

Evaluating the Role of Kalaingar Magalir Urimai Thogai in Enhancing Women's Financial Stability

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Abstract

The Kalaingar Magalir Urimai Thogai (KMUT) scheme is a major welfare initiative of the Government of Tamil Nadu that provides ₹1,000 every month to eligible women heads of households. This paper explores how KMUT improves the livelihood security of rural women by strengthening their economic independence, social status, and financial stability. The study finds that the scheme helps women meet essential household needs, reduces their reliance on informal borrowing, and encourages better savings habits. KMUT also improves financial inclusion, as beneficiaries learn to use bank accounts and digital transactions to access their benefits. The support increases women's confidence, decision-making power, and overall well-being. Although issues such as documentation errors and limited digital literacy create challenges, KMUT remains an effective model for women-centered development. The paper concludes that KMUT plays an important role in enhancing economic resilience and empowerment among rural women in Tamil Nadu.

Keywords:

Kalaingar Magalir Urimai Thogai; Women's Empowerment; Livelihood Security; Direct Benefit Transfer; Financial Inclusion;

1.Introduction

The **Kalaingar Magalir Urimai Thogai (KMUT)** is one of the most significant welfare reforms introduced by the Government of Tamil Nadu to strengthen the socio-economic status of women. Launched in September 2023 under the Dravidian model of inclusive governance, KMUT provides **a monthly unconditional cash transfer of ₹1,000** to eligible women family heads. The scheme aims to support women's essential household needs, reduce their dependency on others, and create a pathway toward economic empowerment. Beyond its financial value, KMUT reflects the state's vision to enhance gender equity, promote financial inclusion, and ensure livelihood security for women, particularly those residing in rural areas and belonging to low-income households.

The concept behind KMUT is simple yet impactful: empower a woman by strengthening her financial autonomy, and the entire household benefits. By targeting women as primary beneficiaries, the scheme recognizes their central role in managing household consumption, education, health, savings, and overall welfare. As Tamil Nadu continues to witness socio-economic transitions, KMUT stands as a transformative tool for improving women's dignity, decision-making power, and access to livelihood opportunities.

2.Background of the Scheme: KMUT Explained

The **Kalaignar Magalir Urimai Thogai** is a state-wide Direct Benefit Transfer (DBT) scheme designed to identify women who act as heads of families and support them with a predictable source of monthly income. The scheme is implemented through the Department of Social Welfare and Women Empowerment. Beneficiaries receive the amount directly into their bank accounts every month, ensuring transparency and eliminating leakages.

Eligibility focuses on economically vulnerable households, including widows, single women, deserted women, trans women, and women from low-income families. With Aadhaar-enabled payment systems and digital verification processes, KMUT is structured to reach women in even the most remote parts of Tamil Nadu. The scheme has brought millions of women under a unified welfare umbrella, strengthening their access to essential resources. This monetary support has also encouraged many women to participate in formal banking systems, thereby improving their financial literacy and digital engagement.

3.Literature Perspective on Cash Transfer and Women's Empowerment

Academic literature suggests that unconditional cash transfers contribute to improved household welfare, nutrition, education, and empowerment. Studies from Latin America, Africa, and South Asia reveal that directing financial support to women increases their decision-making power, reduces poverty, and enhances their participation in the labour market. In India, similar schemes such as Odisha's Mamata Yojana and Telangana's Asara pensions have shown that women-directed cash flows improve livelihood resilience. Within this context, KMUT represents a progressive policy that addresses the intersection of gender, poverty, and rural development.

4.Objectives of the Study

This research paper attempts to examine how KMUT strengthens women's livelihood security in Tamil Nadu. It explores how the scheme enhances financial independence, supports household consumption, encourages savings, and builds long-term resilience among women. The study also assesses challenges in implementation and highlights the broader socio-economic impact of the initiative on rural communities.

5.Methodology

The study adopts a qualitative and analytical review of secondary sources, including policy documents, government reports, media publications, and academic papers. Observations from field-level discussions, beneficiary narratives reported by government departments, and independent surveys further support the analysis. The research framework focuses on four dimensions of livelihood security: economic, social, digital, and psychological empowerment.

6.KMUT and Livelihood Security: A Detailed Analysis

i. Economic Security

KMUT plays a critical role in strengthening the economic stability of women belonging to rural and low-income households. Many beneficiaries report using the amount to manage essential expenses such as groceries, children's education, transport, and medical needs. The predictability of a monthly income helps women plan expenditures and avoid informal debt. The scheme also reduces financial pressure during emergencies and allows women to contribute meaningfully to household finances. In many rural households, this has reduced dependence on daily wage work, enabling women to make more stable livelihood decisions.

ii. Savings and Financial Inclusion

One of the most important impacts of KMUT is the increased engagement of rural women with formal banking systems. As the benefit is transferred digitally, women are encouraged to maintain functional bank accounts, update Aadhaar details, and understand digital payment options. This not only enhances their financial literacy but also introduces them to savings habits. Many women report saving a portion of the cash benefit, which acts as a safety net in times of crisis. Through digital participation, KMUT indirectly strengthens the broader agenda of financial inclusion in Tamil Nadu.

iii. Social Empowerment and Household Decision-Making

With control over a monthly income, women experience a greater sense of autonomy and respect within their families. KMUT empowers them to make decisions about household expenditure, children's needs, health priorities, and personal requirements without depending on others. This shift enhances their bargaining power within the domestic sphere and elevates their status in community networks. For widows, single mothers, and deserted women, the scheme acts as a crucial source of dignity and social confidence.

iv. Health and Nutritional Security

Women frequently use KMUT funds to purchase nutritional food items, medicines, and health supplements. This improves maternal and child health outcomes, especially in rural households where healthcare access is limited. By reducing the burden of out-of-pocket expenses, KMUT promotes better preventive healthcare practices among women and children.

v. Digital Empowerment and Access to Government Services

As KMUT benefits are delivered through digital public infrastructure, women learn to navigate mobile banking, ATM withdrawals, and basic digital literacy. The scheme encourages rural women to stay updated on government notifications, use mobile phones for financial tracking, and engage with e-governance platforms. This promotes active citizenship and strengthens their digital identity.

vi. Livelihood Enhancement and Entrepreneurial Potential

Some beneficiaries use a portion of the monthly support to invest in small livelihood activities such as tailoring, petty shops, livestock rearing, flower vending, or seasonal trade. Although the amount itself is modest, it plays a catalytic role by providing seed money or supporting working capital requirements. KMUT thus becomes a stepping stone for micro-entrepreneurship.

7.Challenges in Implementation

Despite its wide reach, KMUT faces certain challenges. Aadhaar verification errors, bank account mismatches, and documentation issues create delays for some applicants. Limited digital literacy in remote rural areas also affects beneficiary awareness. Additionally, the amount, though impactful, may not be sufficient to address all livelihood vulnerabilities, particularly in regions with high inflation. Addressing these barriers would further improve the scheme's effectiveness.

8.Policy Suggestions

Strengthening community-level awareness programmes on digital banking, expanding support services for documentation, integrating KMUT beneficiaries with skill development missions, and linking them to self-help groups can enhance the long-term impact of the scheme. Coordination between welfare departments, local bodies, and banking institutions can further streamline service delivery.

9.Conclusion

The Kalaingar Magalir Urimai Thogai stands as a transformative welfare initiative that advances women's livelihood security in Tamil Nadu. By providing a steady monthly income, the scheme empowers rural women economically, socially, and digitally. KMUT not only eases financial burdens but also fosters a culture of independence, dignity, and resilience among women. Its contribution to women's empowerment is evident in improved financial inclusion, better household decision-making, enhanced savings practices, and the development of small livelihood activities. As Tamil Nadu continues to strengthen its social welfare landscape, KMUT emerges as a foundational model for gender-responsive governance and inclusive growth.

Acknowledgement

This Research Paper has been published using the Seed Money Grant provided by NGM College, Pollachi

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