introduced to new areas where local demand is high. Thus, this programme aims at combining the local demand with local resources as well as aims to maximise local linkages. It implies development of managerial skills, productive and marketing skills which are important for the women to take decisions affecting their own productive activity and lives. Almost 97 activities are undertaken by the various Kudumbashree micro enterprise groups in the state and these vary from catering services, dairy units, hotels, ethnic delicacies, garment units, goat rearing etc^x.

Micro enterprise involves identification of innovative and creative activities suited to the specific environment in which the poor people are living, which try to solve the problems faced by the community and also by using the technological know how already available. Micro enterprise development is a means for empowering women, especially economic empowerment. These Micro enterprises are carried out on a group as well as on an individual basis at the rural and urban areas in all 14 districts of the state. This paper concentrates on 2 such Rural Micro Enterprises (RME) in Thriuvananthapuram district, namely, the Goat Rearing rural micro enterprise and Nutrimix rural micro enterprise.

RURAL MICRO ENTERPRISES (RME)

Though Kudumbashree programme was extended to the rural areas of the state during 2000-01, around 40,000 micro enterprises have already come up in the grama panchayats of Kerala under the aegis of the mission.

There are 20137 group micro enterprise units and 14684 individual micro enterprise units in the rural area^{xi}.

District	No. of Enterprises in rural area	
	Group	Individual
1 Thiruvananthapuram	5347	2353
2 Kollam	1574	4592
3 Pathanamthitta	277	1212
4 Alappuzha	1671	261
5 Kottayam	1271	965
6 Idukki	3527	1190
7 Ernakulam	685	121
8 Thrissur	155	4
9 Palakkad	660	1551
10 Malappuram	345	441
11 Kozhikode	2940	971
12 Wayanad	153	501
13 Kannur	1474	431
14 Kasargode	58	91
TOTAL	20137	14684

There are mainly 4 types of activity- groups and individual by Kudumbashree and Yuvashree or 50K groups.

Yuvashree group (or 50 K group) consists of both men and women in the age group 18-35 years. This is an initiative of Kudumbashree mission to provide work to the unemployed youth who are below poverty line. These people are given the freedom to start an enterprise in which they are interested and Kudumbashree supports them just like how it supports the other enterprises run by women.

SURVEY METHODOLOGY

After a discussion with Kudumbashree officials, it was inferred that not all rural micro enterprises are successful. The enterprise groups are provided a subsidy by Kudumbashree and once this is granted the bank sanctions a loan for carrying out their activity. In some cases, the subsidy amount is given to the members at the initial stage itself and sometimes it is credited to the loan repayment account. There are instances of units disappearing after receiving the initial subsidy or not functioning as it should be. There are units suffering major losses in some kind of enterprises.

Due to the sheer size of rural micro enterprise operations in the state, this paper is confined to rural Thiruvananthapuram. In Thiruvananthapuram, the main enterprises are catering, cow rearing, fish processing, goat rearing, hotel, coconut oil refining, nutrimix (food supplement) production, garment manufacturing and weaving. Out of all these activities, it was decided that two enterprises will be concentrated upon- to do a cost benefit analysis and to find out the problems specific to these enterprises and to rural enterprises as a whole. For this purpose, 'Nutrimix' production and goat rearing enterprises were selected.

Since 'Nutrimix' production is a relatively new enterprise and since it is supposed to be doing well it was decided that those panchayats having this industry will be considered. The second step in deciding the survey sample involved finding out which other common enterprise these 'nutrimix panchayats' had. It was seen that 4 out of the 7 'nutrimix panchayats' have a common enterprise of goat rearing. These panchayats are- Poovachal, Pazhaylakannummal, Vamanapuram and Vizhinjam.

Out of all the grama panchayats in Thiruvananthapuram, 41 have micro enterprises. Out of these 41, there are many with goat rearing and 7 with nutrimix but there are only 4 GPs having both of these.^{xii}

In Poovachal, there are 4 goat rearing units and 3 nutrimix units. In Pazhaylakannummal have 4 goat rearing units but only 1 nutrimix unit. Vamanapuram has 2 each of goat rearing and nutrimix units and Vizhinjam has 3 goat rearing and 2 nutrimix units. All these units are the rme group category.

Now, in the Yuvashree (50K) category, 7 panchayats have nutrimix units. However none of them have goat rearing. These 7 are: Aruvikkara (2), Kuttichal (3), Kulathur (2), Karakulam (1), Maranallore (1), Nagaroor (2) and Venganoor (2). However, out of these 7, 4 have the normal kudumbashree goat rearing

units. These are Aruvikkara with 2, Kuttichal with 3, Karakulam with 4 and Venganoor with 3.

Hence both the normal kudumbashree micro enterprise and yuvashree enterprises were considered. However only group units were included.

Therefore I have 8 panchayats with both nutrimix and goat rearing units. Out of these, only panchayats with at least 2 units of each enterprise were considered to obtain a proper result about that place. Therefore only 6 out of the above 8 qualified- Karakulam and Pazhaylakannummal were left out because they have only 1 nutrimix unit.

Thus, the final survey was done on these panchayats- **Aruvikkara, Kuttichal, Poovachal, Vamanapuram, Venganoor and Vizhinjam.**

SURVEY FINDINGS

NUTRIMIX MICRO ENTERPRISE

The food supplement industry in Kerala is growing at a very fast pace especially with Multinational companies coming to the forefront and it is at this juncture that Kudumbashree came up with the innovative idea of making the production of baby food a micro enterprise activity. After years of research by Kasargode District's Central Plantation and Crops Research Institute (CPCRI), the product 'Nutrimix' came into existence and a number of Kudumbashree enterprise groups are involved in its production in the state. In this scheme, the baby food supplement is produced and supplied to 'anganwadis' and 'balwadis' in specific area under the label 'AMRUTHAM' and through this system there is an assured market for their commodities. The product is made out of simple and freely available ingredients like Wheat, Bengal gram, Ground nut etc. and the product has proved to be very successful in the pilot survey when it was supplied to the underweight children in anganwadis of Bedadukka panchayat, and the children were able to gain normal weight within four weeks of the course.^{xiii}

The project objective is to set up five member activity groups of interested people from Kudumbashree network, preferably under the 50K scheme. The group will undergo training and will be provided with bank loan and subsidy. The group members need to lease or rent a building or facility of 1,500 sq ft for the purpose of the shed. They will have to buy the utensils, machineries and other equipments.^{xiv}

It was observed that in most of the Panchayats, one person from each NHG in a ward was selected after imparting training and assigned to work in the enterprise. All the women in the NHG's want the job but most of them are not able to go for the week-long residential training sessions and therefore are disqualified from taking part in the enterprise. Therefore it is not that a lot of women in the NHG's do not work either because they are too lazy or lack the initiative. These women are not included in the enterprise because:

1. They are not able to receive the training which usually occurs in distant places for a week.
2. There is not always a demand large enough to employ all the women in an NHG and therefore there is a need to exclude them.

The ones excluded, however are mostly given other opportunities of work .They are mostly involved in the running of small enterprises run by their respective

NHG's by using the weekly collection amount and the bank loan sanctioned to them.

Each nutrimix unit is assigned a particular block and their job is to cater to the demands of all the 'anganwadis' in the assigned panchayats in their respective block. Therefore the extent of their work depends on the supervisor of the anganwadis of their assigned block who places the order according to the needs of the children there.

The units, according to their need buy the provisions in bulk and gets it transported to their factory. Here they use their machinery to powder, husk and fry the provisions and then they pack and seal them and transport them to their assigned block. In the case of units with no machines they get the provisions powdered elsewhere.

COST BENEFIT ANALYSIS

Costs (for production of 1000kg)

PROVISIONS	Rs 25000 -27000 (approx)		
Rate per kilogram of provision		Amount of each provision required for 1 kilogram	
Wheat	Rs 14	450 grams	Rs 6.3
Soya	Rs 48	100 grams	Rs 4.8
Bengal gram	Rs 40	150 grams	Rs 6
Ground nut	Rs 52	100 grams	Rs 5.2
Sugar	Rs 19	200 grams	Rs 3.8
		Total (to produce 1 kilogram)	Rs 26.1

RENT Rs 1000-1500
 ELECTRICITY Rs 450-550
 TRANSPORTATION Rs 1000 -1500 (for units that don't have to get the provisions powdered outside)

The costs for units which do not have machinery are much higher even though their electricity costs will be lower.

PACKING	Rs 8250
GAS	Rs 3600-4400
LOAN REPAYMENT PER MONTH	Different rates depending on the total amount taken:

Kuttichal Panchayat Rs 1000
 Poovachal Panchayat Rs 4000-7000
 Vizhinjam Panchayat Rs 4000
 Venganoor Panchayat Rs 8000
 Aruvikkara and Vamanapuram Panchayats have closed their loans.

If the total expenses are calculated by considering the minimum cost of each item and considering the monthly loan repayment to be an average of Rs 3000, it will be around **Rs 41,300** for producing 1000 kilograms. The return that is obtained on selling each 1 kg packet at Rs 40 is only **Rs 40000**.

The 'Nutrimix' Micro enterprise is profitable only if the orders are in bulk and if the selling price is increased. The current rates are Rs 40 for a 1kg packet and Rs 20 for a half kg one. The price for 1 kg was recently increased from Rs 35 to Rs 40. But with rising inflation, as the provisions prove to be costlier the women are still unhappy with the new price.

The remuneration that they get for their work varies from unit to unit. Some of the units took their share by dividing the profits equally. In case of no profits they had to go without any remuneration. Some of the other unit workers take wages from the unit. They obtain Rs 100 for a day's work from 10 a.m. to 4 p.m. and this is added to the expenses of the unit. This plan is usually followed till the loan is completely repaid and after that they divide the profits equally.

These enterprises are also allowed to sell their product to places other than the anganwadis. The only restriction is that they are not allowed to use the same packet for this kind of sales. It was seen that of all the six panchayats, only Venganoor panchayat took up this programme. They modified the product by adding more products like cashew nut and badam to make it richer and sold it at Rs 30 for a 200gm bottle.

PROBLEMS AND SUGGESTIONS

1. With drunkards as husbands and small children to take care of, most women found it impossible to attend the week long residential training camps. According to the Kudumbashree Charge Officer in Vizhinjam panchayat, though training for some activities like paper bag making etc were given at the panchayat office itself a few years ago, the trainers lacked dedication and also failed to give the certificates without which no bank will sanction a loan.
2. The fact that each panchayat supplies the product to some other block which is several kilometres away sometimes poses as a problem. The women in Vizhinjam Panchayat, for example, mentioned that unless the order is large enough to counter the transportation expenses for supplying a distant block, this system does not prove to be profitable.
3. The provisions required for production are not available at one single time which in turn forces the women to make more than the necessary number of trips to purchase the items and this hikes their transportation expenses.
4. The shortage of staff at the district level is reflected here because ever since the old ADMC left office no review meetings have been conducted and this they feel is because it takes time for new people to come in and also these people always have so much to do that it is rare that they get time to discuss the problems of units.
5. The Provisions have also become very expensive- almost a 50% increase in the prices of some commodities has been seen. There is a need to subsidise the provisions or increase the price of the product. If there is a scheme for these units to obtain all their provisions from government outlets like 'Supply Co' and so on, the subsidy can be worked out easily and also the problem of shortage can be solved to a certain extent.
6. The women in Venganoor Panchayat mentioned that in order to market the product outside the anganwadis they required the necessary training to advertise it.
7. Vamanapuram Panchayat mentioned a shortage of packing covers. However none of the other panchayats found this a problem. Venganoor Panchayat is one which has orders up to 7000kg a month and when they experience a shortage, they borrow packets from the neighbouring

Vizhinjam Panchayat. If there is a common supply source for packets this problem can be reduced to a certain extent.

8. Some units like the unit in Venganoor, Aruvikkara and Kuttichal panchayats mentioned that the process of getting a license was too long drawn and this marred their efficiency levels considerably.
9. Kuttichal and Poovachal Panchayat units also mentioned the difficulty in getting the payment for their sales. Once the product reaches the anganwadis, the ICDS is supposed to give the units the draft. But this is mostly delayed by a month or so making things more difficult for the units by making them delaying their purchases and loan repayment.
10. Another observation was that most of these women are unaware of the bank dealings and therefore apprehensive that they are being cheated or being made to overpay. Some of them are not aware of the interest that is being charged on the loan and also how the subsidy system works. Therefore, there is a need for an awareness campaign and this can probably be done during the training session itself.
11. The units of Poovachal and Vamanapuram panchayats mentioned that getting finances from the bank was a herculean task and that in dire situations, they were even forced to borrow from moneylenders at very high interest rates and this is something which goes against the very principle of micro finance.
12. This enterprise is one which had regular review meetings. However of late, these meetings have not occurred and the women feel that this is a major handicap as they are not able to address their issues.

Nutrimix production is one of the recent ventures of Kudumbashree and one which is running reasonably well. As seen above if the production is only 1000kgs a month, it does not prove to be very lucrative. However, if there are bulk orders then economies of scale ensure that profits can be reaped.

GOAT REARING ENTERPRISE

This proposal deals with starting activity groups with 5-10 women involved in rearing of goats. They are supposed to purchase Malabari breed of goats found in the Northern districts of Kerala. These goats breed and grow quite fast and are suitable for this enterprise. Most members of the group are sent to livestock farm in Palakkad district for a week's training.

Each woman is expected to have four goats and they are allowed to rear them in their own houses instead of as a single unit. The benefits of the enterprise involve selling the milk and the kids. The female goats are expected to deliver 3-4 times in two years and give birth to at least 2 kids each time. Therefore if everything goes well, this enterprise is not a loss making one.

However, it is seen that most of the units do not purchase the Malabari breed because of the difficulty in getting it and it is rare that they possess for healthy female goats. Also, the milk obtained is just enough for household needs.

COSTS AND BENEFITS

Cost of 1 goat Rs 4000-5000 (but this is a onetime expense)

Shed Rs 4000-5000 (onetime expense)

Feed Rs 40 for 1 kg of feed.

On an average, 1kg of feed along with some leaves is required in a house with a goat or two and its kids.

Medicines Rs 500-1000 in a year.

The need for medicines is unpredictable and usually the only requirement is the tetanus injection and a few medicines during pregnancy of the goat.

Loan Repayment Rs 300-400 each month

On an average, the total expenses incurred during a year would approximately come up to Rs 21,600 for the feed, medicines and other miscellaneous expenses put together.

The kids will fetch anywhere between Rs1000- Rs 3500 depending on the size of it. So, the average income that comes in through this in a year if there are four healthy female goats the cost will be Rs 2250 (average amount) each*16 goats, i.e almost Rs 36,000. However this is a rare scenario. In most cases the women do not have four female goats or it is not always that they get 16 kids a year- some die after birth and so on. Therefore, on the whole, if details of the costs and benefits are analysed, it comes up to a big loss. But the surprising fact is that people are still willing to go ahead with it. The reasons for this are many:

1. The women hardly look into the costs when they involve themselves in this enterprise.
2. They feel secure when there are a few goats because it is something which can be sold off at a time of emergency.
3. They feel too attached to the animals to sell them away.

PROBLEMS AND SUGGESTIONS

1. The amount spent on feeding the goats on a day to day basis is very high and there is a need to subsidise the fodder. A subsidy for the fodder for cows already exists. Similarly, if the feed for goats is also subsidized then it will be a great help.
2. Most women are not aware of the bank dealings. Like mentioned earlier, the need for awareness classes is pressing. The women think that they are paying very high interest rates and all this is because of lack of proper interaction which leads to assumption of a lot of things.
3. The women, in most cases, are not able to make profits in this enterprise. This is mostly because of the costly feed. But there are also other stray reasons like not taking proper care of the goats, not concentrating on the right variety etc. There is an imminent need to monitor this enterprise and teach the women better ways of handling this enterprise.
4. The review meetings are hardly convened for this enterprise. Like how meetings were called often for Nutrimix enterprise previously, there is a need to conduct meetings for goat rearing too. The women feel that their problems are not being addressed to the proper channels and that the needful is not being done.

The study on this enterprise showed that this activity is loss making only because of the way it is handled. A lot can be done to develop the scene. The need for monitoring and discussing the problems is very urgent. The women carry on with this activity without looking into the accounts but of late they have been able to feel the pinch of rising fodder prices and if something is not done immediately, a lot of these units will have to stop their activity.

CONCLUSION

Kudumbashree has enabled the women to share their personal experiences and this in turn has given perspective to the individual situation of many women and transformed their personal feeling of hopelessness into a feeling of being part of a collective spirit. They have been able to develop a social network in the neighbourhood area, which to some extent has evoked a feeling of social security. Through their involvement in micro enterprise activities, the women are now more confident and independent. "The gain in social space generated a feeling of inability to act, and the prospect of higher social status"^{xv}.

As the women got involved in micro enterprises, the workload of the women increased as they were still in charge of household related work. Even though the earnings from micro enterprise activities are rather limited, partly due to the repaying of the loan and partly due to problems of finding a space of agency in the margins of the market, the possibility of becoming an earning member and the ability to contribute economically has resulted in a modification in attitudes within some families^{xvi}.

However there are still a few husbands who are not happy with their wives becoming economically independent. They are not willing to let them go for week long residential training classes which are a must to be part of the enterprise. As a result a lot of women are still excluded from micro enterprises. Their activities are confined to the small scale activities done by the 'Ayalkootams'.

The study on the two enterprises- Nutrimix and Goat rearing suggests that there is a need to monitor the activities of all enterprises. Kudumbashree has to carry out review meetings and address the issues of the women. It was felt that Kudumbashree officials rather chose to focus on success stories because little was said about units that may have failed or were having a hard time.

Kudumbashree apparently faces a shortage of staff. The women working in the Nutrimix sector said that they used to have regular review meetings till late and it is probably the shortage of staff at the district level which has hampered this. There is a pressing need for conducting awareness classes to familiarize the women working in the enterprise with the bank operations. Also, the possibility of providing training at the respective panchayat offices of women should also be considered.

It was also observed that a few units mentioned in the statistics had closed down. There were a few stray incidents of women taking the subsidy amount and not starting the work. Some Nutrimix units did not have machinery because of which they had to incur extra costs and some which had them did not have

enough orders. Therefore there is a need to scrutinize the activities of this enterprise as well as other enterprises.

If these few matters are looked into, the micro enterprise industry will definitely work wonders and the mission statement of Kudumbashree can be achieved easily.

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