



Atmanirbhar Bharat: Lessons from Women-owned Cooperatives

4th November 2020

The COVID-19 pandemic has had an adverse impact on informal women workers and their cooperatives. Cooperatives in the informal sector, particularly those owned by women, were hardest hit as they have precariously low resources to absorb shocks of this magnitude. This is significant as informal women workers make up 94 percent¹ of the female labour force in India. However, during the lockdown, the cooperatives [increased their efforts](#) and mobilised resources to provide relief to their members. In an effort to highlight the work done by women-owned cooperatives during the pandemic and to highlight their needs, the [SEWA Cooperative Federation](#), the [National Cooperative Union of India](#) (NCUI), and [SEWA Bharat](#) co-organized a session that brought together women cooperative leaders' voices from the grassroots, as well as experts from public organisations and civil society organizations.

The panelists represented cooperatives from across the country: Ms. Pushpa Bhatt (SEWA Ekta, Uttarakhand), Ms. Sunlit Ruphus (Bamboo and Reed Artisan Federation, Kerala), Ms. Shalini Tomar (Indore Credit Cooperative, Madhya Pradesh), Ms. Vecholou Kanuo (Chakhesang Women Multi-Purpose Cooperative Society, Nagaland) and Ms. Sadhna Parmar (SEWA Saundarya, Gujarat). The session was moderated by Ms. Mirai Chatterjee (Chairperson, SEWA Cooperative Federation and Director, SEWA Social Security).

The panel discussion was followed by a discussion with Mr. N. Satyanarayana (Chief Executive, NCUI), Dr. K.T. Channeshappa (Executive Director, National Cooperative Development Corporation), and Ms. Lalitha Kumaramangalam (Director, India Foundation and Former Chairperson, National Commission for Women).

Panel discussion: challenges, responses and needs expressed by cooperatives

The panelists highlighted challenges faced by women-owned cooperatives during the pandemic and discussed their cooperatives' needs in order to rebuild and recover their economic activities.

¹Banerjee, M. (2019, June 7). What Work Choices Are Indian Women Making and Why?. *The Wire*. <https://thewire.in/women/indian-women-work-care-informal-sector>



Market Access: Representatives of production/manufacturing cooperatives said that barriers to marketplaces hindered revenue and income sources. “At the onset of the pandemic, some crops (turmeric) were ready to be sold and others were sown and needed harvesting. We could neither sell our produce nor work in the field. Our cooperative (SEWA Ekta) conducted training for members on seasonal farming techniques and carried out extensive outreach work, which has resulted in a successful increase in membership during the lockdown,” said Ms. Pushpa Bhatt. Likewise, the handicrafts cooperative in Kerala, also faced challenges in accessing markets and had no orders and, therefore, production for 9 months. They also could not procure their raw materials. “We even sold our products on the footpath,” said Ms. Sunlit Ruphus, “and today the Agriculture Minister is coming to inaugurate our own shop where we will sell our products.” Ms. Vecholou Kanuo expressed the need for a marketing policy in Nagaland. All panelists expressed a need for government and private support for wider market access to sell their products. Ms. Mittal Shah (Managing-Director, SEWA Cooperative Federation) said that while platforms like the Government e-Marketplace (GeM) have potential in linking women’s cooperatives to the market, there is a need to simplify the processes involved in using the platform.

Access to finance: In order to recover losses incurred, the cooperatives need support by way of working capital. Cooperatives continued to pay their workers and support their members throughout the pandemic. Thus they had to pay for fixed costs while facing significant declines in revenue. This has contributed to losses for the cooperatives. Ms. Pushpa Bhatt said, “to strengthen and revive activities, we require revolving funds and access to financial schemes. Many places in Uttarakhand are isolated and overlooked by existing policies.”

Service sector cooperatives faced greater challenges in adapting to the COVID situation: Members of the service sector cooperatives in urban areas faced greater challenges in adapting. Ms. Sadhna Parmar expressed, “during the lockdown, all of our members lost their work. Securing work after the lockdown has proved challenging and a total of 65 cleaning workers remain without any work.” SEWA Saundarya negotiated payments for their members from their employers, and provided cash assistance to members for the months that they did not have any income.



Digital training: Panelists pointed out that the cooperatives lack adequate digital infrastructure and access to technology to digitize their business, and most importantly, the capacity to sustainably connect to online marketplaces. Ms. Sunlit Ruphus shared “the only marketplace during the lockdown was through online platforms. However, we were unsuccessful in generating demand through these platforms. For a cooperative of 800 members, we were only able to secure 3 or 4 online orders.”

Despite these challenges, the cooperatives responded rapidly. Cooperatives conducted COVID-19 awareness training virtually, as well as other training for PPE production. They also distributed hand sanitizers, masks, ration kits, sanitary napkins and water purifiers in their communities. Several cooperatives adapted their businesses. Artisan cooperatives began mask-making. Masks produced by Chakesang cooperative were supplied to quarantine centers and villages in Nagaland at low cost and the cooperative guest-house was converted to quarantine facilities for government health workers. This cooperative also formed producers’ groups for piggery and food processing. Indore Credit Cooperative extended a moratorium on installment payments and provided business training for their members. They also helped them get access to the various schemes and benefits offered by the government.

Discussion and the way forward

The leaders of women’s cooperatives and the discussants responded to the challenges and needs of the cooperatives and suggested ways in which women’s cooperatives could be strengthened and supported. Mr. Satyanarayana and Dr. Channeshappa shared about various schemes and programmes offered by the NCUI and NCDC respectively that could support and strengthen women’s cooperatives. These include:

- Funds offered by NCUI to cooperative societies for scaling, marketing, and training purposes. The organization also provides skill development training to women cooperatives across the country.
- Yuva Sahakar (NCDC), has been introduced to promote cooperatives as start-ups. Under this scheme, financial assistance is provided to cooperatives as old as three months².

² This is only for women-owned cooperatives. For other types of cooperative societies, the interest rates are based on the market borrowing rates and the debt-equity ratio is 70:30.



- Sahakar Mitra³ (NCDC) scheme, aims to bring in more professional individuals into the cooperative movement.
- Ayushman Sahakar⁴ (NCDC) provides financial assistance to cooperatives on holistic healthcare, education, infrastructure, and services

Recommendations emerging from the discussions:

1. ***Financial support:*** Women cooperatives have been facing significant revenue losses due to the pandemic. They need capital support to cover costs, diversify the product line to meet market demand, to pay wages and purchase basic raw materials. Most importantly, to sustain in the high competition market, women-owned enterprises need financial support for training, and upskilling of members, and for investment in marketing inputs. Both public and private sector financing options would enable women's cooperatives to rebuild and secure livelihood for their members.
2. ***Marketing support and linkages:*** Marketing of women's products and services is the top priority of women's cooperatives. Women need support in both offline and online marketing of their goods and services. The state and central governments can purchase women's products and services on priority to support their economic activities through cooperatives. Online marketing is discussed below.
3. ***Investment in Women's Capacity-building and skill upgrading, and access to design inputs:*** Grassroots workers need training in maintaining quality and adhering to standardisation of production to enable marketing of their products on wider platforms. Mr. Satyanarayana suggested that alongside this, they need access to design inputs to stay updated on changing consumer preferences.
4. ***Bridging the digital divide:*** Women cooperatives need a more robust system for the integration of their business with social media platforms such as YouTube, Facebook, Instagram and integration with digital payment platforms. There is a need to make these platforms and the processes simpler and more user-friendly. There is also a need for efforts to promote digital literacy and bridge the gender digital divide. Finally, women need access to smartphones which are generally in the hands of men even when there is

³ https://ncdc.in/documents/whats-new/2616120620Sahakar_Mitra_English.pdf

⁴ <https://www.ncdc.in/documents/other/Ayushman-sahakar20102020.pdf>



one available in the family. Loans for smartphones could be made available through women's cooperatives.

5. ***Increase access to social security:*** Women are disproportionately engaged in unpaid care work in the household, affecting their labour market participation. Ms. Lalitha Kumaramangalam pointed out that “safe child care or safe creches is one of the most important things to help any working woman take their lives and work forward”. Women cooperatives can play a major role in changing this landscape by providing safe child care services, quality elderly-care services, and holistic wellness centers through schemes like Ayushman Sahakar promoted by the NCDC.
6. ***Partnerships to promote women's cooperatives:*** Partnerships can strengthen and support women-owned cooperatives—both with the public and private partnerships. Partnerships should focus on helping women to grow their businesses and to develop their market linkages.

Conclusion

The impact of the pandemic on women's cooperatives and their members has been severe. A study by SEWA Cooperative Federation- [Women's Cooperatives and COVID 19](#), highlighted the effect of lockdown on members of informal workers cooperatives⁵. Ms. Mirai Chatterjee shared that the study revealed a 65 percent decrease in average household income during the lockdown period. 74 percent members of urban cooperatives in Gujarat said they had difficulty with food and were skipping four to five meals per month. She said that “80 percent of those interviewed got government rations but only 33 percent had Jhan Dhan accounts.” The study also showed that 71 percent got different types of support from cooperatives including foodgrains, health kits, and working capital support. Cooperatives have shown courage, creativity and resilience in providing relief and support to informal workers. However, there is still a large gap in accessing resources by grassroots women, as was brought out in the discussions with women cooperative leaders. With support from private and public institutions, cooperatives, especially those run by women, can go a long way in reviving local economies across the country.

⁵ The total sample of the study was 260 women workers from the informal sector, organised into 7 cooperatives