

**WOMEN EMPOWERMENT THROUGH SHG – BANK  
LINKAGE PROGRAMMES – A STUDY OF HYDERABAD-  
KARNATAKA REGION WITH SPECIAL EMPHASIS ON  
BALLARI DISTRICT**

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**Abstract:**

The self-help group program which began as a women's empowerment programme in the year of 1980's and this module had started in 1992, NABARD scheme are investing a small number of SHGs linked with the banks. Over 73.18 lakh savings-linked SHGs and 44.51 lakh credit linked SHGs, covering around 95 million households. SHGs conduit for credit they also perform as a delivery mechanism system for various services, range from entrepreneurial training to savings deposits and now with shifting paradigm, channel to deliver community level development programmes empowerment of women involves many of these economic opportunities, social equality, political demonstration, property rights, personal rights. It will occur on various levels such as individual, group, and community asymmetrical power relationship and social dynamics.

**Key Words: Women Empowerment, poverty alleviation, Self Help Group Bank linkage programme (SHGBLP).**

“The idea of perfect womanhood is perfect independence.”

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**Introduction:**

Micro-Finance is generally known that it is a financial instrument – such as small quantity provided by financial institutions to the poor. It brings credit, Savings, and other essential financial services within the reach of the millions of people globe, Micro-finance is an It is a service provider for poor people who are unemployed, Micro finance treated as an important approach to poverty alleviation programs and enhancement of living standard, particularly, women, in developing countries, like India. It has come to be regarded as a supplementary development paradigm which widens the financial service system by linking the large rural population with formal financial institution. After the successful operation of the Grameen Bank model in Bangladesh, the concept of micro-finance has drawn the attention of the development economists all over the world. It is widely accepted that the development process in many parts of the world including India had bypassed the women. The rural women in particular are marginalized and are pushed to the bottom of the development pyramid. Micro-finance with self-help group plays an effective role for promoting women empowerment. It is not only an efficient tool to fight against poverty but also as means of promoting the empowerment of the most marginalized sections of the population especially, women.

**Self help Group:** Self help Group is Financial Intermediary usually the group Consists of 10- 20 Members voluntarily join together and addressing their common problems.

**Women Empowerment:** Women empowerment is multidisciplinary approach and its refers on social, economic and political aspects. Empowerment will occur within sociological, psychological, economic spheres and at various levels, such as individual group and community. To attain the permanent and the sustainable development of society empowerment of the women is extreme important.

**REVIEW OF LITERATURE:**

Dr. Meenu Maheshwari and Shobhna Goyal (2016) ‘Socio- Economic Empowerment of Women through Self Help Groups: An Empirical Analysis’ in here research paper the Women empowerment and rural development has been the focus of almost all developmental policies of the Government. Women empowerment access to formal banking system would act as a key to

economic growth and sustainable development. SHGs are seen to present many social and economic benefits which can be community platforms for women to become active in village affairs, arise for local election or take action to address social and community issues such as abuse of women, alcohol, dowry system, Moreover it has created opportunities for promotion of income generating activities rural women

Dr. Ritu Srivastava (Feb 2014), “Micro-finance: Special Reference to Self-help Group Bank Linkage Programme”: in his study he found the self help group –bank linkage programme. has been successful in the past and with passage of time has gained popularity. There are several problems such as oversimplified process, lack of professionalism, problems in marketing, unethical behaviour of officials etc. There is need to bring about transparency, fair lending practices, avoidance of over indebtedness to ensure repayment and maintain of high ethical standards.

Harish (2014) in his article “Micro Finance And Empowerment of Women” depicted in order to further broaden its horizons and bring maximum benefits to people in general and country in particular, there is still need to have more drainage of funds to the dry destination of the society, no country can afford to ignore substantial population suffering from poverty as it can be costly for growth of any economy. Micro finance on rural development and poverty reduction has been measured in terms of several dimensions such as improved income, employment Activates and household expenditure and reduced vulnerability to economic and social crises.

Dr. Perways Alam and Mohammed Nizamuddin (2014) “Role of SHGs-Bank Linkage Programme in Women Empowerment: A Block Level Study of Mewat Haryana” in his paper Self Help Group women empowerment have always placed a very respectable position in the society. senior women should also be encouraged to participate in the programme as they have good experience of making different sort of things. And Self Help Groups should extend the area of their business and try to reach to local markets to their home making products. The self help group is responsible for empowering women with the help of promoting self reliance, self dependent, self confident, and educating them to understand their fundamental rights. It must be

self generated such that it enables them to take control over their lives and take decisions independently

Indhumathi and Palanivelu (2013) ‘Women Empowerment through Self – Help Group’ in her study the formation of SHGs member have positive characteristic. Here the achieved most important aspect is that the past idea that the poor people are unbankable and less credit worthy has been wrong. The success of any strategy of woman empowerment depends upon the following factors: Such as Social Change, Mutual understanding in family, Education, work hard, the environment and collective strategies away from the microcredit to increase and improve their exchange outcomes in comparison with the socio-economic culture and political spaces are necessary for the women empowerment.

Parker (2013) “Empowering Women through Microfinance in India: in his paper depicted that across the globe, where the rural population density is moderately high. The Microfinance can also extremely effective poverty reduction tool in rural poor. Microfinance and women enterprises can also potentially be present exceedingly profitable undertakings excess of urban capital is redirected to credit starving rural areas.

**Objective of the study:**

1. To study the Women Empowerment through SHG- Bank linkage programmes in Hyderabad-Karnataka Region with Special Emphasis on Ballari District

**Methodology:** The Research Paper its only focuses on the secondary data has been collected published data, Various Journals, annual reports and websites.

**Objectives of the SHGs:**

- 1) To inculcate the savings and banking habits among members.
- 2) To secure them from financial, technical and moral strengths.
- 3) To enable availing of loan for productive purposes.
- 4) To gain economic prosperity through loan/credit.
- 5) To gain from collective wisdom in organising and managing their own finance and distributing the benefits among themselves.

- 6) To sensitize women of target area for the need of SHG and its relevance in their empowerment.
- 7) To create group feeling among women.
- 8) To enhance the confidence and capabilities of women.
- 9) To develop collective decision making among women.
- 10) To encourage habit of saving among women and facilitate the accumulation of their own capital resource base.
- 11) To motivate women taking up social responsibilities particularly related to women development.
- 12) It acts as the forum for members to provide space and support to each other.

### **The important Feature /characteristics of Self-help groups:**

Some Common Features of The Functioning of SHGs are as Follows:

- 1) To generate the common fund by contributing their small savings.
- 2) The every group member actively participates in the functioning of regular meeting.
- 3) The proceeding and accounts are maintained by the leader and leader is selected or elected among the group members.
- 4) The loaning amount is small and for short period.
- 5) Loan is sanctioned on 'trust' with minimum documentation and without any security.
- 6) The rate of interest differs from group to group. It is generally little higher than that of charged by banks.
- 7) Generally the repayment of loan amount is on time.

### **Profile of Hyderabad Karnataka Region:**

Hyderabad Karnataka/Northeast Karnataka having the six districts such as Kalaburagi (Gulbarga) Bidar, Raichur Koppal, Yadgir and Bellary which formed part of the princely state of Hyderabad. Today, as the name is called, Hyderabad Karnataka Hyderabad Karnataka region is name given to the area which was division of former Hyderabad zone. When the new state of Mysore (it's



known as Karnataka) was found in 1956, Kannada speaking areas of Hyderabad zone they were added a new state. Here the Hyderabad Karnataka region covers over all total area of 45,694 sq. kms, which accounts for 23.52 percent of the total geographical area of the Karnataka state.

### Population of Hyderabad Karnataka Region

Districts	Area in Sq. Km	Male	Female	Total Population	Growth Rate
Bidar	5448.00	8,70,850	8,29,168	17,00,018	13.16
Kalaburagi	10,954.97	13,07,061	12,57,831	25,64,892	17.94
Raichur	8383.00	9,66,493	9,58,280	19,24,773	15.27
Yadgir	5234.41	5,91,104	5,81,881	11,72,985	22.67
Koppal	7189.00	7,01,479	6,89,813	13,91,292	16.32
Ballari	8450.00	12,80,402	12,51,981	25,32,383	34.92
<b>Total</b>	<b>45659.38</b>	<b>57,17,389</b>	<b>55,68,954</b>	<b>11286343</b>	<b>20.04</b>

Source: Compiled from Karnataka at a glance 2010-2011

### Ballari District Profile

Ballari is derived from the word is "Balari" this refers to Goddess Durugamma, who had manifested herself in the town. Here some most important events in the great history of Ramayana are related to this historical place which says that Lord Rama, while searching for Sita, meet Sugreeva and Hanuman at a place that is in close immediacy to Hampi, the erstwhile capital of Vijayanagar kingdom. Historically, the place played a significant role during Satavahanas, Kadambas, Chalukyas of Kalyana, Kalachuryas, Sevunas and Hoysalas period. Vijayanagar Empire built a City of Victory on the banks of Tungabhadra River at Hampi its is nearest to Hospet (Hosapete) taluka. Ballari was transferred to former Mysore state on 1-10-1953 from Madras state. With the re-organised the districts during year 1997, here the number of taluks are compact to Seven (7). Harapanahalli taluka has been transferred to Davanagere district Ballari district is spread from South-West to north – East and is situated on the eastern side of Karnataka State. The district is situated between 140 30' and 150 50' north latitude and 750 40' and 77011' east longitude. The district is bounded by Raichur district on the north, by Dharwad district on the west, Chitradurga and Davangere districts on the south and Anantapur, Kurnool



districts of Andhra Pradesh on east. It will comes under the administrative control of Kalaburagi (Gulbarga) division and development jurisdiction of HKADB, Kalaburagi. According to 2011 census as per the population of the district stood at 25.32lakhs. The geographical area is 8,450 sq. km. The normal rainfall is 639mm.

### **Self Help Group- Bank Linkage Programme in India:**

The SHG Bank Linkage Programme was the major element of the progress to provide bank credit to unbanked poor households through SHGs in India. Starting with a small number of 620 SHGs linked during the first two years, 1992–93 and 1993–94, Self Help Group- Bank Linkage Programme in India , here as per NABARD report, the disbursed credit to over 2.23 million SHGs cumulatively by March 2006 and as on 31 March 2011 over 4.78 million SHGs had outstanding loans. SHGs with savings accounts with banks numbered over 7.46 million as on 31 March 2011. Therefore, 97 million families were covered by financial services under the SBLP, The status of the leading microfinance programme of the world. Though slow to take off, the growth of SBLP accelerated from 1999 and targets of outreach (like credit-linking one million SHGs by 2008) were easily exceeded. Since the launching of the pilot project in 1992, Self Help Group- Bank Linkage Programme have most given two importance objectives, that is outreach and access of the poor to institutional credit.

Three models of bank linkage emerged as follows:

1. Model I: SHGs formed by and linked directly to banks.
2. Model II: SHGs formed and facilitated by agencies like NGOs, government agencies, or other community-based organizations form groups. But linked directly to banks.
3. Model III: Bank-NGO-MFI-SHG-Members: NGOs act both as facilitators and microfinance intermediaries. First they promote groups, nurture them, and train them, and then they approach banks for bulk loans for lending to the SHGs. The third model, where SHGs were formed and nurtured by the NGOs,

The annual growth of the Self Help Group Bank Linkage Programme during the period under reassess is provided in aspects of the growth and performance in consequent sections.

It was initially felt that it would be preferable if NGOs could act as financial intermediaries (Model III above) in order to help ensure the responsible use and repayment of bank loans to SHGs (Harper, 1996). In Model III to allow intermediaries in this long chain to take at least a small margin for their work. The combined efforts of the banks, the NGOs and the SHGs themselves thus brought institutional credit to the many millions of people who had earlier failed to advantage from it. Nevertheless, this programme has spread a host of SHPIs, particularly government agencies, facilitate to the large numbers of SHGs that were created through many of them creature linked to banks.

### **Self Help Group Bank Linkage Programme:**

The Detailed analysis of the SHG-Bank Linkage During the year 2015-16 is 2.68 lakh new SHGs were added in the province of SHG to take the number of SHGs savings linked with formal financial institutions 76.97 lakh with saving amount 13691.39 (23.79%) as on 31.3.2016. Programme across the geographical spread of the country and across the financing agencies is being presented in this section. The analysis covers the broader components of the programme, namely inclusive growth, savings, loans and the recovery performance.

**Table:- Showing the Overall progress Under SHG-bank linkage for last Three years**

**(Amount Rs.in crore/Number in lakhs)**

Particulars		2013-14		2014-15		2015-16	
		No. of SHGs	Amount	No. of SHGs	Amount	No. of SHGs	Amount
SHG Savings with Banks as on 31st March	Total SHG Nos.	74.30 (1.53%)	9897.42 (20.45%)	76.97 (3.59%)	11059.84 (11.74%)	79.03 (2.68%)	13691.39 (23.79%)
	All women SHGs	62.52 (5.27%)	8012.89 (22.99%)	66.51 (6.38%)	9264.33 (15.61%)	67.63 (1.68%)	12035.78 (29.92%)
	Percentage of Women Groups	84.15	80.96	86.41	83.77	85.58	87.91
	Of which NRLM/SGS Y	22.62 (10.46%)	2477.58 (36.01%)	30.52 (34.92%)	4424.03 (78.56%)	34.57 (13.27%)	6244.97 (41.16%)
	% of NRLM/SGS Y Groups to Total	30.45	25.03	39.65	40.00	43.74	45.61
	Of which	NA	NA	4.33	1071.81	4.46	1006.22



	NULM/SJSR Y					(3.00%)	(6.12%)
	% of NULM/SJSR Y Groups to Total	NA	NA	5.63	9.69	5.64	7.35
	No. of SHGs extended loans	13.66 (12.02%)	24017.36 (16.67%)	16.26 (19.03%)	27582.31 (14.84%)	18.32 (12.67%)	37286.90 (35.18%)
Loans Disbursed to SHGs during the year	All women SHGs	11.52 (11.02%)	21037.97 (17.83%)	14.48 (25.69%)	24419.75 (16.07%)	16.29 (12.50%)	34411.42 (40.92%)
	Percentage of Women Groups	84.3	87.6	89.05	83.53	88.92	92.29
	Of which NRLM/SGS Y	2.26 (24.56%)	3480.60 (57.67%)	6.43 (28.45%)	9487.69 (27.26%)	8.16 (26.91%)	16785.78 (76.92%)
	% of NRLM/SGS Y Groups to Total	16.52	14.49	39.54	34.40	44.54	45.02
	Of which NULM/SJSR Y	NA	NA	1.05	1871.55	1.11 (5.71%)	2620.22 (40.00%)
	% of NULM/SJSR Y Groups to Total	NA	NA	6.46	6.79	6.06	7.03
	Total No. of SHGs linked	41.97 (-5.71%)	42927.52 (9.02%)	44.68 (6.46%)	51545.46 (20.06%)	46.73 (4.59%)	57119.23 (10.81%)
Loans Outstanding against SHGs as on 31 March	No. of all Women SHGs linked	34.06 (-9.34%)	36151.58 (10.08%)	38.58 (13.27%)	45901.95 (26.97%)	40.36 (4.61%)	51428.91 (12.04%)
	Percentage Of Women SHGs	81.2	84.2	86.35	89.05	86.37	90.04
	Of which NRLM/SGS Y	13.07 (9.55%)	10177.42 (18.38%)	18.46 (41.24%)	19752.74 (94.08%)	21.91 (18.69%)	26610.16 (34.72%)
	% of NRLM/SGS Y Groups to Total	31.1	23.7	41.32	38.32	46.89	46.59

	Of which NULM/SJSRY	NA	NA	3.18	3462.62	3.13 (-1.57%)	3979.75 (14.93%)
	% of NULM/SJSRY Groups to Total	NA	NA	7.12	6.72	7.00	6.97

(Figures in parentheses indicate increase/decrease over the previous year)

Source: Status of Micro-finance in India NABARD, (2013-14, 2014-15, 2015-16)

An overall decline in the number of SHGs linked to banks for their savings accounts under the SHG-Bank linkage programme noticed during 2013-14 -first time since the programme was launched two decades back – has been reversed during the current year though with a marginal increase of 1.53% with 74.30 lakh SHGs savings linked to Banks as on 31.3.2015 as against 73.18 lakh during the previous year and total saving amount 11059.84 On march 2015 an only women SHGs having saving amount 9264.33 (15.61%) per cent. Correspondingly, the coverage of rural households having access to regular savings through SHGs linked to banks also went up to 96.6 million from 95 million as on 31 March 2014. Another highlight of the year's performance under the programme was the spurt in the number of SHGs being sanctioned fresh loans by banks during the year. 13.66 lakh SHGs were sanctioned fresh loans during the year – a 12% increase over 12.20 SHGs getting fresh loans during 2013-14.

The quantum of fresh loans issued by banks also rose by nearly 17% during the year (24017 crore). This is indicative of increasing confidence in lending to SHGs by banks. Number of SHGs credit linked with banks, however, showed a decline of nearly 6% to 41.97 lakh as against 44.51 lakh a year back though the amount of loan outstanding has gone up by 9%. The total loan outstanding by SHGs stood at 42928 crore as on 31.3.2014. The average loan outstanding of SHGs with banks is 1, 02,273 against 88,500 a year back. The share of exclusive women SHGs in the total number of SHGs linked to banks now stands at 84% (up from 81 % last year) while the groups formed under the NRLM/SGSY/Other Government sponsored programmes now constitutes 30% of the total number of groups.

## CONCLUSION

Present study is to know that the society must take an active people centered and growth-oriented poverty alleviation strategy. The self-help group's bank linkage programmes have played vital role in such strategy. The group facilitators have to improve their financial position. Government should capture effective steps in increasing the rapidity of development through SHG-Bank linkage programmes. The SHG-Bank linkage programmes are yardstick in women's empowerment and socio-economic progress at the village level. Poverty alleviation has always been the first concern of the policy makers in India. Since more than about 24% of population is below the poverty line (BPL), here to Support the balanced growth and shrink the inequalities, The Government and the policy makers have recently evolved the bank – Self Help Groups linkage programme to eradicate poverty and increase income of the poor people. Women are very important piece in development at local to global levels. Economic independence and education of women will go a long way in attaining self- reliance for women. India will be able to yoke its women power and emerge as a respected nation. Hence, the issues such as how helpful SHGs are to the members to achieve economic, social, political and psychological empowerment and what kind of social and economic impact they can produce are to be intensively researched.

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