

# WOMEN EMPOWERMENT THROUGH BANK LINKAGE OF SELF HELP GROUPS IN HIMACHAL PRADESH

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## **ABSTRACT**

*Women empowerment is need of the hour so Millennium Development Goals and Sustainable Development Goals have focus on women empowerment. Fundamentally, empowerment has main focus on power and includes freedom of choices, financial independence, ownership of assets and participation in all spheres of society viz., social and political and economic. For women empowerment many state led schemes are running in the country and SHG- Bank Linkage Programme is one of the initiatives. Review of literature ventilated that saving facilities, credit for consumption and investment needs, insurance and subsidy are provided to SHG members so that women can meet their financial needs without help of informal sources.*

*The present paper is an attempt to study the role of cooperative banks in women empowerment through Self Help Groups by examining the share of cooperative banks in linking SHGs especially women SHGs. The data and information was collected from secondary sources like books, magazines, journals and circulars etc. and analysed with percentage method.*

*From analysis it is concluded that majority banks are providing various financial services to the members of Self Help Groups, however, among the states, in Himachal Pradesh share of cooperative banks is maximum in saving and credit linked SHGs, moreover, highest exclusive women SHGs are associated with these banks as more than 40 per cent of total exclusive women SHGs have saving account in cooperative banks and also taking credit facilities from these banks, thus, it is visible that Cooperative banks through SHGs pave the way to satiate the financial thrust of poor and helping them to start income generation activities, in this way SHGs create such environment where resources and decision making power are provided to poor women. Yet, private sector banks found reluctant to serve SHGs and problem of bad loans*

*still exists which is highest in cooperative banks comparatively which put a question mark on the quality of credit linked SHGs, use of credit money by members and income generation from SHG activities, however, fact of the matter is that skill training should be imparted to SHG members so that they can start economic activities through which they can earn income and educate the SHG members about prompt payment so that women can avail the benefit of interest subvention and credit in future, chances of bad loan can be reduced and consequently help in women empowerment.*

## INTRODUCTION

Women comprise almost half of the global population (UN Report, 2019). Role of women in family care giving activities is remarkable but now, women have started earning their own living. However, in 2019, global labour force participation rate of women was only 47 per cent. Thus, participation of all potential working women is not visible in economic activities, additionally; women are not paid for every work such as performing day to day household activities earn nothing for them. Moreover, condition of working women is a matter of concern because there is difficulty in providing the equal pay, financial and healthcare services to women (ILO Report, 2020). According to World Bank, it will be a long journey to set up parity in full life earned income of men and women, at least 150 years are required for this (UN Secretary Report, 2020). Therefore, third of Millennium Development Goals (The World Bank Report) and fifth of Sustainable Development Goals have focus on women empowerment (World's Women Report, 2019-2020).

Word empowerment is defined by World Bank as "the process of increasing the capacity of individuals or groups, to make choices and to transform those choices into desired actions and outcomes. Central to this process is actions which both build individual and collective assets and improve the efficiency and fairness of the organizational and institutional context which govern the use of these assets" (Chattopadhyay, 2005). Oxford dictionary also defined word empower as to give power to someone. Thus, empowerment has main focus on power. Power is needed by women and they need to strive hard to

be a part of decision making process (Lalnunmawali, 2018).

A bird's eye view of socio-economic scenario in India shows changing role of female population as women are not stick to their century long household work and they have started helping their family members economically (Madhuri, 2018) as 57.7 per cent rural and 34.7 per cent urban women are self-employed whereas 31.8 per cent rural and 13.1per cent urban women are working as casual labourers. Additionally, leadership qualities and entrepreneurial skills are also shown by few women as 90 women per 1000 person are holding managerial positions in listed companies and 8050819 enterprises are functioning under women entrepreneurs for which women are getting finance in form of Govt. assistance and credit from financial institutions, moneylenders and Self Help-Groups (NSO Report, 2019). Yet financial resources to start and run business enterprises are lacking with women and almost eighty percent businesses owned by female are deprived of required credit (Caroline Kende-Robb, 2019). For credit, banks need collateral security but globally "women own less than 20 per cent of world's land" (Monique Villa, 2017) and in India, less than 2 per cent of agriculture land is owned by the women (Business Standard Report, 2017). Akin Adesina, President of the African Development Bank, said"..... Without collateral and without access to land or other financial resources, the bank is the end of the road for many women entrepreneurs....."(Caroline Kende-Robb, 2019). Therefore, in spite of formal financial institutions, credit needs of these poor people remained unmet. In consequent to that many organisations like International Labour Organisation pointed out the capabilities of Self Help Groups in linking these needy people with banking system (RBI Report, 2015). Besides, Grameen Bank of Bangladesh set up in 1976 successfully provided small loans to needy poor for meeting their financial credit needs. Thus, many countries including India have started their own micro finance programmes (Microcredit Operation Seminar).

In India, NABARD took initiative to launch SHG bank linkage programme in 1992 on test basis under which Groups were promoted by Non Govt.

Organisations like Mysore Resettlement and Development Agency (MYRADA) and encouraged by the positive outcomes of this programme, RBI directed the banks to participate in this programme with the objective of creating a credit strategy to meet borrowing needs of local rural masses (IIBF Report, 2014). Moreover, Planning Commission in 9<sup>th</sup> Five Year Plan also recognised the significant role of SHG in empowerment of women through capacity building of members as when members come together then they have a feeling of high spirit because members provide potency to others in the group and group become robust. Further, SHGs give those opportunities to own resources, therefore, strategy was made to collectively engage women in Self Help Groups (Tapan, 2010). Also, and NABARD in its report on microfinance recognised the role SHGs in socio-economic empowerment of women (Kumar & Afroz, 2020).

Dictionary of Money, Banking and Finance (2014) defined Self Help Group as a small voluntary association of 10-20 people of same socio-economic background who come together to solve their common problems mutually. However, NABARD mentioned that in case of hilly areas SHG can be formed with less number of members where requirement of minimum persons have relaxed. Thus, in case of hilly area SHG can be started with five members so that more people can associate with this movement (NABARD Report, 2018).

Moreover, for better functioning of SHG, Panch Sutras are designed which consist of five principles for smooth functioning and growth of SHG. First is regular meeting by SHG members so that participation of all members can be ensured in the functioning of SHG. Second is regular saving by group members so that a common pool of resources can be created for internal lending which is third of the Panch Sutra. Fourth is regular repayment according to schedule which ensures the timely return of money by the borrower members and last of Panch Sutra is keeping of SHGs record intact (GOI Report, 2017). However, SHGs are encouraged to open bank account in which members can keep their regular contribution, for this procedure is simplified as SHGs can open saving account in banks by giving resolution and officially valid documents of SHG representatives,

identity and address proof of all members are not required, in addition, loan can be availed by SHG members from banks which is usually one to four times of their total saving comprising regular saving of SHG which is held by them in cash or deposited with bank and money given by SHG in internal lending process. But loan amount can be more than four times of corpus if an old SHG has good credit repayment record. Thus, amount of bank loaning depends upon the total saving of the members (RBI Report, 2018). Moreover, status of members are strengthened by the saving of SHGs as members have a feeling of security that they could be able to meet exigencies through lending which can be internal between the group members or loan can be taken from banks (Singh, 2014), thus, loaning is a tempting feature of SHGs which is easily availed by members and there is positive relationship between credit and status of women because money can be used to start economic activities to earn living.

Tremendous growth has been seen in SHG Bank Linkage Programme and it became the largest microfinance programme in the World by engaging 12.4 Crore households in 102.43 Lakh SHGs and out of total SHGs 88.32 Lakh were exclusive women SHGs. Yet, SHGs are not spread evenly in our country as at the end FY2020, Maharashtra accounted for 11 per cent of the country's total number of saving linked SHG followed by West Bengal (10 per cent) whereas Himachal Pradesh constitutes only 0.57 per cent of total saving linked SHGs in India, further, share of northern region comprising of 5 states and two Union Territories viz., Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Chandigarh and New Delhi was least in total saving linked SHGs whereas southern states lead in saving linked SHGs. Furthermore, average SHG saving balance in northern region is Rs.10318 whereas average SHG saving balance at national level is Rs.25531. However, maximum number of SHGs having loan outstanding was in Andhra Pradesh (15 per cent) followed by West Bengal (14 per cent) whereas Himachal Pradesh has 0.23 per cent share all over India (NABARD Report, 2019-2020). It is clear from the data that various banks are contributing for the empowerment of women through their own ways and means.

Table 1: Growth Pattern of Saving Linked and Credit Linked SHG in India

State/ UT	No. of Saving Linked SHG								No. of SHG having loan o/s at the end of FY									
	31.03.2016	31.03.2017	Growth from 2016 to 2017 (%)	31.03.2018	Growth from 2017 to 2018 (%)	31.03.2019	Growth from 2018 to 2019 (%)	31.03.2020	Growth from 2019 to 2020 (%)	31.03.2016	31.03.2017	Growth from 2016 to 2017 (%)	31.03.2018	Growth from 2017 to 2018 (%)	31.03.2019	Growth from 2018 to 2019 (%)	31.03.2020	Growth from 2019 to 2020 (%)
Chhattisgarh	160461	179496	11.86	190513	6.14	231876	21.71	234093	0.96	81328	94018	15.60	106752	13.54	59263	-44.49	80221	35.36
Madhya Pradesh	248618	238496	-4.07	256178	7.41	332512	29.80	370219	11.34	118926	91730	-22.87	88698	-3.31	91861	3.57	105855	15.23
Uttarakhand	42595	46930	10.18	48141	2.58	54053	12.28	73973	36.85	17384	14489	-16.65	17193	18.66	13249	-22.94	16354	23.44
Uttar Pradesh	363979	383592	5.39	407390	6.20	444318	9.06	456798	2.81	217159	198174	-8.74	191735	-3.25	159769	-16.67	152036	-4.84
A& N Islands	4475	4874	8.92	5257	7.86	5856	11.39	6238	6.52	623	1722	176.4	977	-43.26	1211	23.95	1163	-3.96
Bihar	278608	441309	58.40	594790	34.78	770195	29.49	797973	3.61	267338	364169	36.22	474913	30.41	602089	26.78	687332	14.16
Jharkhand	99326	130350	31.23	153192	17.52	238568	55.73	266527	11.72	64999	87274	34.27	80482	-7.78	90611	12.59	112523	24.18
Odisha	486686	431487	-11.34	530489	22.94	663381	25.05	703407	6.03	213871	220662	3.18	232945	5.57	262326	12.61	329976	25.79
West Bengal	831011	945056	13.72	847269	-10.35	976358	15.24	1036985	6.21	584071	669469	14.62	622836	-6.97	734278	17.89	824118	12.24
Arunachal Pradesh	4617	5460	18.26	6000	9.89	5230	-12.83	6062	15.91	408	239	-41.42	526	120.08	261	-50.38	411	57.47
Assam	333686	347505	4.14	375986	8.20	410481	9.17	449188	9.43	107137	101457	-5.30	100455	-0.99	90218	-10.19	101324	12.31
Manipur	13620	15470	13.58	16960	9.63	17702	4.38	8708	-50.81	2063	1762	-14.59	1495	-15.15	1996	33.51	2662	33.37
Meghalaya	8196	8442	3.00	11427	35.36	20745	81.54	21065	1.54	1573	1265	-19.58	1692	33.75	636	-62.41	3528	454.72
Mizoram	8072	8737	8.24	8934	2.25	11897	33.17	12075	1.50	2156	1378	-36.09	1824	32.37	2079	13.98	2632	26.60
Nagaland	11432	13019	13.88	6533	-49.82	6033	-7.65	7686	27.40	3348	2449	-26.85	1285	-47.53	681	-47.00	844	23.94
Sikkim	1542	4211	173.09	6077	44.31	5837	-3.95	6134	5.09	632	696	10.13	3435	393.53	1424	-58.54	1470	3.23
Tripura	48658	50043	2.85	53674	7.26	45544	-15.15	45981	0.96	33543	33976	1.29	32936	-3.06	26259	-20.27	18135	-30.94
Chandigarh	225	1292	474.22	357	-72.37	529	48.18	5943	1023.44	211	107	-49.29	72	-32.71	64	-11.11	150	134.38
Haryana	42921	40615	-5.37	38216	-5.91	54663	43.04	62316	14.00	18912	22497	18.96	15173	-32.56	15029	-0.95	17148	14.10
Himachal Pradesh	44185	45735	3.51	49353	7.91	54079	9.58	58872	8.86	18261	16486	-9.72	10420	-36.79	11943	14.62	13063	9.38
J&K	8386	16862	101.07	17980	6.63	5213	-71.01	6053	16.11	3641	6034	65.72	8971	48.67	3182	-64.53	3495	9.84
New Delhi	3668	4480	22.14	4331	-3.33	5010	15.68	3779	-24.57	558	415	-25.63	320	-22.89	297	-7.19	251	-15.49
Punjab	29971	31486	5.05	37734	19.84	44397	17.66	47519	7.03	15034	11882	-20.97	10186	-14.27	7199	-29.32	7317	1.64
Rajasthan	264119	316729	19.92	330912	4.48	384733	16.26	392640	2.06	98107	86484	-11.85	99286	14.80	86416	-12.96	92091	6.57
Daman & Diu	-	103	103	43	-58.25	104	141.86	7381	6997.12	0	0	0	0	0	0	0	0	#DIV/0!
Dadra Nagar Haveli	-	648	648	599	-7.56	685	14.36	40	-94.16	0	223	223	219	-1.79	149	-31.96	128	-14.09
Goa	7541	7408	-1.76	8218	10.93	9406	14.46	9144	-2.79	1791	1598	-10.78	1472	-7.88	1575	7.00	1700	7.94
Gujarat	221350	247022	11.60	240297	-2.72	294609	22.60	290132	-1.52	48187	48364	0.37	65926	36.31	47482	-27.98	48008	1.11
Maharashtra	789158	885420	12.20	848291	-4.19	1083811	27.76	1167156	7.69	208141	227912	9.50	208719	-8.42	227695	9.09	234273	2.89
Andhra Pradesh	901517	848721	-5.86	927556	9.29	889559	-4.10	935831	5.20	802227	751357	-6.34	774115	3.03	764426	-1.25	865916	13.28
Karnataka	962446	1031733	7.20	835643	-19.01	907391	8.59	874536	-3.62	632437	649709	2.73	744479	14.59	612742	-17.70	666043	8.70
Kerala	272859	279527	2.44	296289	6.00	389214	31.36	420338	8.00	177880	142923	-19.65	173832	21.63	197154	13.42	290709	47.45
Lakshadweep	2	4	100	166	4050	173	4.22	179	3.47	2	4	100	2	-50.00	2	0	9	350.00
Puducherry	14763	22340	51.32	24722	10.66	21428	-13.32	16723	-21.96	4833	5613	16.14	7284	29.77	7157	-1.74	7178	0.29
Tamil Nadu	852034	909492	6.74	1047103	15.13	1059897	1.22	872529	-17.68	432893	384307	-11.22	376996	-1.90	385698	2.31	388097	0.62
Telangana	542275	632781	16.69	517817	-18.17	568756	9.84	569100	0.06	492947	607443	23.23	562707	-7.36	570911	1.46	600911	5.25
Total	7903002	8576875	8.53	8744437	1.95	10014243	14.52	10243323	2.29	4672621	4848287	3.76	5020358	3.55	5077332	1.13	5677071	11.81

Source: NABARD: Status of Micro Finance in India, Compiled from 2015-16, 2016-17, 2017-18, 2018-19 and 2019-2020

Table 1 illustrates the number of saving and credit linked SHG in India. The number of saving linked Self Help groups were 7903002 in FY 2015-16 which has grown to 10243323 at the end of FY 2020. Karnataka accounted for 12 per cent of the country's total number of saving linked SHG at the end FY2015-2016 followed by Andhra Pradesh (11 per cent) whereas Himachal Pradesh constitutes only 0.56 per cent of total saving linked SHG in India. At the end of FY 2018-2019 number of saving linked SHG were 10014243 out of these maximum concentration was in Maharashtra (10.82 per cent) followed by Tamil Nadu (10.58 per cent) whereas Himachal Pradesh has only 0.54 per cent of total saving linked SHG. In case of saving linked SHG, in FY 2017, highest growth was registered in Dadra Nagar Haveli followed by Chandigarh

(474.22 per cent), while Odisha depicted maximum decline i.e. 11 per cent, in FY 2018, Lakshadweep has recorded highest growth (4050 per cent), while Chandigarh has shown highest negative growth rate (-72 per cent) and in FY 2019, saving linked SHG were increased by 141 per cent in Daman and Diu whereas highest negative growth was in Jammu & Kashmir (-71 per cent). In FY 2020, saving linked SHGs grown by 2.29 per cent while SHG having o/s loan with banks were grown by 3.76 per cent, 3.55 per cent, 1.13 per cent and 11.81 per cent in FY 2017, FY 2018, FY 2019 and FY 2020 respectively. All states and union territories have credit linked SHG except Daman and Diu. Overall saving and credit linked SHGs are increasing in each year of the study which shows popularity of SHG- bank Linkage Programme.

Table 2: Total Saving and Credit Linked Women SHGs in India

	Total Saving linked SHGs (no. in Lakh)			Loan o/s of SHGs (no. in Lakh)		
	Total SHGs	Out of total Exclusive Women SHGs		Total SHGs	Out of total Exclusive Women SHGs	
		No. of SHGs	Total SHGs		No. of SHGs	Total SHGs
FY 2011	74.62	60.98	82%	47.87	39.83	83%
FY 2012	79.60	62.99	79%	43.54	36.49	84%
FY 2013	73.18	59.38	81%	44.51	37.57	84%
FY 2014	74.30	62.52	84%	41.97	34.06	81%
FY 2015	76.97	66.52	86%	44.68	38.58	86%
FY 2016	79.03	67.63	86%	46.73	40.36	86%
FY 2017	85.77	73.22	85%	48.48	42.84	88%
FY 2018	87.44	73.90	85%	50.20	45.49	91%
FY 2019	100.14	85.31	85%	50.77	44.61	88%
Y 2020	102.43	88.32	86%	56.77	51.12	90%

Source: NABARD: status of Microfinance in India. Compiled from: 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20.

Table 2 depicts the total bank linked SHGs and exclusive women SHGs. In FY2011, 82 per cent of the total saving linked SHGs and at the end of FY 2020 exclusive women SHGs occupied 86 per cent of total saving linked SHGs in the country while out of total SHGs having loan outstanding in the banks, 83 per cent (FY 2011) were exclusive women SHGs which has grown to 90 per cent at the end of FY 2019-2020. The saving and credit accounts clearly indicate the economic decision making tendencies behaviour among women, which is showing upward trend amongst the poor women folk throughout the nation by and large with some exceptions. Therefore, it can be concluded that women are taking interest in SHG movement and proportion of exclusive women SHGs was high in total saving as well as credit linked SHGs.

### Women Empowerment and Cooperative Movement

Cooperative is an association of individuals. It is voluntary origination of persons who come together for common goal and tries to realize that goal through self and mutual help (MOSPI). Importance of organizing together in form of

cooperative was defined by Renana Jhabvala of SEWA as *“Organizing is the key to empowerment. Organizing is the process by which people who are individually weak and vulnerable unite and create power together. When individuals who are among the poorest, least educated and most disenfranchised members of society come together they experience dramatic changes in their lives”*(FAO Report, 2012). It is pertinent to note that Indian cooperative movement is well flourished and has spread its tentacles in almost every nook and corner of rural areas of the nation (NCUI Report, 2018). Moreover, participation of women have increased in savings and credit cooperatives because cooperatives are helping in achieving women empowerment by providing financial resources to the needy women to start and run business enterprises (COPAC COOP Report, 2015). Thus, Cooperatives are providing credit to needy women and also catering their deposit needs (Ramanathan & Rajkumar, 2013). Moreover, Internationals Labour Organization also recognized the role of cooperative organizations in encouraging rural entrepreneurship among women by engaging them in economic activities (ILO Report, 2014-15).

Table 3: Role of Cooperative Banks in Self Help Group Movement

State/ UT	No. of Saving Linked SHG									Loan Outstanding at the end of year								
	Total SHG 2017-2018	SHG linked with Cooperative banks	% share of Cooperative banks	Total SHG 2018-2019	SHG linked with Cooperative banks	% share of Cooperative banks	Total SHG 2019-2020	SHG linked with Cooperative banks	% share of Cooperative banks	Total SHG 2017-2018	SHG linked with Cooperative banks	% share of Cooperative banks	Total SHG 2018-2019	SHG linked with Cooperative banks	% share of Cooperative banks	Total SHG 2019-2020	SHG linked with Cooperative banks	% share of Cooperative banks
Chhattisgarh	190513	21373	11	231876	22508	10	234093	13461	6	106752	3012	2.8	59263	3429	5.8	80221	2861	3.6
Madhya Pradesh	256178	6879	3	332512	11560	3	370219	10626	3	88698	323	0.4	91861	396	0.4	105855	1031	1.0
Uttarakhand	48141	9456	20	54053	7316	14	73973	10528	14	17193	3410	19.8	13249	4050	30.6	16354	5069	31.0
Uttar Pradesh	407390	10041	2	444318	9389	2	456798	10381	2	191735	3422	1.8	159769	5875	3.7	152036	3155	2.1
A& N Islands	5257	4723	90	5856	5005	85	6238	5229	84	977	838	85.8	1211	1030	85.1	1163	962	82.7
Bihar	594790	28	0	770195	29	0	797973	33	0	474913	28	0.0	602089	0	0.0	687332	0	0.0

Jharkhand	153192	1532	1	238568	936	0	266527	2050	1	80482	245	0.3	90611	115	0.1	112523	145	0.1
Odisha	530489	51521	10	663381	85568	13	703407	92300	13	232945	19002	8.2	262326	28430	10.8	329976	31820	9.6
West Bengal	847269	194156	23	976358	214842	22	1036985	191965	19	622836	128559	20.6	734278	144699	19.7	824118	150210	18.2
Arunachal Pradesh	6000	1826	30	5230	0	0	6062	0	0	526	42	8.0	261	0	0.0	411	0	0.0
Assam	375986	26044	7	410481	26286	6	449188	26334	6	100455	3015	3.0	90218	3085	3.4	101324	3713	3.7
Manipur	16960	2644	16	17702	1103	6	8708	1518	17	1495	74	4.9	1996	281	14.1	2662	573	21.5
Meghalaya	11427	3887	34	20745	4714	23	21065	0	0	1692	759	44.9	636	486	76.4	3528	0	0.0
Mizoram	8934	0	0	11897	941	8	12075	0	0	1824	0	0.0	2079	56	2.7	2632	0	0.0
Nagaland	6533	1322	20	6033	0	0	7686	0	0	1285	482	37.5	681	0	0.0	844	0	0.0
Sikkim	6077	1241	20	5837	24	0	6134	1486	24	3435	4	0.1	1424	97	6.8	1470	78	5.3
Tripura	53674	10439	19	45544	0	0	45981	0	0	32936	6107	18.5	26259	0	0.0	18135	0	0.0
Chandigarh	357	42	12	529	45	9	5943	46	1	72	1	1.4	64	0	0.0	150	0	0.0
Haryana	38216	3646	10	54663	3855	7	62316	4539	7	15173	799	5.3	15029	1012	6.7	17148	1141	6.7
Himachal Pradesh	49353	20809	42	54079	25189	47	58872	27352	46	10420	4546	43.6	11943	4909	41.1	13063	5384	41.2
J&K	17980	1305	7	5213	1066	20	6053	929	15	8971	230	2.6	3182	199	6.3	3495	103	2.9
New Delhi	4331	302	7	5010	279	6	3779	254	7	320	7	2.2	297	3	1.0	251	3	1.2
Punjab	37734	6342	17	44397	6565	15	47519	7551	16	10186	1697	16.7	7199	1566	21.8	7317	1255	17.2
Rajasthan	330912	82065	28	384733	92771	34	392640	91646	23	99286	35865	36.1	86416	18400	21.3	92091	15236	16.5
Daman & Diu	43	0	0	104	0	0	7381	0	0	0	0	0	0	0	0	0	0	0
Dadra Nagar Haveli	599	0	0	685	0	0	40	0	0	219	0	0.0	149	0	0.0	128	0	0
Goa	8218	3780	46	9406	3812	41	9144	3825	42	1472	445	30.2	1575	376	23.9	1700	312	18
Gujarat	240297	28985	12	294609	34890	12	290132	36888	13	65926	5819	8.8	47482	6010	12.7	48008	6078	12.7
Maharashtra	848291	322390	38	1083811	403701	37	1167156	439814	38	208719	51273	24.6	227695	54146	23.8	234273	30829	13.2
Andhra Pradesh	927556	13120	1	889559	14634	2	935831	16106	2	774115	10751	1.4	764426	13208	1.7	865916	13161	1.5
Karnataka	835643	242749	29	907391	245757	27	874536	258181	30	744479	77661	10.4	612742	74599	12.2	666043	78131	11.7
Kerala	296289	43273	15	389214	52095	13	420338	63937	15	173832	12930	7.4	197154	14912	7.6	290709	77444	26.6
Lakshadweep	166	0	0	173	0	0	179	0	0	2	0	0.0	2	0	0.0	9	0	0.0
Puducherry	24722	853	3	21428	1031	5	16723	1027	6	7284	841	11.5	7157	777	10.9	7178	676	9.4
Tamil Nadu	1047103	175754	17	1059897	172305	16	872529	177958	20	376996	77209	20.5	385698	88461	22.9	388097	86869	22.4
Telangana	517817	10454	2	568756	10640	2	569100	11647	2	562707	8655	1.5	570911	9982	1.7	600911	16964	2.8
Total	8744437	1302981	15	10014243	1458856	15	10243323	1507611	15	5020358	458051	9.1	5077332	480589	9.5	5677071	533203	9.39

Source: NABARD: Status of Micro Finance in India. Compiled from 2017-18, 2018-19 and 2019-20

Table 3 shows the national scenario of SHGs and role of cooperative banks. It is apparent that numbers of saving linked SHGs are increasing every year. As on 31.03.2020, 10243323 Self Help Groups were saving linked with banks of which 15 per cent were linked with the cooperative banks. Among the states, Himachal Pradesh has maximum share (46 per cent) of cooperative banks in saving linked SHGs followed by Goa and Maharashtra whereas in A & N, 84 per cent of the total SHG saving accounts was with the cooperative banks. Data shows increase in saving linked SHG with cooperative banks. Share of cooperative banks in outstanding loan decreased marginally from 9.5 per cent (2018-2019) to 9.39 per cent (2019-2020). Among all states, in Himachal, share of cooperative banks was highest in financing Self Help Groups, during 2019-20, 41 per cent SHG loans were disbursed by cooperative banks followed by Uttarakhand (31 per cent) which is much higher than all over India share of 9.39 per cent. Therefore, it can be concluded that in Himachal Pradesh, cooperative banks are playing major role in linking SHGs to banks by opening their saving accounts and also meeting their credit needs.

## REVIEW OF LITERATURE

Palani, E. and Selvaraj, V.M. (2009) studied the change in status of 160 women SHG members who have availed credit and emphasized that SHG bank linkage programme made it possible to provide credit to SHG women without any collateral requirement and women had enough money to meet their basic needs. Raheem, A.A. (2011)

observed the significant role of SHG in rural development, social and economic empowerment of women in Villupuram District of Tamil Nadu but functioning of women SHG in rural areas was not free from obstacles that resulted into gradual improvement in status of women and sometime no growth was visible. It was suggested to encourage SHG members for loan repayment by providing financial enticements to good paymasters. Kotreshwar, G. and Gangotri, M. (2014) analysed the performance of different categories banks in financing SHG in Karnataka state and found that banks were providing micro credit, personal loans, jewel loans and micro insurance to SHG members, however, micro credit was most popular among the members. It was added that nationalised banks have highest Self Help Groups borrowers followed by cooperative banks. It was concluded that SHG bank linkage programme has positive impact on financial inclusion and women empowerment by giving ample opportunities to start economic activities but subsidy feature was found luring as many members form SHG without earning intention and just to avail subsidy offered by the Govt. Karthikeyan B. And Vijai C. (2015) analysed the social and economic impact of bank finance on 484 members of Self Help Groups in Salem District of Tamil Nadu. It was found that members were attracted towards Self Help Groups due to easy and accessible bank loan facilities which they have taken for the purpose of income generation by investment in trading and manufacturing activities. The authors concluded that SHG has significant

positive impact on economic life of members by providing necessary capital to women for investment in business. Kisan, k. and Acharya, S.C. (2020) studied the SHG bank linkage programme of Balangir DCCB of Odisha state and found positive impact of Self Help groups in building habit of saving among rural people but many of the respondents were talking shelters of informal moneylenders, however, banks were providing loan facilities to the members and borrowed money was used by the members for meeting their daily needs but they found bank credit insufficient to meet their needs and some of the debtors were showing financial indiscipline as they were not making regular repayments of borrowed money.

The studies ventilated the positive impact of SHG bank linkage programme on women empowerment by inculcating habit of saving among women and also women are getting collateral free credit from banks which was utilized for meeting consumption needs as well as invested in business activities but problem of NPA was faced by the banks, therefore, studies suggested to encourage SHG members for timely payment.

**OBJECTIVES AND METHODOLOGY**

The objective of the paper was to study the role of cooperative banks in women empowerment through SHGs. The data and information was collected from secondary sources like books, magazines, journals, newspapers, websites and circulars of various banks etc. The data was analysed with per cent weight age etc.

**Women Empowerment through Cooperative Banks in Himachal Pradesh**

Himachal is a hilly state falls in Himalayan region with population of 68.65 Lakh of which almost half is women (census 2011). Seed of Indian cooperative movement was sown by Himachal Pradesh in 1892 in Panjavar village of Una District. It was the time when country did not have any Act to govern cooperatives (Sharma *et al.*, 2015). However, before independence,

performance of cooperative organisations was not up to mark as 663 cooperative societies were functioning in Himachal Pradesh but mostly were inoperative. For economic development of masses, Govt. provided special importance to cooperative societies in five year plans, thus cooperatives started penetration in state and at the end of first five year plan, and 22 per cent of total rural population was brought under cooperative movement by 745 cooperative societies and 100 per cent rural population was under cooperatives by the end of 7<sup>th</sup> Five year plan. However, at the end of FY 2018, 5038 cooperative societies of different nature viz., Primary Agriculture Cooperative Societies, Consumer stores, Handloom Societies, Dairy Societies, Fishery Societies, Transport Societies and cooperative banks of short term and long term credit structure were functioning in the state, among these three banks are functioning under short term credit structure (Annual Administrative Report, HP, 2017-18). In short term credit structure, The Himachal Pradesh state Cooperative Bank (HPSCB) is working as an apex cooperative bank, running its branches in six districts for providing banking services directly to the local masses and in other parts of the state, it is providing banking services through its two District Central Cooperative Banks viz., Kangra Central Cooperative Bank (KCCB) functioning in 5 districts of the state and Jogindra Central Cooperative Bank (JCCB) cater the banking needs of Solan district (HP State Cooperative Bank). Moreover, in Himachal, major role is played by the cooperative banks in catering finance needs of poor including women. Banks are popularising thrift and credit among women through SHGs. As on 31<sup>st</sup> March, 2020, cooperative banks have linked 222641 members of 27352 SHG and out of these 19395 SHGs were exclusive women SHG. Almost 40 per cent of total exclusive women SHGs are getting saving and loan facilities from cooperative banks (NABARD Report, 2019-20).

**Table 4: Saving Linked Self Help Groups in Himachal Pradesh**

Type of Bank/ Year	Public Sector Banks		Private Sector Banks		Cooperative Banks		Regional Rural Banks		Total	
	SHGs	Members	SHGs	Members	SHGs	Members	SHGs	Members	SHGs	Members
31.03.2015	14208	155042	61	793	14302	138923	9267	75526	37838	370284
31.03.2016	14817	147420	159	2067	19560	182856	9649	90593	44185	422936
31.03.2017	16712	199251	201	2613	18881	181771	9941	93495	45735	477130
31.03.2018	17191	192775	79	1067	20809	178468	11274	96656	49353	468966
31.03.2019	19224	224967	10	172	25189	205682	9656	77248	54079	508069
31.03.2020	20674	238373	189	2320	27352	222641	10657	85113	58872	548447

Source: NABARD: Status of Micro Finance in India. Compiled from 2014-2015, 2016-2016, 2016-17, 2017-18, 2018-19 and 2019-20

Table 4 shows the saving linked Self Help Groups in Himachal Pradesh and total SHG membership. It is clear from the given data that no. of total saving linked SHGs were increasing and grown by 55 per cent from FY 2015 to FY 2020 whereas total members surged by 48 per cent. Majority SHGs are

saving linked with cooperative banks while private sector banks link lowest no. of SHGs. It can be concluded that number of Self Help Groups and members were showing increasing trend which depicted the popularity of SHG bank Linkage programme in the state.

**Table 5: Bank wise Saving Linked SHG in Himachal Pradesh**

Type of Bank	2016-2017				2017-2018				2018-2019				2019-2020			
	Total Saving Linked SHG		Out of total-Exclusive Women SHG		Total Saving Linked SHG		Out of total-Exclusive Women SHG		Total Saving Linked SHG		Out of total-Exclusive Women SHG		Total Saving Linked SHG		Out of total-Exclusive Women SHG	
	No. of SHG	Saving Amount (Rs.) in Lakh	No. of SHG/% of Total	Saving Amount (Rs.) in Lakh/% of Total	No. of SHG/% change	Saving Amount (Rs.) in Lakh/% Change	No. of SHG/% of Total	Saving Amount (Rs.) in Lakh/% of Total	No. of SHG/% change	Saving Amount (Rs.) in Lakh/% Change	No. of SHG/% of Total	Saving Amount (Rs.) in Lakh/% of Total	No. of SHG/% change	Saving Amount (Rs.) in Lakh/% Change	No. of SHG/% of Total	Saving Amount (Rs.) in Lakh/% of Total
<b>Commercial Banks</b>	16913	1635.18	10588 (62%)	1089.33 (66%)	17270 (2%)	1932.35 (18%)	12038 (67%)	1310.87 (67%)	19234 (11%)	2499.53 (29%)	12346 (64%)	1649.59 (8%)	2726.13 (9%)	17833 (85%)	2325.08 (85%)	
<b>RRB</b>	9941	1600.00	9555 (96%)	1526 (95%)	11274 (13%)	2671.58 (66%)	10764 (95%)	2177.58 (81%)	9656 (-14%)	1612.00 (-39%)	1612.00 (100%)	10657 (10%)	1895.00 (17%)	10657 (100%)	1895.00 (100%)	
<b>Cooperative Banks</b>	18881	1826.39	10709 (56%)	866.69 (47%)	20809 (10%)	2074.14 (13%)	13712 (62%)	1290.38 (21%)	25189 (23%)	2556.08 (68%)	17268 (65%)	1673.12 (8.5%)	27352 (13%)	19395 (70%)	2023.27 (70%)	
<b>Total</b>	45735	5061.57	30852 (67%)	3482.02 (68%)	49353 (8%)	6678.07 (31%)	36514 (73%)	4778.83 (71%)	54079 (9%)	6667.61 (-0.16%)	39270 (72%)	4934.71 (8.8%)	58872 (13%)	47885 (81%)	6243.35 (83%)	

Source: NABARD: Status of Micro Finance in India. Compiled from 2016-17, 2017-18, 2018-19 and 2019-20

Table 5 shows bank wise saving linkage of Self Help Groups in Himachal Pradesh. During the study period, in Himachal Pradesh, banks have registered an addition of 13137 savings linked SHGs, showing a growth of 8.8 per cent during the year 2019- 20 compared to 9 per cent in 2018-19. Among the banks, Cooperative banks (21 per cent) and RRB (10 per cent) have shown highest growth rate in 2018-2019 and 2019-2020 respectively. As far as amount in saving accounts is concerned, banks have registered positive growth rate in 2017-2018 (31 per cent) and 2019-2020 (13 per cent) but same has declined meagrely during 2018-2019 by 0.16 per cent whereas saving amount in SHG accounts with all banks were increasing every year. In 2019-2020, 46 per cent SHGs saving accounts

were with cooperative banks whereas 38.45 per cent of the total saving amount of SHG was with these banks in the same year. Out of total saving linked SHGs, 81 per cent are exclusive women SHGs and 83 per cent of total SHGs deposits belong to them. All SHG in RRB are exclusive women SHGs whereas Cooperative banks have 70 per cent exclusive women SHG. Cooperative banks lead in number of SHGs saving account as well as SHGs saving amount. Also stood first in number of saving linked exclusive women SHGs. Almost 40 per cent of total exclusive women SHGs have saving account in cooperative banks. Therefore, it can be concluded that majority SHG women members are keeping their hard earned money with cooperative banks.

**Table 6: Bank wise Loan Disbursed to SHG during the Year in Himachal Pradesh**

Bank	2016-2017				2017-2018				2018-2019				2019-2020			
	Total loan Disbursed during the year		Out of total-Exclusive Women SHG		Total loan Disbursed during the year		Out of total-Exclusive Women SHG		Total loan Disbursed during the year		Out of total-Exclusive Women SHG		Total loan Disbursed during the year		Out of total-Exclusive Women SHG	
	No. of SHG	Loan Disbursed (Rs.) in Lakh	No. of SHG/% of total	Loan Disbursed Amount (Rs.) in Lakh/% of Total	No. of SHG/% Change over the previous year	Loan Disbursed (Rs.) in Lakh/% Change over the previous year	No. of SHG/% of total	Loan Disbursed Amount (Rs.) in Lakh/% of Total	No. of SHG/% Change over the previous year	Loan Disbursed (Rs.) in Lakh/% Change over the previous year	No. of SHG/% of total	Loan Disbursed Amount (Rs.) in Lakh/% of Total	No. of SHG/% Change over the previous year	Loan Disbursed (Rs.) in Lakh/% Change over the previous year	No. of SHG/% of total	Loan Disbursed Amount (Rs.) in Lakh/% of Total
<b>Commercial Banks</b>	1285	1805.29	776 (60%)	1162.63 (64%)	1960 (52%)	2550.38 (41%)	1266 (64%)	1785.17 (69%)	2042 (4%)	2483.72 (-2%)	1051 (51%)	1382.78 (55%)	2108 (3%)	2946.33 (18%)	1895 (89%)	2618.26 (89%)
<b>RRB</b>	720	873.00	720 (100%)	873.00 (100%)	385 (-46%)	497.00 (-43%)	385 (100%)	497 (100%)	707 (84%)	1261.00 (153%)	707 (100%)	1261.00 (41%)	1001 (54%)	1953 (100%)	1001 (100%)	1953 (100%)
<b>Cooperative Banks</b>	1710	2336.12	1382 (80%)	1613.62 (69%)	1183 (-30%)	1969.59 (-15%)	759 (64%)	1261.91 (64%)	2349 (98%)	3895.97 (97%)	1965 (83%)	3293.89 (84%)	2401 (2%)	4148.21 (6%)	2130 (89%)	3679.97 (89%)
<b>Total</b>	3715	5014.41	2878 (77%)	3649.25 (72%)	3528 (-5%)	5016.97 (0.05%)	2410 (68%)	3544.08 (70%)	5098 (44%)	7640.69 (52%)	3723 (73%)	5937.67 (77%)	5510 (8%)	9047.54 (18%)	5026 (91%)	8251.23 (91%)

Source: NABARD: Status of Micro Finance in India. Compiled from 2016-17, 2017-18, 2018-19 and 2019-20

Cooperative Banks have a robust share in the credit flow to Self Help Groups with disbursement of Rs. 4148.21 Lakh to 2401 SHGs in 2019-2020 whereas loan disbursement by Commercial Banks was Rs. 2946.33 Lakh and RRB has disbursed Rs. 1953 Lakh loan to 1001 SHGs. Loan disbursement have registered a considerable jump of 44 per cent from 3528 (2017-2018) SHG to 5098 SHG in 2018-2019

which has further increased by 8 per cent to 5510 SHGs in 2019-2020. Further, SHG loan disbursement by Cooperative Banks remained highest during 2018-2019 and 2019-20 which was 98 per cent and 2 per cent higher than previous years. Cooperative banks have significant share in financing the SHGs as in 2016-2017, 2017-2018, 2018-2019 and 2019-2020 proportion of these



banks in total number of loan receiving SHG was 46 per cent, 33 per cent, 46 per cent and 43 per cent respectively. 91 per cent of total disbursement during the FY 2020 was made in favour of exclusive women SHGs. SHGs loan portfolio of Cooperative banks comprises 89 per cent exclusive women SHGs, further, during the FY 2020, more than 89 per cent of loan disbursement to exclusive women SHGs was made by these banks. Moreover,

cooperative banks are leading in number of exclusive women SHG financing as proportion of Cooperative banks in financing exclusive women SHGs was 42 per cent in HP and naturally credit amount given by them was highest among all banks. This implies a significant participation of cooperative banks in the credit disbursement to women.

**Table 7: Total Saving Linked SHG with Cooperative Bank in Himachal Pradesh**

Cooperative Banks	2016-2017					2017-2018					2018-2019					2019-2020				
	Total Saving Linked SHG			Out of total Exclusive Women SHG		Total Saving Linked SHG			Out of total Exclusive Women SHG		Total Saving Linked SHG			Out of total Exclusive Women SHG		Total Saving Linked SHG			Out of total Exclusive Women SHG	
	No. of SHG	No. of Members	Saving Amount (Rs.) in Lakh	No. of SHG/% of Total	Saving Amount (Rs.) in Lakh/% of Total	No. of SHG	No. of Members	Saving Amount (Rs.) in Lakh	No. of SHG/% of Total	Saving Amount (Rs.) in Lakh/% of Total	No. of SHG	No. of Members	Saving Amount (Rs.) in Lakh	No. of SHG/% of Total	Saving Amount (Rs.) in Lakh/% of Total	No. of SHG	No. of Members	Saving Amount (Rs.) in Lakh	No. of SHG/% of Total	Saving Amount (Rs.) in Lakh/% of Total
HPSCB	13614	128458	1124.77	9673 (71%)	825.39 (73%)	11706	93648	1153.44	8206 (70%)	770.60 (66%)	14877	92362	1424.39	10212 (68%)	937.79 (65%)	16000	99584	1656.48	11027 (68%)	1174.29 (70%)
KCCB	4433	45807	694.52	202 (4%)	34.20 (5%)	6515	66673	674.65	2918 (44%)	273.73 (40%)	7069	84787	812.28	4028 (56%)	448.74 (55%)	7418	89673	831.18	4545 (61%)	458.84 (55%)
JCCB	834	7506	7.10	834 (100%)	7.10 (100%)	2588	18147	246.05	2588 (100%)	246.05 (100%)	3243	28533	319.41	3028 (93%)	286.59 (89%)	3934	33384	399.72	3823 (97%)	390.14 (97%)
<b>Total</b>	<b>18881</b>	<b>181771</b>	<b>1826.39</b>	<b>10709 (56%)</b>	<b>866.69 (47%)</b>	<b>20809</b>	<b>178468</b>	<b>2074.14</b>	<b>13712 (65%)</b>	<b>1290.38 (62%)</b>	<b>25189</b>	<b>205682</b>	<b>2556.08</b>	<b>17268 (68%)</b>	<b>1673.12 (65%)</b>	<b>27352</b>	<b>222641</b>	<b>2887.38</b>	<b>19395 (70%)</b>	<b>2023.27 (70%)</b>

Source: NABARD: Status of Micro Finance in India. Compiled from 2016-17, 2017-18, 2018-19 and 2019-20

Table 7 depicts increasing trend in number of SHG that have saving account with cooperative bank. In 2016-2017, 18881 SHG having 181771 members have saving account with these banks which has increased to 27352 SHG (222641 members) in 2019-2020. Similarly, amount in saving accounts increased by more than fifty percent.

Further, women are getting facility of keeping their money in saving account from Cooperative as 70 per cent of total saving linked SHGs were exclusive women- SHGs comprising 70 per cent of the total saving amount deposited by Self Help

Groups with cooperative banks. Furthermore, JCCB has 100 per cent women SHG accounts in FY2017 and FY 2018 which was declined by 3 per cent in FY20 whereas share of women SHG was almost stagnant in case of HPSCB. However, proportion of exclusive women Self Help Groups was comparatively less in KCCB. Overall, cooperative banks are linking women Self Help Groups so that women can keep their money for future needs and become eligible for loaning facilities of the banks.

**Table 8: Total Loan disbursed to SHG by Cooperative Banks in Himachal Pradesh**

Banks	2016-2017				2017-2018				2018-2019				2019-2020			
	Total loan Disbursed during the year		Out of total-Exclusive Women SHG		Total loan Disbursed during the year		Out of total-Exclusive Women SHG		Total loan Disbursed during the year		Out of total-Exclusive Women SHG		Total loan Disbursed during the year		Out of total-Exclusive Women SHG	
	No. of SHG	Loan Disbursed Amount (Rs.) in Lakh	No. of SHG/% of total	Loan Disbursed Amount (Rs.) in Lakh/% of Total	No. of SHG	Loan Disbursed Amount (Rs.) in Lakh	No. of SHG/% of total	Loan Disbursed Amount (Rs.) in Lakh/% of Total	No. of SHG	Loan Disbursed Amount (Rs.) in Lakh	No. of SHG/% of total	Loan Disbursed Amount (Rs.) in Lakh/% of Total	No. of SHG	Loan Disbursed Amount (Rs.) in Lakh	No. of SHG/% of total	Loan Disbursed Amount (Rs.) in Lakh/% of Total
HPSCB	1145	1271.44	1145 (100%)	1271.44 (100%)	546	762.87	362 (66%)	483.87 (63%)	1186	1904.81	877 (73%)	1364.00 (71%)	1266	1898.16	1008 (79%)	1454.98 (76%)
KCCB	387	797.55	59 (15%)	75.05 (9%)	527	1055.72	287 (54%)	627.04 (59%)	963	1632.05	888 (92%)	1570.78 (96%)	903	1780.64	890 (98%)	1755.58 (98%)
JCCB	178	267.13	178 (100%)	267.13 (100%)	110	151.00	110 (100%)	151.00 (100%)	200	359.11	200 (100%)	359.11 (100%)	232	469.41	232 (100%)	469.41 (100%)
<b>Total</b>	<b>1710</b>	<b>2336.12</b>	<b>1382 (80%)</b>	<b>1613.62 (69%)</b>	<b>1183</b>	<b>1969.59</b>	<b>759 (64%)</b>	<b>1261.91 (64%)</b>	<b>2349</b>	<b>3895.97</b>	<b>1965 (83%)</b>	<b>3293.89 (84%)</b>	<b>2401</b>	<b>4148.21</b>	<b>2130 (88%)</b>	<b>3679.97 (88%)</b>

Source: NABARD: Status of Micro Finance in India. Compiled from 2016-17, 2017-18, 2018-19 and 2019-20

Table 8 shows the bifurcation of loan disbursed by various cooperative banks in Himachal Pradesh. No. of credit taking Self Help Groups in 2016-2017, 2017-2018, 2018-2019 and 2019-20 were 1710, 1183, 2349 and 2401 respectively. 80 per cent of total credits taking SHGs were exclusively women SHGs in 2016-2017 which has surged to 88 per cent in 2019-2020. In 2016-2017, 69 per cent of

total loan amount was availed by exclusive women SHGs while during 2019-2020, 88 per cent of the total loan taken by SHGs was availed by exclusive women SHGs. It is evident that Cooperative banks are financing women members of the society through Self Help Groups and women are getting loan on easy terms, without any collateral security.

**Table 9: Bank Wise NPA as percentage of SHG Loan outstanding in Himachal Pradesh**

Bank	2016-2017		2017-2018		2018-2019		2019-2020	
	NPA % of SHG loan o/s	NPA % of exclusive women SHG loan o/s	NPA % of Total SHG loan o/s	NPA % of exclusive women SHG loan o/s	NPA % of Total SHG loan o/s	NPA % of exclusive women SHG loan o/s	NPA % of Total SHG loan o/s	NPA % of exclusive women SHG loan o/s
<b>Public Sector Banks</b>	16.86	11.27	12.84	12.09	10.96	12.18	9.63	10.04
<b>Private Sector Banks</b>	0	0	0.00	0	0.00	0	0.00	0
<b>Regional Rural Banks</b>	7.03	7.04	15.73	15.73	8.50	8.50	6.73	6.73
<b>Cooperative Banks</b>	19.83	19.66	14.27	12.45	15.18	12.19	10.64	8.50

Source: NABARD: Status of Micro Finance in India. Compiled from 2016-17, 2017-18, 2018-19 and 2019-20

Table 9 illustrates the bank wise percentage of Non-Performing Assets as percentage of Loan outstanding in Himachal Pradesh. The overall NPA was 9.23 per cent at the end of financial year 2020, registered a fall from the previous NPA level of 12.03 per cent. Among the banks, maximum NPA percentage was witnessed in Cooperative banks (10.64 per cent) in 2019-20 followed by Public Sector Banks (9.63 per cent) and RRB (6.73 per cent). Further, all banks were showing declining trend in NPA. Furthermore, share of private sector is almost negligible in lending to SHG as during 2019-2020, only two SHGs were financed by one private sector bank i.e. IDBI and no SHG was financed during FY2018 and FY2019. However, NPA percentage was decreasing in all categories of banks which showed improvement in recovery of loan dues. It is apparent from the above table that NPA is comparatively low in exclusive women SHG and Cooperative banks made remarkable improvement in decreasing NPA from 19.66 per cent in exclusive women SHGs (2016-2017) to 8.50 per cent in 2019-2020. It is implied that decrease in NPA means better recovery which is a sign of financial discipline among the members; however, exclusive women SHGs have shown better financial discipline comparatively.

#### CONCLUSION AND SUGGESTIONS

From the above analysis it is concluded that number of Self Help Groups are increasing but their growth pattern is uneven in different states of the nation, however, it is apparent from the rising

trend that the concept of SHG is getting popularity among people especially women because almost 86 per cent of total SHG formed in the country are exclusive women SHG and their role in inculcating habit of saving among women is marvellous, additionally; credit is availed by women on easy terms which are used for meeting basic needs and starting income generation activities. Thus, SHG bank linkage programme has positive impact on financial inclusion and resource creation for women as necessary credit is received by the SHG women for starting economic activities. Moreover, after joining SHGs women have gained self-confidence, developed decision making power and shown leadership qualities by becoming group representatives and taking part in local self Govt. However, role of cooperative banks in SHG bank linkage programme is remarkable especially in Himachal Pradesh as more than 40 per cent of SHG have opened their saving account with cooperative banks, moreover, all three cooperative banks of ST credit structure viz., HPSCB, JCCB and KCCB are disbursing loans to needy women through SHGs.

Besides, cooperative banks are financing almost highest number of SHGs every year and cooperative banks are helping in women empowerment by keeping SHG money safe as 70 per cent of total SHG saving account are exclusive women SHG saving account and during the period of study 60 per cent-80 per cent SHG lending was in favour of exclusive women SHGs, further, Non Performing SHG loans are coming down,

furthermore, exclusive women SHGs are repaying their credit regularly as compare to other SHGs but problem of NPA still exists and cooperative banks have highest NPA comparatively which put a question mark on the quality of credit linked SHGs by cooperative banks, use of credit money by members and income generation from SHG activities as repayment has direct connection with the earning (Srinivasan, 2019), additionally, Private sector banks found reluctant to disburse loans to Self Help Groups because these are unsecured loans provided without any collateral security so in case of default, there is no security available with the bank to recover their dues.

Moreover, members were found lured by easy loan procedure and subsidy available under various schemes of SHGs for example, under NRLM, majority Self Help Groups were in those districts where additional interest subvention of @ 3 per cent is offered (Kaushal & Sharma, 2020) but members were lacking in skills to run micro enterprises and sometime money is not used in income generation activities so SHGs face difficulty in servicing the bank loan according to pre-determined schedule and chances of bad loan arises and blame-game starts and conflict among members increases therefore it is suggested to provide training to members for income generation activities and educate the SHG members about prompt repayment so that they can avail the benefit of interest subvention and credit in future, chances of bad loan can be reduced and consequently help in women empowerment.

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