

Role of Self-Help Groups (SHGs) in India in Confronting the Pandemic

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ABSTRACT

The entire economy is undergoing a stage of acute crisis known as COVID-19. This infectious virus has imposed a serious threat on the survival of human being across the world. This global pandemic has huge impact on the world economy. Like many countries, India is also affected by this. The economy has been badly affected by the pandemic. Several policy measures have been announced by Government, for various sectors to recover from the crisis and regain growth. This paper is an attempt to throw light on the role of SHGs as a warrior against the ongoing pandemic. SHG members in the states of Chhattisgarh, Odisha, Coimbatore, West Bengal and others are actively participating in making masks and sanitizer – the two indispensable things for self-protection to fight COVID-19. Besides this, SHG members are also running community kitchens and handling the spread of misinformation. More than 3 crore masks and 1.2 lakh litres of sanitizers have been produced by SHGs across different states of India, during this period. The government, as a part of stimulus packages, has announced a financial package of Rs. 1.7 lakh crore for poor and vulnerable migrant labours, farmers, and construction workers to help them regain their livelihoods. In this package, the amount of collateral-free loans has been doubled to Rs. 20 lakh from Rs. 10 lakh for SHG members. The role of SHGs in combating the crisis is praiseworthy. The measures taken to come out of the ongoing crisis are expected to benefit many SHGs and in turn million households.

Keywords: COVID-19; Pandemic; Stimulus Package; SHGs

INTRODUCTION

The world economy is passing through tough times. The threat of COVID-19 has indeed made everyone's survival at stake. This was totally unpredictable. It has affected many countries across the world, among them the worst affected country is the USA, reporting the highest death toll, followed by countries like Italy, and Spain. China first reported the presence of the virus and has been affected. Gradually it has been reported in other countries also as mentioned above and it has been declared a pandemic. India too has been affected by the pandemic. Efforts are made to discover the vaccine for this virus. The current situation is very challenging for all countries affected by this pandemic. All the activities suddenly paused. The lifestyle changed drastically. Janata curfew has been declared in India as the first measure to arrest the spread of this life-threatening virus. Gradually lockdown has been implemented across different states. During this period of lockdown, work from home, online teaching-learning process, etc. are being followed. Every sector of the economy has been badly affected by this pandemic. India is trying her best to come out of this acute situation. Measures have been announced for various sectors of the economy. During this period of the pandemic, the role of SHGs across India is worth mentioning. This study has the following objectives:

- To discuss the role of SHGs in India in confronting the ongoing crisis period
- To discuss in brief the different measures taken to fight against the pandemic

The study is based on secondary data, which has been collected from different web resources like e papers, e-journal articles. The study is descriptive in nature; no statistical tools has been used.

LITERATURE REVIEW

Balakrishnan and Kalyani (2021) discussed the impact of COVID-19 on the Self-Help Groups. This paper tries to highlight the sufferings of Women Self Help Groups during the pandemic and its challenges and the various policy measures taken by Central Government. A feature story published by World Bank (2020) discussed the role of women's self-help group in combating the crisis. Yadav (2020) discussed about the pandemic and experience of social workers in Self Help Groups (SHGs). Puhazhendhi (1999) in his work tried to highlight the importance of micro-finance in alleviating poverty from the grass-root level in India, since poverty is a major constraint in the development of a country. Tankha (2012) attempted to examine the policy gaps and opportunities that exist for SHGs. He tried to examine the strategy adopted by National Rural Livelihoods Mission programme of Government of India and the role of National Bank for Agriculture and Rural Development in development of SHGs. He concluded the work by offering some suggestions. Vasantha (2015) mentioned that microfinance through self-help group is very effective tool for poverty reduction as well as women empowerment. Saravanan (2016) discussed microfinance and its role in poverty eradication. He concluded microfinance is having a great role in poverty reduction. According to Asian Development Bank (2020) microfinance to be the only cost effective and sustainable way of increasing banking outreach to rural poor people. He also discussed about the different advantages of micro finance and concluded that SHGs play an active role in livelihood promotion among urban poor.

RESULTS AND DISCUSSION

Role of Self-Help Groups

SHGs are a voluntary association of 10-12 people from the same socio-economic background who come forward for their mutual benefit. SHG pools the small savings of the members and arranges credit delivery for the members. SHGs in India form the largest chain of Microfinance Institutional Network. Some of the characteristics of SHGs that make them different from the traditional form of lending are collateral-free loans, loans without mentioning a specific purpose, and an informal lending system. SHGs during this Covid period are playing a vital role in supplying personal protective equipment, masks, and sanitizers. Statistics reveal that more than 12000 SHGs in India have already produced more than 3 crore masks and 1.2 lakh litres of sanitizer. SHGs across different states in India have come forward in this venture. SHGs during this crisis period, besides making masks and sanitizer were also involved in works like running community kitchen, making people aware of any misinformation and rendering them any assistance relating to financial decisions. SHGs across states namely Odisha, Jharkhand, West Bengal, Kerala, and many others are actively participating in manufacturing PPE, masks, and sanitizers. SHGs in Jharkhand are running more than 10,000 community kitchens and delivering food to the poor, elderly, and the quarantined (Ministry of Rural Development, 2020). In Bihar also the picture is the same. In Mysuru, many SHGs across the state are actively involved in manufacturing essential commodities viz masks, and sanitizers. Besides these, they are actively involved in creating awareness among the public regarding the importance of social distancing and the preventive measures to be taken to stay safe. SHGs are helping to identify the quarantined centre and elderly people and are supplying food to them. SHGs in the state of Maharashtra contributed Rs. 11 lakh to the Chief Minister Relief Fund.

As per the report of the Ministry of Rural Development, during April, 132 lakh masks have been produced by 65936 SHG members of 14522 SHGs across different districts in 39 Indian states, within a time span of 15 days. These were expected to reach the target group very easily with minimum transportation and logistics. The masks have been produced by the SHGs, in a decentralized way, by SHGs across different states in India. Besides this, 7200 SHGs have been formed in the urban area. SHGs during this pandemic period have come forward and emerged as great warriors in combating the deadly virus by supplying masks and sanitizer. According to a report by World Bank (2020), 19 million masks have been produced by 20,000 SHGs of various states in India. National Rural Livelihood Mission, the largest rural poverty alleviation program of the Government of India, launched in the year

2011 has formed many SHGs. It covers nearly 7 crore poor rural households in 6000 districts and 25.8 lakh million gram panchayats. The female members of the rural poor households have been bought under the SHGs. These SHGs are actively participating in making the personal protective equipment, masks, and sanitizers.

The following table will provide an overview of the total number of masks produced by SHGs across different Indian states:

Table 1: Mask Production by SHGs (As on 3rd April, 2020)

SL No.	State	No of Districts	No of SHGs	No. of SHG members	Total Masks produced (in Nos.)
1	Andhra Pradesh	5	4,281	21,028	25,41,440
2	Bihar	34	271	1,084	3,49,517
3	Chhattisgarh	24	932	2,674	5,49,712
4	Gujarat	33	367	1,470	10,49,319
5	Haryana	6	48	234	1,46,800
6	Himachal Pradesh	8	150	370	1,00,000
7	Jharkhand	21	131	394	3,00,215
8	Karnataka	12	139	581	1,56,155
9	Kerala	14	306	1,570	15,77,770
10	Madhya Pradesh	52	1,511	4,652	10,04,419
11	Maharashtra	25	602	2,558	3,62,332
12	Mizoram	1	1	1	100
13	Nagaland	5	48	475	6819
14	Odisha	12	202	1,388	2,78,076
15	Puducherry	2	143	303	1,20,380
16	Punjab	15	575	2,536	2,43,268
17	Rajasthan	6	1,206	6297	92,890
18	Sikkim	1	25	250	10,000
19	Tamil Nadu	32	1,927	10,780	26,01,735
20	Telangana	11	248	2,480	5,80,000
21	Tripura	4	45	173	4,650
22	Uttar Pradesh	49	968	2,027	3,64,894
23	Uttarakhand	10	112	421	4,74,490
24	West Bengal	17	284	2,190	2,91,794
Total		399	14,522	65,936	1,32,06,775

Source: rural.nic.in

As per the Ministry of Rural Development as of 12th April 2020, 2 crore masks have been manufactured by around 78000 SHGs of 27 State Rural Livelihood Mission in the country (Ministry of Rural Development, 2020). More than 5000 PPE kits have been manufactured by SHGs across various states. 900 SHGs in 9 states have produced 1 lakh litre of sanitizer. Apart from these, some SHGs have also produced liquid soaps for hand wash.

Detailed activities of SHGs of few States

In Bihar, women under the National Rural Livelihoods Mission, Jeevika platform of the state are involved in identifying vulnerable households. The SHG members are also playing an active role in creating awareness about the importance of maintaining personal hygiene like hand washing, social distancing, sanitization and quarantine. The network of 1.4 lakh SHGs in the state of Bihar is acting as a frontline warrior and also trying its best to explain the risk of this virus transmission.

In Uttar Pradesh, SHG members are manufacturing masks of Khadi material with the help of Khadi Gramodyog. In Kheri district of Uttar Pradesh, SHG members are working at a stretch to produce PPE kits for the frontline health workers and police personnel. Apart from this, the SHG women under Prerna platform used methods like rangolis, and songs through which they tried to spread awareness regarding handwashing and maintaining social distancing.

In the state of Jharkhand women of SHGs use a mobile app namely, Aajeevika Farm Fresh, to sell vegetables without violating the social distancing norm. Networks are used by them to identify vulnerable households trying to help the pockets in need of food. There is a 24 hours helpline run by State Rural Livelihoods Mission, which provides important information to the migrants who are returning. They have Mukhya Mantri Didi kitchen, which provides free food to the kitchen. At present, the state has 4185 community kitchens in Panchayat, with State Rural Livelihoods Mission, providing Rs. 20,000 to each SHG.

The SHGs in Ganjam district started manufacturing mask N-95, at a cost of Rs. 25 only, which is really praiseworthy. A good quality mask with better protection at a cheaper price is affordable for the economically backward section of the society also. Ganjam district Rural Development Authority (DRDA), in the state of Odisha, started making N-95 equivalent masks with the help of SHGs in the district. The mask is a six-layered mask. It is made with non-woven and hot air cotton, hydrophilic and melt-down fabric layers for air filtration that helps to protect against issues and bacteria. In the 1st phase, 10,000 masks have been produced. The Odisha Rural Development and Marketing Society and the Odisha Livelihoods Mission are supervising the production of the low-cost N-95 masks.

In the state of Chhattisgarh, 7,625 women from self-help groups, from different districts, under their state rural livelihoods mission are engaged in the task of producing masks and sanitizers during the period of the pandemic. As per statistics of Deccan Herald by Das (2020), as of May 2020, they have produced more than 39 lakh face masks and nearly 10,000 litres of hand sanitizers. Different districts in the state namely Koriya, Rajnandgaon, Bemetara, etc. are engaged in the production of masks and sanitizers. The masks produced are three-layered masks recommended by WHO at a price range of Rs. 10 to Rs. 20. 36.37 lakh masks were sold out of the total masks produced at a value of Rs. 4.52 crore. 7,690.35 litres of sanitizers worth Rs. 32.07 lakh has also been sold. Apart from producing sanitizers and masks, SHGs are also engaged in producing pattal and dona i.e., disposable plates and bowls made of dry leaves and paper and supplying them to quarantine centers for migrants.

RBL Bank, as a part of its corporate social responsibility, has provided training to the low-income women entrepreneurs in the state of Maharashtra and West Bengal to manufacture masks, which will help them earn their livelihoods. Following this, the women SHGs under West Bengal State Rural Livelihoods Mission, known as Anandadhara, manufactured 10,000 masks which have been distributed to the east and north-east states.

Apart from these SHGs of other states are also actively participating in the production of masks and sanitizer.

Again, during the Covid spike in 2021, around 23,000 members of Women SHGs are being trained under Uttar Pradesh State Rural Livelihood Mission (UPSRLM) to manufacture masks, PPE kits, etc. (Dixit, 2021).

Another initiative on part of the Government for SHG includes the initiative - The Saras collection, for the rural SHGs. This is a government e-market platform (GeM). The initiative will help the rural SHGs, to display their products on the government e-market platform (GeM). Listing of the products can be done in five categories - handicrafts, handloom, textiles, office accessories, grocery and pantry, personal care and hygiene. These products are for sale to the Government buyers. In the first phase, almost 913 SHGs from 11 states have registered as sellers and 403 products have been onboarded. This platform is of immense help for the rural SHGs in selling their products by showcasing them to the government buyers. For providing this facility to a large number of SHGs, GeM has developed an Application Programming Interface (API) based integration mechanism with the NRLM database.

Measures announced

Central Government has announced a financial package of Rs. 1.70 lakh crore for the migrant worker, labours, and poor, construction workers, disabled. This relief package of Rs. 1.70 lakh crore

announced by the Central Government include doubling of collateral-free loan from Rs. 10 lakh to Rs. 20 lakh for SHGs which would help them to regain their livelihoods. Owing to this lockdown, many have suffered and lost their jobs.

This will benefit 63 lakh SHGs, which will help 7 crore families to earn their livelihoods. This package will provide benefits to the economically backward section of society. Among the beneficiaries of such relief packages which include Pradhan Mantri Kisan Kalyan Yojana, MGNREGA, Pradhan Mantri Jan Dhan Yojana, Pradhan Mantri Ujjawala Yojana, etc; SHGs are also expected to benefit from the package.

Apart from this, a relief package of 20 lakh crore announced has been by the central government for every Indian state affected by this pandemic. It is almost 10% of the country's GDP. It is just after countries namely the US and Japan, which is 13% and 21% of the country's GDP respectively. This 20 lakh crore package includes Rs. 1.7 lakh crore packages of free food grains to the poor and cash to poor women and elderly people. This package is likely to benefit the poor. RBI has announced liquidity measures and interest rate cuts. The measure of RBI accounted for about 3.2% of the GDP in May an increase from 0.8% of GDP in the month of March. The relief package announced by the Government of India is to make India self-reliant i.e., "Atmanirbhar Bharat". The package will focus on the area of land, labour, liquidity and law. It will serve the needs of the various sections of the society like the cottage industry, MSMEs, labourers, middle class and industries. Tax reliefs allowed for small, micro, and medium enterprises to provide them relief, in the phase of such crisis. India also announced measures and incentives to boost domestic manufacturing. The government of India also targets to attract investments. The mission of self-reliant India has five important features like infrastructure, technology, vibrant demography, demand and a quantum jump in the economy. Apart from these, Rs. 34800 crore financial assistance using digital infrastructure was provided to 39 crore beneficiaries. Rs. 20 lakh crore includes - Rs. 8.01 lakh crore of liquidity measures and Rs. 1.92 lakh crore packages of free food grains and cooking gas to the poor and some sections.

The package includes a benefit for various sectors of the Indian economy like MSME, financial sector, banking, etc. The 1st tranche of 5.94 lakh crore is for the shadow bands, and electricity companies, the 2nd tranche of Rs. 3.10 lakh crore is for farmers, workers, migrant labours, the 3rd tranche of Rs. 1.5 lakh crore is for the agricultural and the allied sector, and the 4th and 5th tranche of Rs. 48100 crore is for the infrastructural development and structural reforms.

Table 2: Relief Package

Serial No.	Item	Rs (crore)
1.	Part 1	5,94,550
2.	Part 2	3,10,000
3.	Part 3	1,50,000
4.	Part 4 & 5	48,100
Total		11,02,650
5.	Earlier measures including the Pradhan Mantri Garib Kalyan Package (PMGKP)	1,92,800
6.	RBI Measures	8,01,603
	Sub total	9,94,403
Grand Total		20,97,053

Source: www.economictimes.indiatimes.com

The relief package announced by the Government of India will act as a life-saving medicine for the revival of the various sectors of economy affected by the crisis.

CONCLUSION

The sudden outbreak of the novel coronavirus has jeopardized the entire economic system of the country. The way of living changed drastically for all. All activities came to a sudden halt. This virus often has no symptoms. Scientists and medical practitioners are working hard to find out the vaccine to arrest the spread of this virus. Wearing masks and using sanitizer has become an indispensable part of human lives. There has been a massive increase in the demand for PPE, for the health workers during this pandemic period. The role of SHGs across the country to meet the sudden surge in demand for masks, sanitizers and personal protective equipment (PPE) is praiseworthy. SHGs during this period of crisis emerged as a great warrior. SHGs, across different states in the country, as discussed above, have come forward and extended their hand of cooperation, to encounter the situation of pandemic, which is indeed a need of the hour. Government has announced measures for every sector of the economy; SHGs are also likely to be benefitted from such measures. At present, it is indeed difficult to say, when the entire world can overcome this crisis but there is a ray of hope, that vaccine will be discovered surely very soon, and everything will be like before. People have already been accustomed to the 'new normal' situation but awareness among all regarding the Covid protocol is of utmost importance and this will help to win over the situation.

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