

**Cooperative Movements And Economic Empowerment Of Rural Women In Karnataka**

**Smt. Ranjitha B R**

Assistant Professor, Govt. First Grade College, Koratagere., Tumkuru Dist. 572129

**Dr. Devarajappa S**

Assistant Professor and Coordinator, Department of M. Com (IS), Tumkur University,  
Tumakuru-572103

**ABSTRACT:**

*The main aim of the present paper is to analyse the role of cooperative banks on the economic empowerment of the women. For the purpose researcher used secondary data, the required secondary data have been collected through report of NABARD and other published work. The reveals that, Cooperative banks are playing a very important role in increasing the income level of underprivileged poor people through linking SHGs and providing credit. Linking of SHGs with banks and providing credit to poor people in villages helped in reduction of transaction cost including documentation, transport and incidental costs in the case of both SHG members and banks. Further, SHG-bank linkage model has proved its efficiency in mainstreaming the traditional banking and micro financing.*

**Keywords:** *women, economic, empowerment, cooperative*

**INTRODUCTION:**

The origins of the concept of empowerment go back to the civil rights movement in the USA in the 1960. Since then, it has been interpreted differently and filled with new meanings and used in different sectors such as business, social work, development discourse and by advocates of very different political agendas. The different definitions of empowerment ranges between defining it as a largely individual process of taking control of and responsibility for one's life and situation, and defining it as a political process of granting human rights and social justice to disadvantaged groups of people. Empowerment is a process of "exposing the oppressive power of existing gender and social relations, creatively trying to shape different social relations." (Sangappa.V.1988) highlighted empowerment as a means of making women as partners in development. The India Census, 2011 reveals that majority of population of India lives in villages. People who live in villages are facing the problem of low investment, low saving and low production. In case of women in rural areas, who are mainly dependent on male

members of the family and continue to struggle with dual responsibilities. Most of the rural women's are illiterate, less participation in decision making, high health risk, less access to financial resources, low self-esteem, low confidence etc. Rural Women's remained poor not because of absence of work but, of invisibility, devaluation and undervaluation of Women's work. Hence, it is important for the society to provide them with equal opportunities to work and wages to bring them out of the poor status to empowered status.

### **COOPERATIVE MOVEMENT:**

Cooperation is a collective action of people aimed towards some Specified goal in which there is common interest or hope of getting some benefit. Such cooperation may be voluntary, direct or formal. But, there is always a combination of efforts towards a specific goal in which all the participants have a stake hold. Cooperation is one of the "economic miracles of the last century. It touches everyone's life knowingly or unknowingly. The principle of cooperation is as old as the human society itself. Aristotle, a philosopher of ancient Greece, recognized the social nature of man when he said, "Man is a social animal". Man cannot leave a happy and contented life in isolation. Community living is a basic need of human life. The activity of cooperation is evident in the most primitive to the most sophisticated community throughout the world. We see some or the other form of cooperation among the people living in a particular area or region. It maybe agricultural operations or for social, economic or political activity.

The object of cooperating is for the economic and social betterment of society. "Cooperation helps the weaker persons to become own lenders or merchants or employers or traders by enabling them to become economically strengthened. Cooperation as a new philosophy developed and conceived as the answer to the injustices of capitalism and inequality. It was developed as its antidote, poorer men saw in it a price advantage, economists a new incentive to efficiency, and the socialists as a method of developing a complete society". Renowned economist G. D. H. Cole observed that cooperation and human fellowship "showing a common front was a match for the economic carnivals." The idea of cooperation, formation and content varies from country to country. Cooperation emerged in different countries with different economic interests and for performing different economic functions. However it originated as a defensive mechanism against exploitation of the weak by those in a stronger economic position.

## **REVIEW OF LITERATURE:**

**YogindarSingh(2013)** has studied the effect of economic empowerment of women through SHGs in Himachala Pradesh, SHG promotes self-reliance by generating its own funds. It breaks the vicious cycle of debts. It is an effective agent for change and serves as a solid platform for women empowerment.**Khatibi, F. S., & Indira, M. (2011)**. In their study Empowerment of women through self-help groups and environmental management: experiences of NGOs in Karnataka state have found that, there is a relationship between women's empowerment and environmental management and how women can become agents for the promotion of environmental sustainability. **Kumar, S., & Joshi, H. (2015)**in their research Economic Empowerment of Women through Self Help Groups in India: An empirical study from Belthangady Taluk, Karnataka have reveals that, the institutional intervention of self-help groups through financial and social tools improved the rural women status and their participation in the economy.**Suguna, B. (2006)** have studiedEmpowerment of rural women through self help groups.**Srimathi, S. (2017)** has examined the Economic Empowerment Of Women Entrepreneurs Through Self Help Groups.

## **OBJECTIVES AND METHODOLOGY OF THE STUDY:**

The main aim of the present paper is to analyses the role of cooperative banks on the economic empowerment of the women and explores the importance of economic empowerment of rural women

To meet objectives of the study the researcher used the secondary data. The main data is taken from the status reports of micro finance by NABARD. Other data have been collected from various published records, books and journals.

## **ROLE OF SHGS IN RURAL AREA:**

India has a population of 1210.19 million with 833.08 million ( 68.84%) living in rural areas. Among them about 40 million women live in rural area. Rural women deprived of education, health, social status, economical independence as there is a negative attitude and approach towards women and girl child. Women are treated as second class citizens, without giving any importance to her work, which is unpaid. According to the Report of National Commission for Women ( NCW) – (Status of women 2011). Women work for longer hours than

man and unpaid work accounts to 51% where men work is only 33%. Empowering women is not just satisfying her economical needs, but also more holistic social development. SHGs witnessed increase in women household income, food security, participation in household decision making as well as standard of living. Micro finance is instrumental in poverty alleviation and increased standard of living of rural women. SHGs plays a pivotal role in bringing financial discipline, awareness of rights, skill development through organizing awareness programmes and skill imparting sessions.

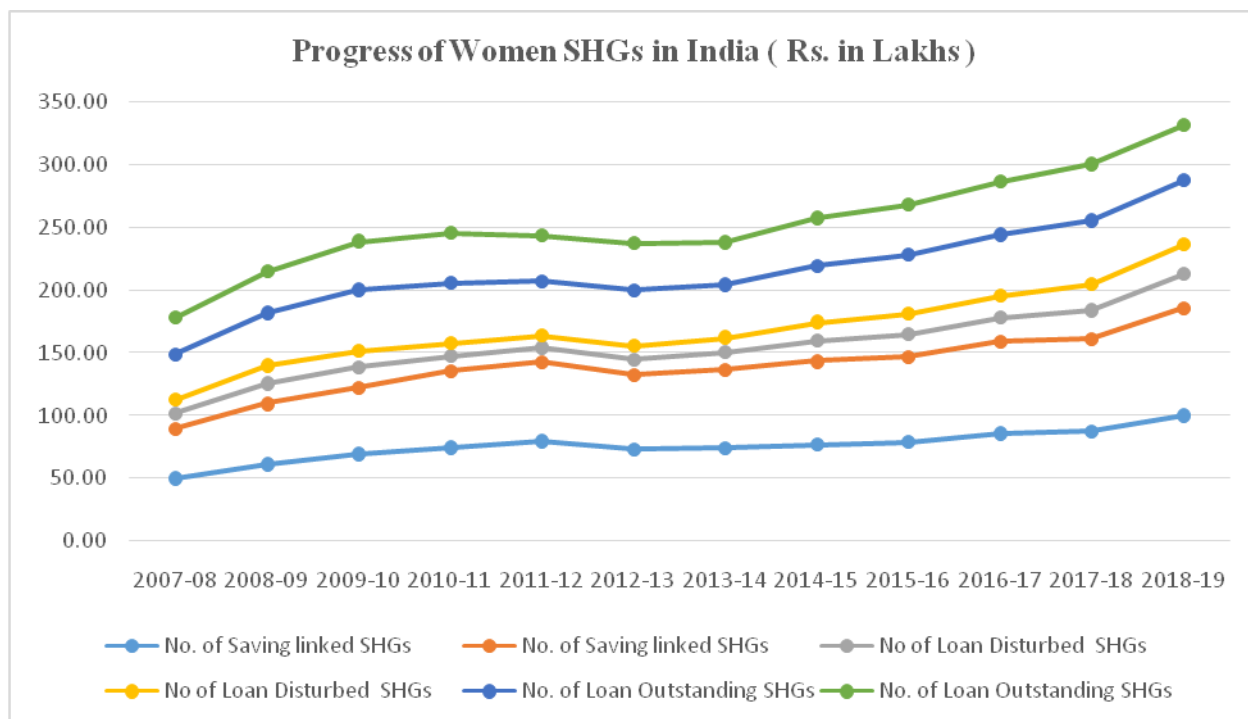
### **SHG BANK LINKAGE PROGRAMME ( SHGBL )**

SHG – Bank linkage programme was launched by NABARD in 1992 for linking 500 SHGs with banks as a pilot project and it achieved spectacular growth. Formal financial institutions viz., Commercial Banks, Regional Rural Banks and Cooperative banks have been playing a leading role in the SHG Bank Linkage programme in the country. Under the micro finance movement, cooperative institutions actively supported informal delivery channels to extend the financial services to rural unreached people.

**Table -1: Progress of Women SHGs in India ( Rs. In Lakhs)**

Year	No. of Saving linked SHGs		No of Loan Disturbed SHGs		No. of Loan Outstanding SHGs	
	Total SHGs	Women SHGs	Total SHGs	Women SHGs	Total SHGs	Women SHGs
2007-08	50.10	39.86	12.28	10.40	36.26	29.17
2008-09	61.21	48.64	16.09	13.74	42.24	32.77
2009-10	69.53	53.10	15.86	12.94	48.51	38.91
2010-11	74.62	60.98	11.96	10.17	47.87	39.83
2011-12	79.62	62.99	11.48	9.23	43.54	36.49
2012-13	73.18	59.38	12.20	10.37	44.51	37.57
2013-14	74.30	62.52	13.66	11.52	41.97	34.06
2014-15	76.97	66.51	16.26	14.48	44.68	38.58
2015-16	79.03	67.63	18.32	16.29	46.73	40.36
2016-17	85.77	73.22	18.98	17.16	48.48	42.84
2017-18	87.44	73.90	22.61	20.75	50.20	45.49
2018-19	100.14	85.31	26.98	23.65	50.77	44.61

Source - Status of Micro Finance Report of NABARD (2007-08 to 2018-19)



Source: Based on Table - 1

Table 1 shows that in 2007-08, 50.10 lakh total SHGs saving linked with bank account out of which 39.86 lakh (79.56%) are women SHGs. At present 100.14 lakh total SHGs have saving linked with bank and out of which 85.31 lakh (85.31%) are women SHGs. Growth rate of saving linked with bank SHGs is 99.88%. while it is 114.15% for women SHGs linked with bank. This indicates that are more progressive for having opening their accounts in banks. Table 1 shows that in 2007-08, 12.28 lakh SHGs have credit linked in banks out of total 50.10 lakh SHGs. In 2018-19, 23.65 lakh SHGs credit linked out of 26.98 lakh total SHGs. In 2018-19, total SHGs are 100.14 lakh having account with bank, out of which 26.68 lakh SHGs are totally credit linked. In which women SHGs share is 87.66%. It indicates that women SHGs are more credit linked with bank than other groups. On the other side Table -1 also shows that number of loan outstanding SHGs and women SHGs. In 2007-08, total 36.26 lakh SHGs have outstanding loan in which 29.17 lakh are women SHGs Forming 80.44% share. While during 2018-19 50.77 lakh SHGs account have loan outstanding, out of which 44.65 lakh SHGs are women SHG. The growth rate for total SHGs are 40.01% and exclusively for women SHGs is 53.09%. From the above table we may come into conclusion that women SHGs are more in number to have their

account linked with bank and also in availing loans and loan quantum is also more which can be seen from loan outstanding accounts.

### **ROLE OF COOPERATIVE BANKS EMPOWERING WOMEN ECONOMICALLY THROUGH SHGS:**

**Table -2: Number of SHGs linked and Savings with Banks.**

<b>Year</b>	<b>Saving linked SHGs ( Rs. in Lakhs)</b>			
	<b>Total No. of SHGs</b>	<b>Savings Amt</b>	<b>Out of which Women SHGs</b>	<b>Savings Amt</b>
2007-08	140894	16017.61	102031	11427.44
2008-09	136938	18696.24	105834	13138.29
2009-10	158173	27176.84	88472	14731.13
2010-11	180778	30221.55	130654	22367.95
2011-12	192477	36791.34	154818	27629.40
2012-13	209393	38223.29	180258	28381.51
2013-14	217026	22791.00	191716	18353.00
2014-15	211929	47774.53	164723	33671.09
2015-16	219371	48230.09	170415	33025.67
2016-17	228890	41363.60	204467	36651.69
2017-18	242749	53596.86	218404	47887.99
2018-19	245757	47773.07	224966	42385.22

**Source:** Status of Micro Finance Report of NABARD (2007-08 to 2018-19)

Status of SHGs- Bank linkage in cooperative banks in India is depicted in Table 2. Total number of SHGs linked with Cooperative banks and amount of savings were rose by 74.42% and 198.25% between 2007 to 2019 respectively. The percentage share of women SHGs linked with banks was 120.48% and 270.90% from 2007 to 2019 respectively. Similarly, the share of women SHGs in total amount of savings with banks was 91.54% and 88.72% respectively during 2018-19. This analysis indicates that the participation of women members is more than the men. The proportion of increase in total amount of saving is less than the increase in the total number of SHGs linked with cooperative banks.

**Bank Loans Outstanding against SHGs.**

**Table 3: Status of Bank Loans Outstanding against SHGs in Cooperative Banks in Karnataka. No. of Loan Outstanding SHGs ( Rs. In Lakhs)**

Year	Total No.of SHGs	Loan O/S Amt	Out of which Women SHGs	Loan O/S Amt
2007-08	41518	15462.53	25744	9535.91
2008-09	47301	16721.90	33641	13241.96
2009-10	56696	17386.23	31121	9376.79
2010-11	63762	26776.26	40423	14293.57
2011-12	63541	33819.72	52620	28299.91
2012-13	96799	42193.26	88767	32916.53
2013-14	74854	60107.00	46727	38248.03
2014-15	84951	70155.42	64473	53825.86
2015-16	77885	85901.73	56656	61350.43
2016-17	77735	83836.86	67541	73608.63
2017-18	77661	118272.20	66690	107734.53
2018-19	74599	114824.37	65801	104163.91

**Source:** Status of Micro Finance Report of NABARD (2007-08 to 2018-19)

The total number of SHGs was having loans outstanding shows increasing trend from 2007 to 2019. The same is presented in Table 3. During above said period, total number of SHGs were having loans outstanding grown by 79.68%. Amount of total loans outstanding against SHGs grown by 642.59%. in the case of women SHGs the number of SHGs having loans outstanding and total amount of outstanding were increased by 155.60% and 992.33% respectively.

**BANK LOAN DISBURSED TO SHGS**

**Table 3: Status of Bank Loans disbursed to SHGs in Cooperative Banks of Karnataka, No of Loan Disturbed SHGs**

Year	Total No. of SHGs	Loan Amt.	Out of which Women SHGs	Loan Amt.
2007-08	23406	16315.36	17109	11393.83
2008-09	17079	12139.37	13187	10007.55

2009-10	20334	16099.40	12921	6158.17
2010-11	26614	32392.28	16889	18420.02
2011-12	27685	37580.09	20662	26955.42
2012-13	33731	49273.94	28035	41763.93
2013-14	36980	56957.00	24100	37087.00
2014-15	26596	53907.02	20862	42565.48
2015-16	42856	77010.73	36592	67950.27
2016-17	46202	92607.39	41184	81252.90
2017-18	36062	106975.53	33116	99954.63
2018-19	32437	89854.17	30103	82646.59

**Source:** Status of Micro Finance Report of NABARD (2007-08 to 2018-19)

Loans disbursed to SHGs by Cooperative banks are represented in Table 3. During the period from 2007 to 2019. Total number of SHGs disbursed with bank loans was increased and registered a positive growth of 38.58%. Similarly quantum of loan disbursed registered positive growth rate of 450.73%. This indicates that quantum of loan disbursed by cooperative banks is more than the number of SHGs availing loan. On the other hand, number of women SHGs provided with loans was increased 75.94% and the amount of loan disbursed also shows huge increase of 625.36%. The share of women SHGs in both number and quantum of loan availed was more than other types of SHGs.

#### **CONCLUSION:**

The analysis in the paper explains the role of cooperative banks in Empowerment of women through SHGs. Cooperative banks are playing a very important role in increasing the level of income of underprivileged poor people through linking SHGs and providing credit. Linking of SHGs with banks and providing credit to poor people in villages helped in production of transaction cost including documentation, transport and incidental costs in the case of both SHG members and banks. Further, SHG-bank linkage model has proved its efficiency in mainstreaming the traditional banking and micro financing. It has enabled the poor, especially the women from the poor households, to collectively identify and analyze the problems they face in the perspective of their social and economic environment. Cooperative banks are also playing a pivotal role in empowerment of poor women through their SHG- bank linkage programme. On the other side, microfinance has been suffering from problem of mounting NPAs, illiteracy, lack of awareness about Information. Technology and ignorance of members of SHGs. Therefore, the concerned authority needs to look to these matters and help the microfinance programme to



spread the benefits to underprivileged rural poor and women. The banks also need to participate in various schemes launched by Government of Karnataka and NABARD to increase the awareness about benefits of SHG- Bank Linkage Programme in rural areas.

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