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## Self Help Groups: Survival During and After Covid 19 Pandemic

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### Abstract

COVID-19, a novel infectious disease, was declared pandemic by the World Health Organization in March 2020. Corona virus is a single stranded RNA virus with a diameter ranging from 80-120 nanometers. The first modern COVID-19 pandemic was reported in December 2019, in Wuhan, Hubei province, China and most initial cases were related to source infection from a seafood wholesale market (Huang et al., 2020). The disease categorized as a pandemic by the World Health Organization (World Health Organization, 2020). COVID-19, apart from becoming the greatest threat to global public health of the century, is being considered as the largest disruptor in the social and economic achievement. This paper brings the sufferings of Women Self Help Groups during the pandemic and challenges women groups have faced during outbreak of COVID-19.

**Keywords:** Pandemic, Corona, self help groups, public heath, community

**Subject Classification:** Social studies

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## **1. Introduction**

Pandemics in general are not merely serious public health concern, rather these trigger disastrous socio economic and political crises in the affected countries. As it is implied in the name-COVID-19, CO stands for corona, VI for virus, and D for disease and 19 represents the year of its occurrence. COVID-19 is unique because of its wide geographic spread across a range of populations, its partially asymptomatic transmission, disproportionate effect on older people and those with underlying morbidities, and potentially, level of intensive care required when geographic areas experience a large number of severe cases. Lockdowns vary greatly in severity, with some countries instituting full lockdowns, mandating social distancing, and strengthening public health responses, and other countries implementing shelter-in-place policies.

In India, nationwide lockdown that began at the end of March 2020 initiated a crisis for migrant workers, daily wage workers, and small enterprises, which has been met with social protection and relief measures that vary widely by state.

A self-help group is a financial intermediary committee usually composed of 10 to 25 local women between the ages of 18 and 40. Most self-help groups are in India, though they can be found in other countries, especially in South Asia and Southeast Asia. Self-help Groups (SHGs) are informal associations of people who come together to find ways to improve their living conditions. They are generally self-governed and peer-controlled. People of similar economic and social backgrounds associate generally with the help of any NGO or government agency and try to resolve their issues, and improve their living conditions.

While the country is opening in phases after the end of “lockdown 4.0” on May 31st, with many decisions left to states and Union territories (Times of India, 2020), social distancing measures continued in the long term, along with social protection benefits for the poorest. Private transport, shops, hotels, and restaurants reopened on May 26 under the condition that visitors apply social distancing measures. However, the reopening is conditional upon the use of masks. Lockdowns are particularly challenging for women’s groups because almost all

women's groups meet physically. Even after lockdowns, social distancing policies may limit the ability of women's group members to meet.

This paper presents the implications of the pandemic and the lockdown for women's self help groups, with a focus on India.

### **1.1.Review of Literature**

The social, human, and financial capital generated through women's groups may enable women's group members to mitigate the consequences of negative economic and health shocks (e.g., Christian, Kandpal, Palaniswamy, & Rao, 2019; Atyang, 2016; Karlan et al., 2017). Furthermore, scaled-up self-help groups (SHGs) and savings groups have created governance structures that make these groups well positioned to contribute to the implementation of social safety nets (Desai & Joshi, 2013; Reddy & Manak, 2005; Kumar et al., 2019). Groups with wide population coverage also may be able to support public health prevention measures. Perhaps for these reasons, the Indian government and nongovernmental organizations with a focus on Africa (e.g., CARE, Women for Women International) are channeling funding and community response initiatives through self-help and savings groups to limit the negative economic consequences of the lockdown. Although recent reports focus on the role of women's groups during the pandemic (Sanyal, 2020; World Bank, 2020), there is virtually no evidence on the impact of COVID-19 on the implementation and effectiveness of women's groups.

### **1.2.Historical Background of SHG**

An NGO in south part of India named Mysore Resettlement and Development Agency (MYRADA) in 1980s has formed 300 autonomous SHGs known as credit Management Groups..These 300 SHGs have run well and has caught the interest of the National Bank for Agricultural and Rural development (NABARD). NABARD decided it is effective to provide banking services to the so called 'un-bankable' people. NABARD along with RBI, Commercial Banks (CBs) and NGOs has launched the pilot project of linking the SHGs with the commercial banks between the years 1991 to 1992.Appreciating the success of the SHGs the government of India has become a key promoter of SHGs. By decentralization of power at the Panchayat levels in the year 2004, SHGs has started to be recognized as a powerful institution for the poor. By March 2005, there were over 24

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million poor families or about 120 million members in 1,618,456 SHGs across the nation making it the largest microfinance initiative in the world. (Source: ipekpp (2014))

### **1.3.Objectives of the Study**

- To review Covid -19 and lockdown situation in India in general.
- To put forth the challenges for Self Help Groups in India during and after Covid-19

## **2. Research Methodology**

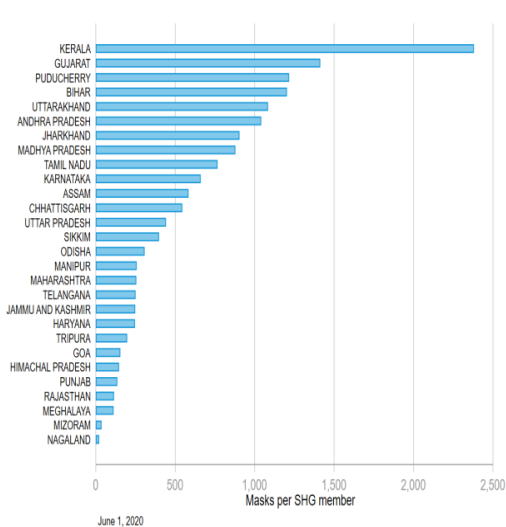
This study is purely based on Secondary data and conceptual in nature. Various articles, newspapers, website and online webinars have been used to collect information for this study.

## **3. Challenges of Self Help Groups**

With 1.3 billion Indians in midst of an unprecedented 40-day lockdown to defeat the corona virus, the collective strength of women's self-help groups (SHGs) has come to the fore. Women at the center of development have been an important story in South Asia. In these extraordinary times, when we are all united in our fight against the Covid 19 virus, these women's groups are playing critical role.

### **3.1. Meeting the shortfall in masks, sanitizers and protective equipment:**

More than 19 million masks have been produced by some 20,000 SHGs across 27 Indian states. In addition to over 100,000 liters of sanitizer and nearly 50,000 liters of hand wash. Since production is decentralized, these items have reached widely-dispersed populations without the need for complex logistics and transportation.



**Figure 1.a.** Production of Masks by SHGs Across States:

**Figure 1.b.** Ms. Farhat, a Self Help Group member working at Koel Apparel Park, Palamu, Jharkhand. Women’s self-help groups (SHGs) have come to the fore as foot soldiers in India's fight against COVID-19 (Corona virus).

Floating Supermarket brings essentials to the doorsteps of India during lockdown. Members of two Kudumbashree units in Kainakary grama panchayat in Kuttanad have joined hands to come up with a floating supermarket, Thanima, to cater to hundreds of families affected by the lockdown, imposed following COVID-19, in a place surrounded by water.



(Source: NRLM MIS data 2020)

### 3.2. Running community kitchens

With huge numbers of informal workers losing their livelihoods during the lockdown and food supply chains getting disrupted in some areas, SHGs have set up over 10,000 community kitchens across the country to feed stranded workers, the poor and vulnerable. In Kerala, the Kudumbashree network, one of the country’s earliest community platforms of women with 4.4 million members and several years of catering experience behind

them, were the government's natural choice to run a number of these kitchens. These groups have dramatically ramped up their efforts and are now running 1,300 kitchens across the state, while also delivering food to those in quarantine and the bedridden. In Jharkhand, where poverty is high, SHGs helped district administrations identify pockets of hunger and starvation so efforts can be made to ameliorate them. **But**, initially Women were compensated for running community kitchens. The community kitchens, run under the 'Mukhyamantri Didi Kitchen' initiative to feed poor families, were supplied with rice and *dal*. The self-help groups were given some money for other supplies and cooking fuel but were not paid for the work they put in (Sunita Devi, secretary of the Jagruti Mahila Sangh), a cluster-level federation of 360 self-help groups in Dumarkudar village of Jharkhand's Bokaro district. It would have helped the women if they were compensated for their efforts, adding that when the government asked them to restart the kitchen in April but did not supply rations, they refused.

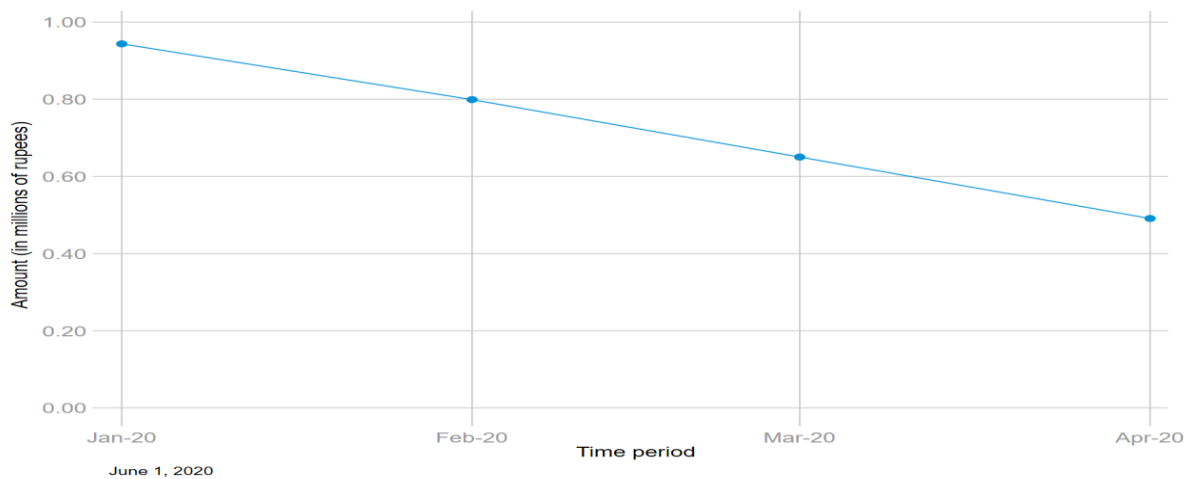
### 3.3.SHGs and Physical Distancing During COVID-19

The Ministry of Rural Development recommended that SHG members follow physical distancing guidelines, which may continue after the lockdown, limiting the ability of women's group members to meet. Regular meetings are among the five original key principles of NRLM (*panchastotra*), and evidence shows that groups' collective identity and functioning may be limited without the ritual of meeting and performing social activities (Majumdar, Rao, & Sanyal, 2017). To keep groups operational, SRLM implementation staff in some states, like Maharashtra, reported using technology and virtual platforms to train SRLM staff on COVID-19 responses, but most basic SHG functions could not be delivered through technology. The 2015–16 National Family Health Survey indicates that only 37% of women in rural India own a mobile phone. In addition, of the 41% of women in Bihar who have a mobile phone, only 42% can read a text message. Findex data further suggest that just fewer than 20% of women in India reported using a mobile or the internet to conduct financial transactions. Digital meetings were less effective than physical meetings in building group solidarity.

### 3.4.Economic Shocks and SHG Functioning

Economic shocks may reduce income and viable market linkages for groups linked to livelihoods promotion, which may result in group dissolution. Although members may be

able to rely on previous savings in the short term, accumulating new savings is likely to be disrupted. As of June 1, 2020, 4,181 blocks across the country reported mobilizing a total of Rs. (Indian rupee) 3.95 billion in January 2020 (Rs. 0.94 million per block), while 3,794 blocks reported mobilizing a total of Rs. 2.47 billion (Rs. 0.65 million per block) in March 2020, and 3,047 blocks reported mobilizing a total of Rs. 1.50 billion (Rs. 0.32 million per block) in April 2020.



**Figure 2.** Amount of Savings Mobilized by SHGs

(Source: NRLM MIS data (2020) accessed on June 01, 2020.)

The nationwide lockdown announced last year to contain the spread of the Covid-19 pandemic impacted the economy and the food intake of poor Indians: Nearly half (44%) of the 3,994 people interviewed from 11 states in October 2020 for the Hunger Watch report said their income fell by half or quarter and 45% said their need to borrow money for food had increased. To help deal with this crisis, self-help groups helped rural communities by distributing food and ration supplies and creating awareness, said a preliminary report of a study by a group of scholars from various institutions on the lockdown's short-term effects on rural communities.(Refer-Fig.:3)

### 3.5. Reduced Incomes, Increased Debt

Despite increased activity, SHGs were having a hard time dealing with loss of income and rising debts. Livelihood opportunities have been severely impacted due to the economic shock of Covid, especially non-farm livelihoods, in which a large section of women members of SHGs are involved. Also, Due to the fall in purchasing capacity, mobility restrictions etc., micro businesses of women have been negatively impacted. (Nilanjana

Sengupta -International Centre for Research on Women ).Though government agencies and NGOs purchased masks, sanitizers and other Covid-related products made by the SHGs, the demand for these diminished after the first wave. The second lockdown was quite severe in rural India, and for the self-help group members.

### **3.6. Delayed loan repayments:**

Over eight in 10 women said they could reach out to their self-help group in times of need, in an IWWAGE survey of 423 self-help group members from Odisha conducted in July 2020. The self-help group was the preferred avenue for women to access emergency loans, savings and gain information. Self help group members saw higher borrowing rate (59%) against 42% women on average, a study of 15,000 women and 2,300 men from low-income households across 10 states conducted between October and November 2020 found. The report, published in May 2021 was conducted by Dalberg, a global consulting firm. But members have been struggling to return their loans taken from SHGs. But delaying payments resulted into more and higher interest rates.

Given the adverse impact on the economy, there is an urgent need to think about new funding dedicated to crisis amelioration, as well as an extended moratorium period or flexible repayment schedules for existing loans (Soumya Kapoor Mehta, head of IWWAGE told India Spend).

### **3.7. Discrimination, lack of mentorship and transparency**

Though over the years, the self-help group model has been hailed for improving household incomes, increasing women's negotiation power and agency, the scheme's growth has been limited by cases of discrimination, lack of transparency and mentorship. Self-help groups are formed by community resource persons who mentor the group for some time, usually four weeks, and then move on. But when new members join, they often do not receive the high quality training imparted to the original set [of members]. Peer learning happens but if we want to accelerate quality improvement then refresher training is needed. (Bidisha Barooah- International Initiative for Impact Evaluation) The current system wherein critical information percolates to self-help groups through cluster-level federations and village organisations leads to the exclusion of some women from government schemes especially those related to livelihood opportunities, (Nilanjana Sengupta of ICRW).



Usually, NRLM officials share scheme-related information at cluster-level federation meetings, whose members are supposed to discuss this in the village organisation meetings, whose members take the information further on to their respective SHGs. But, it was found that some of this information does not percolate in this systematic manner and certain leaders keep that information to themselves or their own friends and relatives. Also, limiting SHGs to the credit/thrift role does not always give women more agencies because they end up as mere channels for fund flow to families (Sengupata).

In short, each state needs to focus on improving their access to entitlements related to food, water, health care, childcare and boost their livelihoods and employment prospects by incentivizing SHG led enterprises through public procurement of products of women's collectives, or by providing subsidized input support.

### **3.8.Remarkable contribution during Covid -19 by Indian SHGs**

The footprints by the SHGs as community warriors against Covid-19 can be felt across various Indian states.

- In Tamil Nadu, each PDS shop has been stationed with two SHG volunteers to ensure that people in the queue maintain adequate distance.
- In Odisha, rural women organised in these SHGs produced more than 1 million cotton masks for police personnel and healthcare workers.
- In Kerala, an SHG named Kudumbashree is helping dispel fake news through its network of Whats App groups with more than 100,000 women as members. These platforms are specifically leveraged to disseminate urgent and authentic information regarding the pandemic. It is also involved in running 1,300 kitchens across Kerala and is providing food to those who are bedridden or under quarantine.
- The Mahila Arthik Vikas Mahamandal (MAVIM) and the numerous women SHGs operating under it played a crucial role in combating the socio-economic impact of the pandemic in rural Maharashtra. These women even contributed approximately 11 lakhs to the Chief Minister's Relief Fund through a MAVIM-driven donation campaign.

#### 4. Conclusion

Indian self-help groups (SHGs) have contributed in holistically addressing economic and social needs that have emerged at the community level during the Covid-19 outbreak. The SHGs have consolidated their efforts to work on issues like social distancing, use of masks, quarantine, and psycho-social issues of migrants, care of elderly population, mental health, and well- being, amongst others. To mitigate this pandemic impact, small and medium enterprises in collaboration with Self Help Groups can play an important role in the economic development of the country

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