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 Cooperative Management, Food Security and *Amma Unavagam* -
 A Case Study from the Indian State of Tamil Nadu.

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Abstract

Food security has been a matter of concern in recent years due to the global food crisis and rising food prices. For the urban poor, access to food is low due to high unorganized or informal sector employment which usually fetches an income that is not only low but also irregular and therefore provides relatively poorer access to food. A major concern of any government today is to avert deprivation and find some sustainable livelihood opportunities for the most neglected sections of the society.

Governments at the Centre and States in India have worked on two fronts to ensure food availability because the poor lack purchasing power to buy food at the market price. One is through poverty alleviation schemes and second through Fair Price Shops¹, which sell subsidized grains and essential items. In South India, the Government of Tamil Nadu is known for its successful social welfare interventions to ensure food security like Mid-Day Meal Scheme for Children. Tamil Nadu Government holds the distinction of ensuring that its PDS is run with the support of cooperatives and Self Help Groups (SHGs) thus allowing no private player. *Amma Unavagam* – is a latest social welfare initiative of the State Government to tackle food insecurity of the urban poor by taking a leaf out of cooperative management and social inclusion.

The paper explores the innovatively designed *Amma Unavagams*², a chain of low cost canteens serving cooked food for the urban poor to mitigate food insecurity. The scheme's uniqueness rests on the pillar of cooperative management by roping in Self Help Groups (SHGs), which are mini cooperative groups practicing all tenets of co-operation. Moreover, the scheme is a template for social inclusion by enabling members of SHGs operating from slum settlements to run and manage these low budget canteens. This social experiment is designed with twin objectives– one to ensure food security and also to keep food prices in check; second, *Amma Unavagams* are run as community kitchens by SHG members who were earlier employed in unskilled informal sector jobs (as domestic helps, street vendors, casual labourers etc.) that are both irregular and low paid. The SHG members run and manage *Amma Unavagam* canteens supported by the Municipal Corporation that provides training, infrastructure, space and raw materials for cooking.

The scheme rolled out as a pilot project with 15 branches in the state capital Chennai in 2013 grew into 200 outlets within 3 months. Its growth is both due to low price and wholesome food served in hygienic conditions. The outreach of these canteens is estimated to be about 20 percent of the 650000 lakhs Below the Poverty population who are fed by *Amma Unavagams* in Chennai. The hallmark of *Amma Unavagam* lies in its innovative design of co-opting SHGs from local slum settlements in running and managing these canteens. In the process of ensuring food security through subsidised cooked food, these community kitchens have generated regular employment and remunerative wages to the SHG members. The outcome of *Amma Unavagam* scheme is not only limited to mitigating food insecurity but create livelihood security for destitute women thus enabling inclusion of marginalized slum dwellers into formal sector employment. The paper is based on qualitative data gathered by the author using participant interviews and focus group discussions (FGDs). Findings demonstrate that *Amma Unavagams* is a double edged tool to ensure food security and sustainable livelihood opportunities for women members of the SHGs that run these canteens on group solidarity and democratic norms.

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¹ Fair Price Shops under the Public Distribution System ensure safety nets and social justice to protect the poor.

² *Unavagam* means canteen/eatery.

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Introduction

India's growth story has been impressive since its economic liberalization in 1991 in terms of GDP and per capita income with improvement in development indicators on health, education etc; however, food and livelihood insecurity, and malnutrition especially among the urban poor has been heightened due to growing internal migration. 29.8 percent of the population lived in poverty in 2009/10 as measured primarily on the cost of a nutritionally adequate diet. There is growing evidence of a high percentage of poorer households in both smaller and bigger cities experiencing food insecurity and malnutrition. A report on the state of food insecurity in India indicates that increasing urban inequality, significant underinvestment in urban health and nutrition infrastructure, workforce in casual or contract employment or even less remunerative self-employment, growth of slums and slum populations lacking in most basic health and hygiene infrastructure has resulted in a permanent food and nutrition emergency in urban India (WFP, 2010). Besides, NSSO survey 2011 indicates that urban females between 15 and 59 years have the highest unemployment rate at 15.7% as compared to 9% for males belonging to the same age group; and nearly 20 % illiterate and semi-literate poor women are employed in the informal sector³ as part time domestic helps, sweepers, vendors, hawkers etc, with low wages and little or no job security.

In India with nearly 29 % of population living below the Poverty Line in 2011-12 and vast sections of deprived and poorer segments including women surviving at subsistence levels, social security and social safety nets are critical. Food security has been a matter of concern in recent years due to the global food crisis and rising food prices. For the urban poor, access to food is low due to high unorganized or informal sector employment which usually fetches an income that is not only low but also irregular and therefore provides relatively poorer access to food. It has been found that despite rapid economic growth since the 1990s, the access and food

³ The urban informal sector has traditionally been characterized by easy entry, exploitative wages less than minimum wages, weak safety standards, small enterprise units producing goods that are mainly consumed by the low-income households.

absorption indicators of urban food insecurity point to the miserable state of affairs on nutritional intake and worsening livelihood insecurity (MSSRF and WFP, 2010).

One major concern for India today is to alleviate poverty through welfare measures for averting deprivation and to provide some sustainable livelihood opportunities for the neglected sections of the society. In India, both the Central Government and State governments have a range of promotional, preventive and protective social measures to tackle deprivation, food insecurity and poverty alleviation.⁴ Since the poor lack purchasing power to buy food at the market price, India has worked on two fronts to ensure food availability to them. One is through poverty alleviation schemes and second through Public Distribution System (PDS). Under the PDS, essential commodities such as rice, wheat, sugar, kerosene etc. are supplied to the public at a low cost.

Tamil Nadu is the 11th largest state and the second largest economy in India with Gross State Domestic Product (of US \$ 80.1 billion), Per capita income (of US \$ 1,872). This State has been a pioneer in devising innovative social welfare interventions to achieve food and livelihood security. It has an impressive record in providing essential support to the poorer sections –by effective use of self help group’s movement to achieve desired outcomes in the area of women empowerment, livelihood promotion and food security. Many of the schemes⁵ of the Government of Tamil Nadu for uplifting the socio-economic conditions of the poorer sections were on the launch pad of the micro-credit initiatives or SHG movement with successful results. For instance, it has one of the best functioning non-targeted PDS. This has been possible because it runs the PDS with the support of cooperatives and Self Help Groups (SHGs) thus allowing no private player. However, despite good penetration of the public distribution system in Tamil Nadu, food insecurity in urban areas is found to be high (Gopichandran.et.al, 2010).

⁴ While promotional measures are oriented towards growth cum direct anti- poverty programmes; preventive measures seek to directly avert deprivation in specific ways – through asset redistribution, employment creation and food security. Preventive measures are all those specific measures that provide relief from or protection against deprivation to the extent that they are not met by promotional or protective measures.

⁵ Some of its pioneering schemes were Mahalir Thittam, Massive Entrepreneurship Development Programme Tamil Nadu Empowerment and Poverty Reduction Project – Tamil Nadu Puduvalvu Society focused on income generating and employment creating activities with enormous reach of poor women through the self help groups in both rural and urban areas.

Research Objective

This paper explores a recent social welfare initiative of Tamil Nadu government termed as *Amma Unavagam* in Chennai⁶ that aims at reducing food insecurity of urban poor. *Amma Unavagam* is a subsidized food chain comparable to soup kitchens in the U.S. and Europe. *Amma Unavagam* has been essentially designed with dual goals— one to ensure food security and also to keep food prices in check. *Amma Unavagams* use the concept of cooperative management by utilizing members of Self Help Groups⁷ for running these canteens by the local government (Municipal Corporation) on a regular basis. The paper looks at this innovative experiment as a case study to understand how this experiment has become a vehicle for achieving the objectives of mitigating food insecurity and livelihood insecurity through cooperative management with the help of members of Self Help Groups drawn from slum settlements.

Self Help Groups (SHGs) dominates the microfinance landscape for the poor- mainly women- the marginalized group in rural India. Self Help group (SHG) is a small and informal organization of the poor; is self-managed by members from socio-economically homogeneous background and are organized around savings and credit activities. The broad principles that govern cooperative practice are manifest in these informal organizations. The SHGs, in terms of definition and practice, are voluntarily formed informal groups with open membership, democratic participation and control, autonomy and independence and concern for individual and collective welfare. Distinctly SHGs are cooperatives in all respects, but for name and legality.

Methodology

The data collected for this study is qualitative based on participant observation, personal interviews, focus group discussions with the leaders and members of the SHGs who run the chain of canteens as well as customers of *Amma Unavagam* in the city of Chennai. Information was gathered by the author by during December 2013– January 2014 using convenient sampling

6 Chennai is the State capital.

7 SHGs act as safety nets in most deprived communities across many parts of India by improving their livelihood conditions through social mobilization and help them to be able to participate in the formal financial markets by making group savings and accessing group loans from banks, which would have been impossible to obtain for individual members.

method. Additionally, information from secondary sources from sparse studies and media reports supplemented the author's information.

Eleven *Amma Unavagam* outlets in Chennai, the capital city of Tamil Nadu formed part of sample for the study. Leaders and members of 8 SHGs⁸ and customers were interviewed either individually or in focus groups of 4 to 5 members to understand about a number of concerns relating to their current and past employment, tenure of work, changes experienced post their employment in *Amma Unavagam*, besides related issues relating to customer perception and satisfaction relating to price, service, quality etc.

Results and Discussion

1. *Amma Unavagam: A Profile* *Amma*⁹ *Unavagam* refers to a chain of subsidized restaurants/canteens started in February 2013 by the Chennai Corporation and municipalities. The foundation behind this social welfare scheme was to shield the urban poor from food insecurity in the face of spiraling prices and food inflation by offering a cheaper and nutritious substitute to the expensive food sold by private restaurants and street eateries. *Amma Unavagam* is a carefully thought out constructive intervention designed with some innovative features to meet the main objective of overcoming food insecurity for a sizeable segment of urban poor migrants working as daily wage earners, besides a tool for generating employment to poor women slum dwellers.
2. *Design of the Scheme* The scheme is creatively designed to solve two important concerns with one strategic solution through cooperative management. *Amma Unavagam*'s innovative feature is by co-opting the local self help groups¹⁰ which are operating from slum settlements of the city for running and managing this budget chain of restaurants. Each

⁸ As three of the outlets were facing peak rush hours at the time of author's visit, interviewing the SHG members had to be dropped.

⁹ Amma means mother. The Chief Minister of Tamil Nadu, Ms. J. Jayalalitha, is popularly known as Amma and has pushed several popular welfare initiatives in her state. The restaurant branding is named after her popular pet name.

¹⁰ The SHGs in Tamil Nadu were launched by Ms. J. Jayalalitha during her first tenure as Chief Minister from 1991 to 1996, for the social and economic empowerment of women and to eradicate poverty. Evidence indicates that SHG movement in Tamil Nadu has brought about many socio-economic changes for women.

of the outlets is managed by 12-16¹¹ women members of a self help group or a mix of 2-5 groups¹². All the SHG members were trained by the Chennai Corporation for managing the different activities of the canteen and servicing the customers. Training of the SHG members also included cooking specifications in terms of quantity of different ingredient to be used for cooking each dish on a large scale for maintaining taste, nutrition and quality across the city outlets.

Many locally recruited SHGs and their members are currently working as employees by the Chennai (Municipal) Corporation and each woman member earns a monthly remuneration of Rs 9000 (plus food).¹³ The SHG members work and manage the operations of their respective restaurant outlets on division of labour through their SHG principle of democratic decision making and reciprocal agreement, two key pillars of cooperative management. The SHGs, in each of the *Amma Unavagam* outlets, manage various job responsibilities ranging from kitchen work (vegetable cutting, cooking, and other top up kitchen jobs), servicing the customers (issuing tokens, serving food) and cleaning and related activities on a rotating shift system to cater to the three meal schedule. Normally, the sub groups rotate their allotted work on a regular basis to relieve the monotony as well as to lessen some of the strenuous activities in the kitchen. The SHG women members work on average for 6-7 hours a day in a single shift. By and large, the cash and accounts are handled by the group leaders. Each member takes a weekly day off by mutual understanding among the group members. As SHGs are known for group solidarity and group cohesiveness, a majority of the SHG women members perceived that their membership in SHGs has enabled them to democratically decide on work related matters including choice of weekly off days; besides, they felt that this mutual arrangement was convenient to their personal needs.

¹¹ Minimum number is 12 and in larger canteens, it is 16-20.

¹² The author found in the Alwarpet outlet of *Amma Unavagam* a mix of 12 members from 5 different SHGs were collectively managing their outlet in ward number 122.

¹³ At the time of interviews, the SHG members were employed on probation and indicated that when their jobs would be regularized, the usual welfare contributions towards the provident fund, medical allowances would be offered by the Chennai Corporation.

3. Operations and Business Strategy of Amma Unavagam The outlets are open between 7 A.M and 10 P.M¹⁴ and serve three meals a day with a limited menu of steaming hot south Indian cuisine prepared and served by SHG members in a hygienic manner. The menu offered is nutritious and healthy.¹⁵ Another key feature of *Amma Unavagam* is that the food served is to be consumed in the outlet itself with no take away allowed thus pre-empting the possibility of the low cost food being resold outside the outlets.

There are now 207 outlets in Chennai spread across the city's different municipal areas, denoted as wards. These outlets are favorably located at the municipal corporation offices to minimize the rental and related costs. Each of the outlets has been provided with the entire basic kitchen appliances and infrastructure for cooking, water and other amenities by the Chennai Corporation with consumables being delivered regularly by the Corporation. Food inspectors visit the outlets regularly for ensuring quality control, taste and hygiene.

The main supplies for cooking¹⁶ for the scheme are sourced from the state owned Tamil Nadu Cooperative Milk Producers Federation, the Tamil Nadu Civil Supplies Corporation (TNCSC), and cooperative societies and from the open market, if and when required. As the scheme's popularity grows, strategies are constantly being evolved by the Chennai Corporation for cutting costs. For instance, leftover food and vegetable wastes are recycled to generate eco-friendly bio methane gas besides using solar energy for cooking fuel. Further, the government is contemplating a few other strategies to minimize cost and to maintain standardized quality through centralized kitchen, seeking private sector funding under the legally mandated Corporate Social Responsibility.¹⁷

¹⁴ Leaders of the SHGs highlighted that on holidays and Sundays the outlets face heavy rush of customers and food runs out due to the demand exceeding supply.

¹⁵ A limited menu is offered that consists of *idli*¹⁵ (fluffy steamed rice cake with *sambar* (spicy side dish of pulses and vegetables), *pongal* (rice cooked with pulses and spices); lunch consists of a variety of steamed rice made either with yogurt/ or lemon juice / curry leaves and condiments; and dinner consists of *chapatti-dal* or *chapatti-kurma* (whole wheat Indian bread with lentils or spiced vegetable dish).

¹⁶ Subsidized grains and pulses; yogurt or curd; and vegetables

¹⁷ India' Companies Act 2013 mandates that every company with certain qualifications requires spending of at least 2% of its average net profit for the immediately preceding 3 financial years on CSR activities.

The rationale behind *Amma Unavagam* scheme is akin to soup kitchens of the U.S. and Europe to feed the poor by serving a limited menu of nutritious cooked food at below the market price; however, it is distinct from soup kitchens in terms of organizational dimension. It is a subsidized social welfare scheme run on ‘No Profit’ basis. As the food served is below the market price, the losses are absorbed by the local government. Varied reports quoting government sources indicate that the daily expenditure for running the canteens by the Chennai Corporation is estimated to be Rs 1400000 or approximately USD 20820, while its revenue is about Rs 1000000 or approximately USD 14874. The scheme’s deficit is effectively subsidized by the State Government.

4. Food Security, Access to Food and Urban Poor. Among the three important components of food security (viz., availability of food in the market, access to food through adequate purchasing power, and absorption of food in the body), access to food at affordable price is a major problem for the urban poor. In this respect, the prices charged for the food served in these outlets is unusually low and are within the means of the urban poor. More importantly, the urban poor benefits greater because the prices charged is even lesser than what the poor require to buy per day as per the poverty threshold set by C.Rangarajan Committee on poverty estimates¹⁸. *Amma Unavagam* scheme has demonstrated that the food served is both reasonably balanced and nutritious and reasonably priced facilitating the urban poor living below the poverty line¹⁹ to access food; thus lessening their food insecurity.

“Earlier I used to spend an average of 125 rupees for eating 3 vegetarian meals from the street vendors. After Amma Unavagam started, my food expenses has come down dramatically to less than Rs 25- Rs.30. I am able to eat well and send money home now.” – Sethu, a migrant worker

¹⁸ C.Rangarajan Panel’s estimate of poverty thresholds, based on per capita expenditure defined all those as poor whose per capita expenditure was less than Rs. 32 per day in rural areas and Rs.47 per day in urban areas in 2011-2012. In short less than 1 dollar a day.

¹⁹ The clientele comprise of residents living in slums, daily wage earners, drivers, load-men , migrant workers and destitute sections of the population.

The prices for the food served at *Amma Unavagam* are presented in Table 1²⁰. From the Table, it is not far to seek how and why the swift growth of *Amma Unavagam* chain has happened. Their low prices for the nutritious food served has been attracting large segments of the poor living in Chennai to eat from Amma Unavagam outlets at less than 1/3rd of what they were spending earlier from private eateries or street vendors. The canteens serve food for more than 2 lakhs (20000 million) people every day and have employed 4,000-5,000 SHG women members to run them²¹. *Amma Unavagam* scheme's low cost nutritious and hot food also has seen modest numbers of middle class white collar workers²² eating in outlets that are proximate to their office complexes. In any social welfare scheme, universally targeted at the poor, there is a scholarly acceptance that it is practically difficult to weed out the miniscule percentage of non poor's participation. Though the State government is seized with this issue, however, it is optimistic that the scheme can be scaled up efficiently like it did with some of its earlier schemes in the social sector.²³

Table 1				
Prices of Food Served at <i>Amma Unavagam</i>				
Food Items	Unit	Quantity in grams	Price in INR	Price in USD
Breakfast (7-10 A.M)				
Idli-Sambar	1	100	1	0.015
Pongal	1 plate	350	5	0.075
Lunch (12-3 P.M)				
Lemon Rice	1 plate	350	5	0.075
Sambar Rice	1 plate		5	0.075
Curd Rice	1 plate		5	0.075
Dinner (6-9 P.M)				
Roti	1 plate	2 pieces	3	0.045

²⁰ The conversion rates for equivalent of 1 USD for INR is = 67.22 rupees as on 2nd June 2016.

²¹ http://www.business-standard.com/article/politics/amma-canteens-for-aam-aadmis-115072000413_1.html

²² Though there are apprehensions in some quarters about mis-targeting of the subsidized food served at Amma Unavagam; it is also being realistically accepted that weeding out non-negligible numbers of non-poor beneficiaries in a community based canteen is less than practical.

²³ This optimism is based on the success of certain welfare schemes like the Mid-Day Meals in schools, Public Distribution System, Health Insurance Scheme, which were universal programmes and were effectively implemented by the Tamil Nadu State Government; and subsequently followed by many states in India where the costs are shared between the Central and State governments.

5. Reaching Out with Affordable Food for the Urban Poor . Within two months after launch of the scheme, nearly 10 percent of the low income population in Chennai city gained by eating low cost food from these canteens across the city. By October 2014, the official estimates showed that nearly 0.3 million residents ate healthy food at economical prices from the 207 branches of *Amma Unavagam*. It has been reported that *Amma unavagam*'s clientele are predominantly the urban poor and constitute a little over 50 per cent coming from casual and contractual labourers; and no less than of 25 per cent of them are children from low income households²⁴. *Amma Unavagams* are currently estimated to feed about 20 % of the city's 6, 50,000 (or 65000 million) Below the Poverty (BPL) population.²⁵ There are 451 canteens across the State now after it was extended to 9 other cities²⁶.

The growth of outlets and the customers since the first canteen began as a pilot project in February 2013 is indicative of the scheme's popularity because it has ensured affordable, good quality food served in hygienic conditions across all the outlets across the city. Though the scheme met with derision and criticism, the scheme has been considered a boon for the urban poor - the targeted beneficiaries. As the footfalls in *Amma Unavagams* rose rapidly, the scheme was expanded fast. Starting February 2013 from its pilot phase, from 15 branches it grew to 39 within a week, to 73 in two, and finally 200 branches by April of its launch - one each in each Municipal ward of the city. Encouraged by the resounding response from the urban poor (as well as some segments of the non poor), the state government of Tamil Nadu has announced that it plans to increase the number of *Amma Unavagam* outlets to 1000 in the coming year across the state.

Outcomes from *Amma Unavagam* Budget Canteens

- i. Food Prices. An important offshoot of *Amma Unavagam* has been in curbing high prices charged by private food vendors/canteens in the city and halting the food inflation. This was expressed by many low income customers interviewed by the author. Besides,

²⁴ http://www.business-standard.com/article/politics/amma-canteens-for-aam-aadmis-115072000413_1.html

²⁵ <http://www.theweekendleader.com/Culture/1840/on-the-platter.html>, For people living below the poverty line in urban areas, Amma canteens are godsend, By Hema Vijay Chennai 26 May 2016

²⁶ Coimbatore, Madurai, Trichy, Tirunelveli, Tuticorin, Salem, Erode, Vellore and Tirupur.

many of the private restaurants were compelled to revise their prices or were seen offering discounts in kind (for instance, additional side dish) to retain existing customers.²⁷ Rajendran (2013) also corroborates that while private eateries have slashed down their prices but the small street vendors located near *Amma Unavagam* canteens have closed down due to lack of customers. Further, the customers also expressed that their ability to manage their food expenses within their limited income flow has been possible due to the low prices of food sold by *Amma Unavagam* branches enabling them to find some consumer surplus in their hands. By comparison, prior to *Amma Unavagam*, they were spending higher money on food expenses as the private restaurants as well as street vendors charged high prices on food, thus leaving them with little surplus money. This has been corroborated by some studies as well (Ashok and Krishna, 2013).

- ii. Employment Generation - Window of Opportunity for Slum Women. *Amma Unavagam* was primarily launched with the goal of tackling food insecurity for the urban poor through a strategic design based on cooperative management by involving Self Help Groups. As a result, *Amma Unavagam* scheme has become a double edged tool for mitigating food insecurity as well as generating employment for women slum dwellers. As 45 % of Tamil Nadu's poor population lives in the slums and slum clusters²⁸, the scheme has been designed, as stated earlier, to engage local women's self help groups operating from the slum settlements for running and managing these canteens. This design feature has acted as a catalyst in enabling a large number of SHG members to find a regular employment on a remunerative wage, thus shifting them away from insecure tenure occupations like domestic work, construction, scavenging, street vending etc to formal sector employment. In Chennai city, during the first phase of launch of the scheme, nearly 2800 to 3000 women members from the local SHGs drawn from major slums under the care of Slum Housing Board, Government of Chennai were engaged as regular employees of nearly 207 branches²⁹ of *Amma Unavagam* on a remunerative monthly pay of Rs.9000. Another estimate based on

²⁷ <http://www.thehindu.com/news/national/tamil-nadu/amma-unavagam-a-way-of-antipoverty-measure/article5134879.ece>

²⁸ As per the Compendium of Environment Statistics, 2001, Tamil Nadu was home to nearly 30 percent of Indian's slum population; and Chennai city had (19.6 lakhs) or 196000 million population living in slums out of (43.6 lakhs) or 436000 million slum population in Tamil Nadu.

²⁹ Branches or outlets or eateries or canteens are interchangeably used to refer to the chain of food outlets called *Amma Unavagam*.

government sources pegs the number of women members of SHGs employed in Chennai at nearly 4000 to 5000. Moreover, a minimum of 2 to 4 women and men from low income backgrounds have been absorbed as sweepers and security guards per each branch of *Amma Unavagam* for maintaining the canteen premises. Some issues of concern remain uncertain. Arguably, can a scheme that is highly subsidized will be able to generate employment to the poor? Alternatively, can the scheme be scaled up sustainably enabling more numbers of poor women to be recruited? While there have been lingering doubts on these concerns, there are fairly some optimistic factors that are indicative of the scheme to be scaled up to 1000 branches in the second phase as announced by the state government recently.

In a span of 39 months nearly 5000 women members or 1.37 percent of total women members from the SHGs operating from the slum settlements^{30, 31} in the state capital Chennai have been absorbed as regular employees under the *Amma Unavagam* scheme; besides, an equivalent number of approximately 3700^{32, 33} poor have been engaged as employees in 245 branches of *Amma Unavagam* in 9 other cities. The scheme is going to be scaled up after the incumbent Chief Minister Ms J.Jayalalitha's³⁴ return to power in the recently held assembly elections in May 2016. This implies that as the projected number of 1000 *Amma Unavagam* branches would be expanded in the second phase, larger numbers of women are likely to be gainfully employed, and which could change the lives of more underprivileged women from the slum settlements. In the next phase when the 550 *Amma Unavagam* outlets that would be launched, approximately 12000³⁵ numbers of the poor women slum dwellers are likely to be recruited as regular employees in managing these canteens, thus making the total numbers of urban poor employed at approximately 20700.

³⁰ The number of SHGs in Chennai city are around 23620 with nearly 3,66,110 number of poor women enrolled by the Tamil Nadu Corporation for Development of women (TNCDW) as on 31st March 2010.

³¹ A large number of sample respondents met by the author were members of several SHGs operating in the settlements under the Slum Housing Board, Government of Tamil Nadu.

³² Assuming an average of 12 members from the SHGs and 3 women/men as cleaners and guards for 254 canteens in other centres works out to be approximately 3675 poor employed in 9 other cities.

³³ This assumption is made as scope of the study is limited to Chennai city.

³⁴ Ms.J.Jayalalita as the Chief Minister reportedly envisioned the scheme on a larger canvas as a tool for the poor for combating food inflation when the officials presented her with the scheme's proposal for addressing public health concerns.

³⁵ This was arrived at by assuming 12 members from SHG plus 3 cleaners and guards per canteen for 550 proposed canteens that are expected to be rolled out by the State Government in the second phase.

A moot question is how could this five digit number be treated as an outcome that signifies the employment generation potential of the scheme? Two perspectives need to be placed in context. One view is that the *Amma Unavagam* scheme's major goal is to prevent food distress among the BPL population in urban cities in the face of rising food prices. The state government, by engaging the SHGs to run the *Amma Unavagam* chain on cooperative management, has ingeniously provided livelihood opportunities for a small percent of poor women members of these SHGs from the slums, who would otherwise have languished either in low paying and exploitative menial jobs or remained unemployed. The major goal of provision of low cost food to the urban poor has been achieved by *Amma Unavagam* canteens, as reflected in the growing numbers of the low income customers. Alongside, an affirmative outcome is in the creation of regular employment opportunities for underprivileged women in these canteens launched by the Chennai Corporation have been able to uplift their economic status. This positive effect has to be weighed and viewed from the perspective of women empowerment keeping in mind the fact that the volume of employment generation potential is clearly arithmetically proportional³⁶ to the numbers of *Amma Unavagam* canteens opened.

A second and more considered view is that though no quantitative evaluation of the transformational nature of employment status of the SHG members running these canteens has been attempted, the author's interviews across the entire sample brought out some insights from those employed in the scheme during the first phase. For a segment of the disadvantaged poor with low levels of literacy or semi-literacy and resource poor, access to formal sector employment is either negligible

"I had been working as a part time domestic help for nearly 9 years earning only about 3500 rupees if my salary was not deducted for extra leave taken by me. I had to struggle working in this job because I had to move around 5 different houses in two colonies to do work. To feed my family of 4 with an alcoholic husband, it was tough but had no choice. In the evenings, I used to sell knick knacks to supplement my meager income but still it was impossible to make two ends meet. After getting a job in Amma Unavagam, I have quit working as a maid. I feel confident now that I can take care of my children better with this regular job and good pay" - Sivakami

³⁶ Since a minimum of 12 women members are needed for each canteen, opening of every canteen can generate 12 jobs besides 2-3 jobs for cleaning and maintenance purposes.

or not feasible. Under the circumstances, the sample respondents expressed a sense of pride in getting a job through the *Amma Unavagam* scheme, which has given them formality in status with remunerative wages, sense and tenure security, thus heightening their sense of harmony in working as a team. Besides, they pointed out that their working conditions in terms of hours of work, work schedules, in their previous informal jobs (as domestic maids, for instance) was based on the employers' terms and conditions. Moreover, they had no legal recourse in case of job loss in their previous unorganized (informal) sector jobs where their vulnerability as employees was high. Valarmathi, a 38 years old SHG member expressed that she and her peer group members have not only got a new found status after their employment in *Amma Unavagam*, but also a sense of stability to their job which has made most of them quit their previous menial jobs. An important learning is that cooperative management of the scheme by SHGs has ensured both a sense of shared aims in women members as well as sense of security in job tenure of SHGs through this welfare scheme.

iii. Cooperative Management and Occupational Mobility for Individual Members.

An important transformational change that has occurred to each of the SHG women members in *Amma Unavagam* food chain relates to their livelihood status and tenure security. For the 5000 women members employed as part of SHGs that run the *Amma Unavagam* chain of canteens in Chennai, it has been a major change in terms of an assured and regular employment with the city government. Another important learning is that the sample respondents who were all toiling in low paying activities as domestic workers, scavengers, casual labourers etc (Refer Table 2) have been

Rajathi, a 36 year old SHG member said “ Earlier, I used to be employed as a casual labourer in construction work and earned about 3000 rupees per month working for more than 8-9 hours sometimes and sometimes no work during monsoons and no other benefits. Now, I get nearly 3 times the pay I earned earlier with 6-7 hours and an off day per week. I feel proud to be working as an employee of the Chennai corporation. I can proudly say this with sense of pride because it is a decent job with decent pay. I do not have to worry about loss of employment now since I joined in Amma Unavagam, where serving the poor with low priced meals is a main goal. It is a job that has helped me to get regular pay and status”.

able to move away from informal sector work that was both irregular and low paid. In one of the focus group discussions, Alamelu, leader of Subhamangalam³⁷ group stated very clearly that she has found her footing in life with this job because she gets a regular pay (greater than what she earned as a scavenger) and job security. This was endorsed by all the members in the different Focus Group Discussions (FGDs). Besides, they expressed a sense of relief that they have been able to overcome their dependence on menial jobs which was underpaid and over worked and with neither job security nor dignity.

Background Variables	Number (N=104)	Percent
Education		
Illiterate	11	11
Primary School	32	31
Middle School	34	33
Functional literacy	26	25
Undergraduate	1	1
Age		
20-25	9	9
25-35	47	45
35-45	42	40
45-55	6	6
Previous Occupation		
Domestic Maid	42	40
Scavenger	9	9
Street Peddler	12	12
Vegetable/Flower/Fruit Seller	16	15
Casual Labour/other	25	24

What is unmistakably clear is that the Tamil Nadu Government has been successful in its strategy of co-opting the women members of SHGs from slum settlements to run these canteens. The pay off is discernible through transformational changes in terms of a regular paying work, freedom from exploitative and insecure informal sector employment, occupational mobility to formal sector employment and sense of empowerment for all underprivileged poor women slum dwellers of 207 branches of *Amma Unavagam* in Chennai. This was the predominant perception shared by the sample respondents with the author during the Focus Group Discussions. From an economic perspective, the numbers of job

37 Refers to the name of a self help group. Every group has a name.

generated may be quantitatively negligible and insignificant; however, the qualitative importance in terms of economic mobility (from low paying, irregular job to better paying, regular job) and transformational changes (improvement of job status, better pay, better working conditions) is also positively non-negligible for the poor women slum dwellers employed in *Amma Unavagam* canteens. Research indicates how some of the successful welfare schemes opened up avenues of employment opportunities for poor women by the Tamil Nadu government. Khera (2013) shows how the State Government's initiatives through social welfare schemes like Mid-Day Meal Scheme (MDMS)³⁸ have been a source of employment to thousands of destitute women in the state. Sen and Dreze (2013) also applaud the role of Tamil Nadu's creative activism in the public delivery of services due to its comparatively active, creative and inclusive social policies compared to many other state governments in India.

With regard to sustainability of *Amma Unavagam* scheme, profit earning is not the focus as the scheme is a welfare initiative for mitigating food insecurity of the urban poor, and the government is expected to continue the subsidy element out of the public expenditure. On the financial implication of *Amma Unavagam* programme, government sources reportedly indicate that this is not a major constraining factor. As per available reports, the Chennai Corporation is confident of absorbing any additional burden as it has a budget of around Rs. 3,000 crore (3,000,000,000 million) per year. The cost burden of the 200 restaurants is around Rs. 18 crore (18000000 million) per year. The government intends to scale it up by roping in private players for funding the scheme as part of the legally mandated Corporate Social Responsibility (CSR) activity. Moreover, as the scheme's enormous success is both due to its direct intervention and the efficient manner it is run, if and when the government scales it up further than the 1000 branches, regular employment for more numbers of underprivileged women from the slums is not a distant possibility. Further, the astounding success of the scheme has attracted many state governments to replicate the model with

³⁸ The Mid-Day Meal Scheme that provides daily meals for millions of children has led to greater school attendance figures, as well as improved nutrition for the children. Khera (2013) shows that the scheme has been able to feed more than 120 million children every day for more than 10 years; with positive impact on enrolment, attendance, retention and nutrition and equally it is also a source of employment for tens of thousands of destitute women.

potential possibilities of employment generated in other states³⁹ for the underprivileged poor in many urban cities in other states as well.

6. Customer Perceptions and Satisfaction. During the survey of *Amma Unavagam* canteens, the author found the canteens milling with customers ranging from school children, daily wage earners, abandoned old people to low salaried employees in small and medium enterprises like delivery boys, sales staff, casual labourers, and coolies. A cross section of reactions revealed high customer satisfaction in getting cooked food at such low prices. More importantly, the customers found *Amma Unavagam* has been a boon to them in the face of their low incomes and spiraling prices. After the launch of *Amma Unavagam* canteens, they perceived that they have been able to eat reasonably balanced and healthy food served hot in a neat and hygienic manner by the SHG women who run and manage these canteens. Some low income internal migrant employees perceived that their out of pocket expenses on food has reduced quite a bit thus allowing them to save a bit more and send money to their families.

Some educated customers appreciated *Amma Unavagam* canteens for its ‘women oriented employees’. This move to co opt SHGs was considered refreshing because they found that SHG women members running these canteens were systematically organized in handling both the customer service and food preparation. This perception underlines the fact that cooperative principles of unity, democracy and solidarity enhance the organizational skills of members. This move by the government, in their perspective, was a constructive and inclusive one because many poor women from slums are now gainfully employed with dignity of labour. Finally, their overall sense of satisfaction on *Amma Unavagam* intervention was rated with thumbs up sign by nearly all those met by the author.

Concluding Observations. *Amma Unavagam* scheme was launched as a social intervention measure to mitigate food insecurity and distress among the growing numbers of the urban poor

³⁹ Some of the poorest states like Odisha, Rajasthan, and other states with high urban poor like Karnataka, Delhi, Gujarat, Andhra Pradesh are working on replicating the model in their states; besides, other countries like Egypt and Korea had visited to learn about the model for replication in their countries.

by the Government of Tamil Nadu in February 2013. This scheme started as a pilot project through a chain of low priced canteens has seen phenomenal growth both in terms of the numbers of canteen and poorest of the poor eating low priced cooked food in a short period ending December 2014 in Chennai, the State Capital. The success of the scheme lies not only in the low prices but also due to the cooperative management of all the outlets by the SHGs, which has been able to run the canteens based on democratic norms, mutual reciprocity and shared responsibilities of their job responsibilities. Results of the case study throw up important insights with policy implications. This highly subsidized scheme focused on giving cooked food to the urban poor at below the market price has been a success because the food has directly gone to the end beneficiaries – the urban poor – who were the main target. This underscores the importance of direct intervention to the poorest sections of population is far more effective than indirect delivery of subsidized food grains and pulses etc, where leakages and loopholes (hoarding and corruption) in the implementation is high. Besides the direct delivery mechanism, the scheme's success is also largely due to the quality maintenance in terms of taste, hygiene and wholesome menu sold by *Amma Unavagam* canteens. This is instructive about how meeting targeted beneficiaries' dietary and economic requirements could determine the success of a welfare policy intervention. More notably, co-opting Self Help Groups ensured that running of *Amma Unavagam* canteens benefitted from the cooperative management of peer group members of SHGs. Additionally, the scheme's success in generating employment for poor women slum dwellers has an important implication for inclusive growth. Notwithstanding the concerns on sustainability and funding of the scheme if it were to be scaled up further, *Amma Unavagam* scheme has demonstrated quite successfully in a short span of time that a combination of innovative and inclusive strategy of co-opting women SHGs in running and managing the canteens, has played a dual role in offering food security as well as generating employment for the marginalized women slum dwellers.

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