



ORIGINAL RESEARCH PAPER

Social Science

EXPLORING EMERGING THREATS AND CHALLENGES PUT FORTH BY COVID-19 PANDEMIC: PERSPECTIVES FROM THE DAY-NRLM PROMOTED SHGS IN ASSAM

KEY WORDS: Covid-19, Self Help Groups, DAY-NRLM, ASRLM.

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ABSTRACT

The objective of this study is to explore the emerging threats and challenges that has been put forth by the Covid-19 pandemic upon the SHGs functioning in Assam and with respect to the same a telephonic survey was conducted seeking information from SHG members. Since the Covid-19 outbreak and the consequences thereof, the SHGs have reported difficulties in participation in group activities; raised issues in their livelihood practices; challenges in access to credit and other financial services, besides several other issues. In an immediate attempt to address the Covid-19 centric issues of its SHGs, the Assam State Rural Livelihoods Mission (ASRLM) has adopted a series of remedial measures, however, still the fate of a large base of newly promoted SHGs is hovering around uncertainty.

INTRODUCTION

The centrally sponsored Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM) programme launched in 2011, has been playing a vital role in dynamizing the group based approach in rural development initiatives across India. DAY-NRLM through its implementing agencies being established in each State has promoted around 6.5 million SHGs and their federations. It has been collaborating with several NGOs viz. APMAS, PRADAN, Sa-Dhan, etc. actively involved in catalyzing the SHG movement in India, for promoting, nurturing and developing the large base of SHGs and their federation to become self-sustaining in the long run. But, the Covid-19 outbreak and the consequences thereof have put forth an unprecedented situation for the SHGs functioning in India. National lockdown has been enforced with severe restrictions in movement and mass gathering of people. Transportation facilities have come to stand still and trade activities have been restriction to a few essential services. The advisories from the government regarding staying indoors, social distancing norms and hand sanitization is bound to make an influence on the participation of SHG members in group activities which is very vital for their functioning and management. Overcoming this turbulent situation would be challenging task for a large number of SHGs since they might still be at a developmental stage and lack adequate exposure to cope and survive such unprecedented levels vulnerability.

In this paper, an attempt has been made to study the issues and challenges of DAY-NRLM promoted SHGs in Assam that has arisen due to the spread of the pandemic disease Covid-19.

Review Of Literature

The Covid-19 pandemic has emerged as a global crisis as well as one of the greatest challenge ever faced since Second World War (UNDP, 2020). It is expected to have major economic implications for rural India (Mitra, 2020). Small businesses including those run by SHGs in rural areas are on the brink of collapse demanding a risk-mitigating support system (Gupta & Thakur, 2020). In this regard, the Self Help promoting institutions (SHPI) can come forward with a strategy focusing on rebuilding confidence among SHG entrepreneurs by providing immediate credit support to overcome shortage of cash flow, mainly for working capital (Gupta & Thakur, 2020).

Given this backdrop, a study with respect to the issues and challenges of the ASRLM promoted SHGs in Assam, emerging due to the Covid-19 outbreak, is expected to provide valuable inputs for mitigating the same in a more effective manner.

OBJECTIVES OF THE STUDY

1) To find out the various issues of the SHGs in Assam with respect to their management and functioning due to Covid-19 outbreak.

2) To study the various measures adopted by ASRLM in order to mitigate the issues of its SHGs arising due to Covid-19 outbreak.

METHODOLOGY

The current study is exploratory in nature and seeks to gain insights into emerging threats and challenges put forth by Covid-19 pandemic. As such, the research design has been kept flexible enough to include various aspects of research. A telephonic survey has been conducted involving 100 SHG members primarily to get an idea about the issues which have crept up due to Covid-19 pandemic with respect to functioning and management of SHGs. Convenience sampling has been used to select samples for the telephonic survey since availability of any directory maintaining contact details of SHG members is unknown. Contact numbers of 132 SHG members from six districts of Assam (Sonitpur, Nagaon, Morigaon, Tinsukia, Udalguri, Hailakandi) have been accessed through the SHG network and ASRLM Officials. Out of the 132 contact numbers, communication could be established with 117 SHG members. Of the 117 members, 17 members did not give their consent for the survey. Information have also been sought from ASRLM Officials in an effort to substantiate the authenticity of qualitative data collected from the respondents. The secondary sources of information included various documents accessed from ASRLM, DAY-NRLM and Ministry of Rural Development's websites.

Observations

The qualitative data collected from the SHG members through telephonic survey, information gathered through discussion with ASRLM officials over the phone and the secondary data collected in regards to the current study have been carefully disseminated in the sections below to get a vivid picture of the actual setting. The issues and challenges of the SHGs have been outlined and discussed followed the measures adopted by ASRLM to mitigate the same. Further, certain grey areas have been highlighted where ASRLM is expected to work further to provide a more meaning dimension to its measures to mitigate the Covid-19 centric issues.

Issues And Challenges Due To Covid-19 Outbreak Participation In Group Activities

The SHG members reported that enforcement of national lockdown followed by social distancing norms to contain the spread of the virus, have hindered them from engaging in their group activities. Besides their periodic SHG meetings, the SHG members grouped together for federation meetings, training programmes, workshops, awareness programmes, etc. very often, which they have assumed to be vital from the functioning and management perspectives of their SHGs. Mrs. Binita Das, an SHG member from Sonitpur district of Assam, opined that the regularity of weekly meetings establishes

group cohesion among its members and the inability to conduct the same for an extended duration might result in creeping up of several issues detrimental to the sustenance and survival of their SHGs.

Access To Credit Facilities And Other Financial Services

The SHG members reported that since the Covid-19 outbreak, their access to credit facilities and other financial services for financing livelihood practices or other financial needs, have been disrupted. They reported difficulties in borrowing as well as repayment of loans from SHGs as well as from the Banks. Miss Pinki Mondol, an SHG book-keeper from Nogaon district, said that since the enforcement of lockdown, the circulation of funds among the SHG members have dwindled.

Livelihood Practices

Majority of the SHG members raised concerns about their livelihood practices. They informed that their outputs from livelihood practices have been lying unsold due to disruption in transportation and supply facilities. Mrs. Purnima Devi, president of an SHG in Morigaon district, said that SHGs which are engaged in production of cash crops, dairy products, farm produce, etc. and depended on local and nearby markets to sell their outputs have been unable to do the same in consequence to the Covid-19 outbreak. She further said that many SHGs of her village have decided to reduce their production until the situation subsides. Such decisions with respect to livelihood practices of the SHG members are detrimental to the survival and sustenance of the SHGs.

Measures Adopted By ASRLM

Guidelines For Participation Of SHG Members In Group Activities

The ASRLM formulated a new set of guidelines drafting a Standard Operating Procedure (SOP) for participation of SHG members in group activities (ASRLM, 2020). The SOP instructs the SHG members to re-operationalize their group activities limiting their frequency as well as attendance of members in the meeting, adhering to strict precautionary measures advised by the Government. The frequency of SHG meetings had been set fortnightly and the attendance of members in those meetings has been restricted to 50% with further restrictions on attendance of members aged above 50 years, members with comorbidity and members who have children less than 5 years of age. The members have been advised to be present at the meetings on a rotation basis.

Provision For Certain Schemes Under Financial Assistance To SHGs

The Punjab National Bank has launched "SHG COVID Tatkal Sahayata Rin" and the Bank of Baroda has agreed to provide "ADDITIONAL ASSURANCE to SHGs-COVID-19" to SHGs who have availed any loan from banks, on demand basis. ASRLM Officials reported that around 93 Business Correspondent Agents (BCA) identified from among the SHG members have been actively engaged in providing financial services to the SHG members at their doorstep. With respect to repayment of loans, a moratorium period of three months till July, 2020 has been announced and beyond that only repayment of principal amount needs to be done till December, 2020. Further, the number of installments for repayment of loans has been increased and the rate of interest for repayment of loans have been reduced for a year.

Readdressing The Livelihood Centric Issues

ASRLM has prioritized the issue of mitigating disruptions in transportation and sale of vegetables and other perishable produces of the SHGs to potential buyers and consumers such that losses due to damage could be minimized. ASRLM officials informed that at the ground level they have been monitoring the volume of stock lying at SHG member's possession such that arrangements could be made for their transportation to potential buyers ensuring a fair price for their produce. A considerable number of SHG members in

Assam are familiar to weaving, tailoring, cutting, etc. and ASRLM has facilitated the production of cloth based face mask by arranging orders for bulk production from various government and non-government organisations. ASRLM arranged the supply of raw materials for production of face masks and even delivered the production to the buyers.

Grey Areas

Despite the provisions for several remedial measures by ASRLM for the SHGs to overcome the unprecedented situation put forth by Covid-19 pandemic, certain issues have emerged with respect to those measures which need to be addressed further.

The SOP issued by ASRLM has made provisions for participation of SHG members in group meetings, however, adhering to the same has been a challenging task for the SHGs. When it comes to certain fundamental activities within the SHG viz. savings and thrift, internal lending, decision making in financial matters, in particular, the regularity of weekly meetings with 100 percent attendance do matter. With respect to the decision making process within the SHG where each member is expected to contribute, has now been restricted to 50% of its members. Decisions taken within the SHG without the consent of all or majority of its members may weaken the group cohesion. Further, in many cases, the SHG members reported difficulty in conducting SHG meeting due to absence of members holding leadership positions in the SHGs.

Again, the importance of workshops, hands on training programmes, awareness camps, etc. for knowledge and skill upgradation of the SHG members has assumed an important place in the growth and development of the SHGs and its members. Since the last few months, such events have been reduced significantly. ASRLM should look into it such that their growth and development is continued.

The newly promoted SHGs under ASRLM are likely to be at a developing stage and lack maturity to cope and adjust to an unprecedented situation without the hand holding support and assistance from ASRLM. And ensuring adequate support to such SHGs won't be an easy task for ASRLM, during the period of global crisis.

The financial assistance in the form of special loans to SHG members to address their financial needs for livelihood practices as well as for other emergency needs have not been able to find enough borrowers. There is negative sentiment among the SHG members with respect to the fair price for their produces due to Covid-19 outbreak and the consequences thereof and hence they have made up their mind to produce less than before.

CONCLUSION

The Covid-19 pandemic has put forth an unprecedented challenge for a large base of SHGs functioning in Assam under ASRLM. With the rapid increase in number of people infected by the disease, its impact is likely to intensify and the situation of crisis may remain for a longer period. The outbreak of the infectious virus and stringent measures to contain its spread has posed a serious threat to the group activities of the SHGs affecting their management and functioning. A continued disruption with respect to the same might turn these SHGs weak and increase their vulnerability of getting defunct in the long run. Disruptions have been observed in livelihood practices, access to credit facilities and in conducting training, workshops, etc. for the growth and development of the SHGs. Responding to call of its SHGs, the ASRLM adopted strategies to absorb the immediate shock and minimize their exposure to vulnerabilities caused by the pandemic. However, these won't be effective for a longer duration and the ASRLM must design new strategies such that the SHGs grow immune to such unprecedented situation in the future.

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