

MICRO-FINANCE FOR WOMEN EMPOWERMENT –ROLE OF BANKING SECTORS IN UTTARA KANNADA DISTRICT, KARNATAKA

¹ Rajeevi Nayak, ² Dr.V.M.Bhandari

¹Research Scholar, Bharthiar University Coimbatore & Faculty, SDM College, Honavar (U.K.), Karnataka, India

²Research Guide, Bharthiar University, Coimbatore& Associate Professor, SDM College, Honavar(U.K.), Karnataka,India

Abstract:

As per Census 2011, the workforce participation rate at all India level was 25.51 percent for females and 53.26% for males. This reflects the low economic participation and poor economic status of women in India even after several years of independence. For socio-economic empowerment of women, provision of finance at easy terms and conditions is necessary. In spite of several reformatations in the banking sectors such as Nationalization of Banks, the establishment of Regional Rural Banks etc, banks failed to meet the small financial needs of people especially women due to problems of recovery and high transaction cost. Hence, the need for alternative credit delivery mechanism was felt in 1980 and in 1992, an initiation was taken by NABARD to introduce Micro-finance Programme. RBI has supported in the implementation of the programme by giving guidelines to banks to consider this programme as part of their mainstream credit operations both at policy and implementation levels. Micro-finance is believed to be one of such tools which take care of the financial needs of poor and of women who were excluded before by the banks in the provision of the loan. The benefit of this programme can be extended to women extensively if adequate efforts are made by all banking sectors to implement the programme. Therefore an attempt is made in this paper to understand the comparative roles played by the banking sectors in the empowerment of women by implementing the micro-finance programme.

Index Terms: *Micro-finance Programme, NABARD, RBI, Banking Sectors, Women Empowerment*

I. INTRODUCTION

Sustainable and harmonious development of the nation is possible only when there is an equal participation of men and women in economic activities. Women participation in economic activities is very low in India. UN Commission on the status of women observed that women constitute half of the world population, perform 2/3rd of the world's work, receive 1/10th of its income and own less than 1/100th of its property. As per Census 2011, the work force participation rate at all India level was 25.51 percent for females and 53.26% for males. These global and national statistics highlight the poor economic status of women all over the world. In spite of constitutional support, numerous government schemes and policy decisions, women in India still remain deprived of equal opportunities in terms of education, employment, and skill development. Many social scientists suggest that improvement of the economic status of women is the key solution for empowering them. Empowerment of women could only be achieved if their economic and social status is improved. This can be possible only when women have easy access to finance at favourable terms and conditions.

To provide easy access to credit in remote areas of the country and to develop banking habits even among relatively poor strata of the society, the major private sector banks were nationalized in 1969 and in 1980. Regional Rural Banks were established in 1975 to cater to the financial needs of rural people. Even after reformation in banking sectors, banks faced two main problems in dealing with small borrowers – that are the recovery of loans in the rural areas and the high transaction cost in dealing with small borrowers at frequent intervals. Since existing strategy of banks was not able to meet smaller financial needs of women, rural poor and economically backward class people, dependence on money lenders somehow continued for many years. Such dependence was more noticed among the women.

Hence, the need for alternative credit delivery mechanism was felt in late 1980. Against this backdrop, a search for alternative policies, systems, and procedures was initiated by National Bank of Agriculture and Rural Development (NABARD). A study was conducted by NABARD on the informal groups promoted by Non-Governmental Organizations (NGOs). The study found out that Self-Help Savings and Credit Groups have the potential to bring together the formal banking structure and the rural poor for mutual benefit. Hence, an initiation was taken by NABARD to introduce Micro-finance Programme in the year 1992.

1.2 Theoretical framework

Micro-finance programme in India

It is the Ela Ramesh Bhatt, Indian cooperative organiser and activist and Gandhian, who founded the Self-Employed Women's Association (SEWA) in 1972 and initiated micro-finance movements. She won Ramon Magsaysay Award (1977), Padma Bhushan award in 1986 for her outstanding social work. In the 1970s, Mohammad Yunus a Nobel Prize Winner introduced the concept of micro-finance in Bangladesh through "Grameen Bank". NABARD took this idea and started the concept of Micro-finance in India. Micro-credit and Micro-finance are commonly used as interchanging words in subject areas. But actually, Micro-finance is a 'credit-plus' programme which includes the entire package of financial and non-financial services including credit, saving, insurance, skill up gradation and entrepreneurial development, rendered to the poor for enabling them to defeat poverty and economically empower themselves. Micro-finance is believed to be one of such tools which take care of the financial needs of poor and of women who were excluded before by the banks in the provision of the loan.

Models of Micro-finance in India

In India, two models are introduced by NABARD to provide micro-finance. They are;

- i) Joint Liability Group Model
- ii) SHG Bank Linkage Model

Joint Liability Group (JLG) Model

A Joint liability group (JLG) is an informal group comprising 4-10 individuals coming together for the purpose of availing bank loan on the individual basis or through group mechanism against the mutual guarantee.

SHG-Bank Linkage Programme

A Self Help Group (SHG) is a group with an average size of about 15 people from a homogenous class. They come together to address their common problems. They are encouraged to make voluntary savings on a regular basis. They use this pooled resource to make small interest bearing loans to their members. This process helps them imbibe the essentials of financial intermediation including prioritization of needs, setting terms and conditions and keeping accounts. Once the groups show the matured financial behavior, banks are encouraged to make loans to the SHGs in certain multiples of the accumulated savings of the SHGs. The bank loans are given without any collateral and at market interest rates. The groups continue to decide the terms of loans to their own members. In India, SHG-Bank Linkage programme is more popular when compared to JLG. And till now more than 85 percentage of SHGs are formed by women in India (NABARD Annual Reports).

RBI Guidelines to banks for SHG-Bank linkage Programmes

The Reserve Bank constituted four informal groups in October 2002 to examine various issues concerning micro-finance delivery. Linking of SHGs with banks has been emphasized in the monetary policy of Reserve Bank of India. Various guidelines have been issued to banks in this regard. To scale up the SHGs linkage programme and make it sustainable, banks were advised that they may consider lending to SHGs as part of their mainstream credit operations both at policy and implementation level.

Banks were advised in January 2004 that monitoring of SHG-Bank linkage programme may be made a regular item on the agenda for discussion at the SLBC and DCC meetings. They have been advised to meet the entire credit requirements of SHG members, as envisaged in Paragraph 93 of the Union Budget announcement made by the Honorable Finance Minister for the year 2008-09 wherein it was stated that "Banks will be encouraged to embrace the concept of 'Total Financial Inclusion'.

1.3 Need for Study

To meet the micro needs of women and weaker sections of the society, an initiative was taken by NABARD to introduce Micro-Finance Programme in 1992. In this programme, priority was given to women to participate in economic activities. Reserve Bank of India advised the banks to consider SHG-Bank Linkage programme as a part of their mainstream credit operations both at policy and implementation levels. Several studies on micro-finance programme advocate that this programme can make a huge difference in the economic and social status of women but the success of this programme depends upon the banking sectors and their initiation to implement the programme. Hence, the author felt the need to study the role of major banking sectors in implementing the micro-finance programme for empowerment of women.

1.4 Review of Literature

Ritu Jain, R.K.Kushawaha&A.K.Srivastava (2003) in their article, made an attempt to know the impact of SHGs on the socio-economic status of women. The study was undertaken in Kanpur district, 250 SHG members and 250 non-SHG members were contacted for measuring the impact of SHGs on the socio-economic status of women. The study reveals that there is a positive change in education level, asset holdings, material possession, annual income and exposure to mass media among SHG members as compared to non-SHG members due to micro financing by banks.

H.S.Shylendra (2008) has made a study on SHGs and their impact on poverty and women empowerment. With respect to women empowerment, he observed that there are changes in the life of women. Due to their long association with SHGs, their confidence level has increased, they felt having more control over their life, and there are considerable changes in their personal abilities and decision-making skills.

RenuVerma (2008) in her article, mentioned the working of micro-finance institutions. She has stated that micro-finance institutions are targeting women SHGs because 70 percent of world's poor are women and they are the biggest segment of the society who need micro-finance. Moreover, women have higher unemployment rate than men. She has noted that there is an improvement in the rate of increase in well being of the poor in general and women in particular after the introduction of micro-finance programme.

Arpita Sharma (2011) has mentioned in her article, the milestones and challenges with respect to women empowerment. She has identified that in the last two decades due to constitutional support, legal provisions, financial support through SHG-Bank Linkage programme, there is a significant change in the status of women in India, prejudice and gender bias has reduced and improvement in the lifestyle of women has taken place.

Manju H.A, Dr.V.Shanmugam(2013); the authors have used several statistical tools to know the role played by Commercial Banks, Regional Rural Banks and Co-operative Banks in providing loan facilities to SHGs through SHG-Bank Linkage Programmes in Karnataka. They concluded that majority of SHG members are using loans for unproductive purpose and recommended that SHG members should use the loan amount for the productive purpose to improve their economic conditions.

Anas Khan and RobiulAwal (2014) made a comparative study between Bihar, Madhya Pradesh, Rajasthan and Uttara Pradesh(BIMARU) states with Andhra Pradesh to know the extent of benefits taken by these states from SHG-Bank linkage programme. They observed that Andhra Pradesh is leading in the implementation of the programme whereas BIMARU states failed to implement the programme successfully due to lack of coordination between NGOs, banks and state governments.

There is ample amount of literature to know the role of micro-finance programme in the empowerment of women. But empowerment of women through micro-finance is possible only when the banking sectors take initiation to implement this programme. There is a limited literature available to know the performance or role of banks in implementing micro-finance programmes especially in the study area i.e., in Uttara Kannada District. Hence, the following objectives were set forth for the current study, focusing on the role of major banking sectors in Uttara Kannada District of Karnataka in lending micro finance to SHG groups formed by women.

1.5 Objectives of the Study

1. To understand and compare the initiation taken by major banking sectors in implementing the micro-finance programme at the National Level, State Level and at the District Level.
2. To know the performance of Public Sector, Private Sector and Regional Rural Banks in the amount of loan disbursed to SHGs in Uttara Kannada District over the period-2011-12 to 2015-16.
3. To observe whether Public Sector, Private Sector and Regional Rural Banks of Uttara Kannada District have significant variation in lending loans to SHGs.

1.6 Hypothesis

1. **HO-Null hypothesis:** There is no significant difference between the sectors with respect to average bank loan disbursed to SHGs.

HA-Alternative hypothesis: At least one of the sectors differs significantly from the others.

1.7 Research Methodology

The study is purely based on secondary data collected from NABARD Annual Reports, Lead Banks SLBC statement. The researchers have used statistical tools like mean, the coefficient of variation, One-way ANOVA model, and charts. The reference period for the study is from 2011-12 to 2015-16 to examine the performance of major banking sectors in lending finance to SHGs formed by women in Uttara Kannada District.

Data Analysis

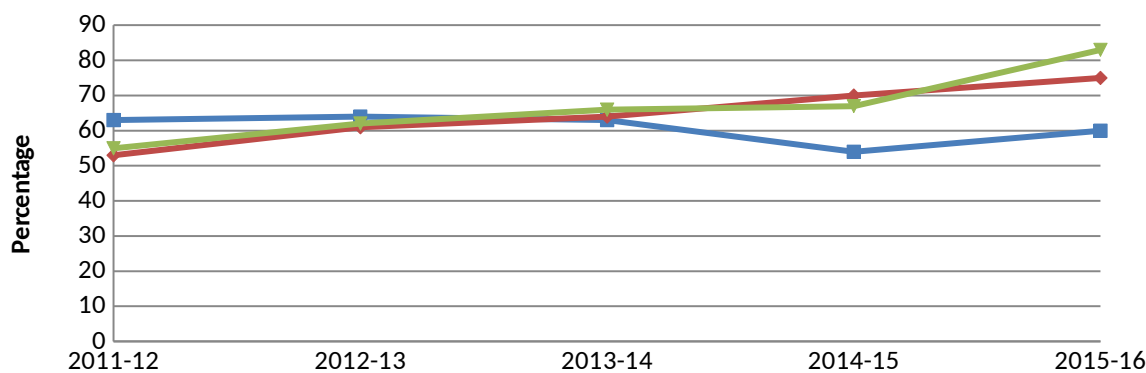
**Table-1 Bank Loan provided to SHGs by Banking Sectors
(National, State and District level Comparison)**

Banking Sectors	2011-12			2012-13			2013-14			2014-15			2015-16		
	India	Karnataka	U.K.District	India	Karnataka	U.K.District	India	Karnataka	U.K.District	India	Karnataka	U.K.District	India	Karnataka	U.K.District
Public Sector	939526 (63)	66342 (53)	219 (55)	1209167 (64)	110030 (61)	849 (62)	1411387 (63)	153715 (64)	1664 (66)	135951 1 (54)	300172 (70)	1826 (67)	2052046 (60)	412787 (75)	191 (83)
Private Sectors	54678 (4)	8463 (7)	12 (3)	129333 (7)	20302 (11)	37 (3)	192363 (9)	34185 (14)	26 (1)	373902 (15)	55982 (13)	35 (1)	466451 (13)	70951 (13)	0 (0)
RRBs	502605 (33)	50563 (40)	167 (42)	562652 (29)	50335 (28)	486 (35)	628813 (28)	51545 (22)	833 (33)	772522 (31)	70277 (17)	892 (32)	916493 (27)	65160 (12)	402 (17)
Total	1496810	125368	399	1901153	180667	1372	2232563	239445	2523	250593 5	426430	2753	3434990	548897	2313

Source: NABARD Annual Reports (Figures in Parenthesis represent percentage share of total loan disbursed by Banking Sectors)

Table- 1 indicates the loan disbursement details and percentage share of Public Sector Banks, Private Sector Banks and Regional Rural Banks in total loan disbursed at all India level, in Karnataka State and in Uttara Kannada District. At the outset it can be observed from the above table that Public Sector Banks occupied major role and Private Sector Banks have accounted for marginal role in disbursement of loans to SHGs.

Graph-1 Percentage Share of Public Sector Banks in providing micro finance to SHGs

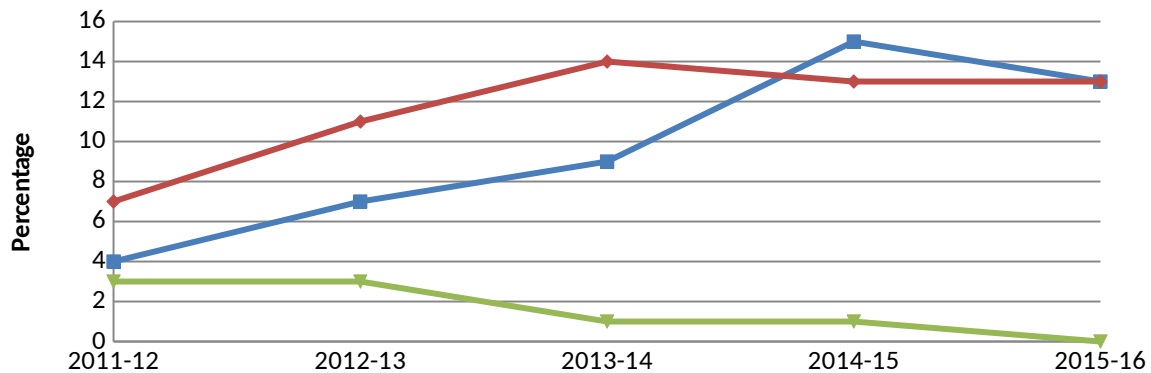


Source: NABARD Annual Reports (Computed data)

Analysis and Interpretation:

Table-1 and Graph-1 represent the share of Public Sector Banks at district level, state level and at national level in providing loans to SHGs. Percentage share of Public Sector Banks in disbursement of loans to SHGs was 55 percent in Uttara Kannada District, 53 percent in Karnataka and 63 percent in India in the year 2011-12. For the period 2015-16, this sector has shown better performance in Uttara Kannada when compared to the state and national level performance, with highest percentage share of 83 percent when compared share of 75 percent in Karnataka and 60 percent in India in disbursement of loan.

Graph- 2 Percentage Share of Private Sector Banks in disbursement of loan SHGs

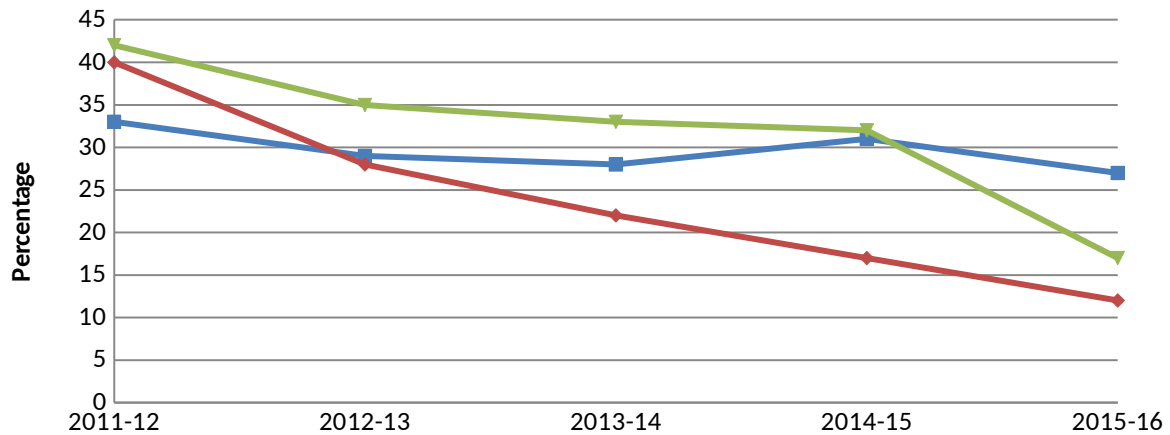


Source: NABARD Annual Reports (Computed data)

Analysis and Interpretation:

Analysis and graphical presentation of data in Table-1 and Graph-2 disclose the performance of Private Sector Banks at district level, State level and at all India level. The above graph reveals that performance of Private Sector Banks is poor in Uttara Kannada District when compared to their performance at state and national level. In the year 2011-12, Private Sector banks had percentage share of 3 percent in Uttara Kannada District, 7 percent in Karnataka and 4 percent at all India Level. In 2015-16 the share of this sector has reached to zero percent in UttaraKannada District, 13 percent in Karnataka and 13 percent in India. From the above analysis one can interpret that Private Sector Banks have marginal role in implementing the micro-finance programme. In Uttara Kannada District, the contribution of this sector is very poor. More over there is a steep fall in share of loan disbursement from 3 percent to zero percent.

Graph-3 Percentage Share of RRBs in disbursement of loan to SHGs



Source: NABARD Annual Reports (Computed data)

Analysis and Interpretation:

The Table-1and Graph-3 demonstrate the performance of RRBs in disbursement of loan at district, state and national level. During the year 2011-12, percentage share of RRBs in Loan disbursement was 42 percent in Uttara Kannada District, 40 percent in Karnataka and 33percent in India. Whereas during the year 2015-16, share of RRB has drastically reduced to 17 percent in Uttara Kannada District, 12 percent in Karnataka and 27 percent in India.

Table-2 Bank-wise details of loans provided to SHGs in Uttara Kannada District Rs.in Lakhs

S.N.	Bank Details	2011-12	2012-13	2013-14	2014-15	2015-16
A	Major Nationalised Banks					
1	Syndicate Bank	136.00	482.00	865.00	947.00	1470.00
2	Canara Bank	15.20	63.56	158.00	118.00	239.00
3	SBI	47	232	394	342	48
4	Vijaya Bank	2.00	31.00	136.00	403.00	103.00
5	Corporation Bank	13.25	26.00	109.00	14.00	49.00
	Total – A	213.45	834.56	1662.00	1824.00	1909.00
	Percentage Share	(53.49)	(60.83)	(65.87)	(66.25)	(82.53)
B	Other Nationalised Banks					
6	Indian Overseas Bank	5.00	12.00	0.00	0.00	0.00
7	Central Bank of India	0.00	2.00	1.00	1.00	1.00
8	Union Bank of India	0.00	0.00	1.00	1.00	1.00
9	Indian Bank	1.00	0.00	0.00	0.00	0.00
10	Bank of Maharashtra	0.00	0.00	0.00	0.00	0.00
11	Punjab National Bank	0.00	0.00	0.00	0.00	0.00
12	Bank of Baroda	0.00	0.00	0.00	0.00	0.00
13	Bank of India	0.00	0.00	0.00	0.00	0.00
14	Oriental Bank of Commerce	0.00	0.00	0.00	0.00	0.00
	Total – B	6.00	14.00	2.00	2.00	2.00
	Percentage Share	(1.50)	(1.02)	(0.08)	(0.07)	(0.09)
C	Other Commercial Banks					
15	Karnataka Bank	12.45	37.00	26.00	35.00	0.00
16	ICICI Bank	0.00	0.00	0.00	0.00	0.00
17	H DFC Bank	0.00	0.00	0.00	0.00	0.00
18	ING Vysya Bank Ltd	0.00	0.00	0.00	0.00	0.00
19	Axis Bank Ltd	0.00	0.00	0.00	0.00	0.00
20	Fedral Bank	0.00	0.00	0.00	0.00	0.00
21	Laxmi Vilas Bank Ltd	0.00	0.00	0.00	0.00	0.00
22	South Indian Bank Ltd	0.00	0.00	0.00	0.00	0.00
	Total – C	12.45	37.00	26.00	35.00	0.00
	Percentage Share	(3.12)	(2.70)	(1.03)	(1.27)	(0)
23	RRB- KV.G. Bank	167.28	486.00	833.0	892.00	402.00
	Percentage Share	(41.92)	(35.42)	(33.01)	(32.40)	(17.38)
.	Grand Total (A to D)	399	1372	2523	2753	2313

Source: SLBC Statements, Compiled data (Figures in Parenthesis denotes percentage share)

Table -2 provides bank-wise details of loan disbursement in Uttara Kannada District. For Comparative study, banking sector is classified into Public Sector, Private Sector and Regional Rural Banks. Based on number of branches in the study area, Public Sector Banks are further classified into Major and Other Nationalised Banks. The data presented in above table reveals that Major Public Sector Banks are playing leading role in implementing micro-finance programme as they account for highest percentage share in providing loan to SHGs. Percentage share of Major Public Sector banks was 53.49 percent in 2011-12 that has increased to 82.53 percent whereas share of Other Nationalised banks was very poor having lowest percentage share of 1.50 percent in 2011-12 and 0.09 percent in 2015-16. Private Sector Banks too are lagging behind in providing finance to SHGs as their share stands at 3.12 percent in 2011-12 and zero percent in 2015-16. Performance of both 'Other Nationalised Banks' and 'Private Sector Banks' show decreasing trend during the reference period. KarnatakaViKas GrameenBank (KVGB) is RRB of Uttara Kannada District. Percentage Share of KVGB in the year 2011-12 was 42% that decreased to 17.38% during 2015-16. Contribution of KVGB in implementing micro-finance programme was good in the beginning but in later years it showed decreasing performance.

1.8 Statistical Analysis and Hypothesis Testing

Table-3 Descriptive Statistics for BANK LOAN disbursed to SHGs by Banking Sectors

Year	Sector →	Major Nationalized banks	Other Nationalized banks	Private Sector Bank	RRB
	Number of banks	5	9	8	1
2011-12	Minimum	2	0	0	167.28
	Maximum	136	5	12.45	167.28
	Total	213.45	6	12.45	167.28
	Average	42.69	0.6666	1.55625	167.28
	Standard deviation	54.780065	1.658312	4.401740	-
	Co-efficient of variation	128.3206	248.7469	282.8427	-
2012-13	Minimum	26	0	0	486
	Maximum	482	12	37	486
	Total	834.56	14	37	486
	Average	166.912	1.5555	4.6250	486.
	Standard deviation	195.273395	3.972125	13.081475	-
	Co-efficient of variation	116.9918	255.3509	282.8427	-
2013-14	Minimum	109	0	0	833
	Maximum	865	1	26	833
	Total	1662	2	26	833
	Average	332.4	0.2222	3.25	833
	Standard deviation	318.7291954	0.4409586	9.1923882	-
	Co-efficient of variation	95.88724	198.43135	282.84271	-
2014-15	Minimum	14	0	0	892
	Maximum	947	1	35	892
	Total	1824	2	35	892
	Average	364.8	0.2222	4.375	892
	Standard deviation	362.2522602	0.4409586	12.3743687	-
	Co-efficient of variation	99.30161	198.43135	282.84271	-
2015-16	Minimum	48	0	0	402
	Maximum	1470	1	0	402
	Total	1909	2	0	402
	Average	381.8	0.2222	0	402
	Standard deviation	613.2859855	0.4409586	0	-
	Co-efficient of variation	160.6302	198.4313	-	-

Source: SLBC Statements (Computed data)

Table-3 reveals the descriptive statistics of Public Sector Banks, Private Sector Banks and RRB (Karnataka VikasGrameen Bank) for the bank loan provided to SHGs in Uttara Kannada District. There are 5 Major Public Sector Banks, 9 Other Public Sector Banks, 8 Private Sector Banks and One RRB with wide net work of branches. Above Statistics reveal that Major Public Sector Banks and Regional Rural Bank are leading in average loan disbursement when compared to Other Public Sector Banks and Private Sector Banks. Coefficient of variation is high in case of Private Sector Banks indicating more variability and less stability in average loan disbursement and it is low in case of Public Sector Banks showing low variability and high stability in loan disbursement.

ANOVA to check whether there is any significant difference in the disbursement of bank loan between the different SECTORS of banks.

Null hypothesis: There is no significant difference between the sectors with respect to the average bank loan disbursed.

v/s

Alternative hypothesis: At least one of the sectors differs significantly from the others.

Table-4 ANOVA Table

Year	Source of variation	df	Sum of squares	Mean sum of squares	F-value	p-value	Conclusion
2011-12	Sectors	3	30190	10063	15.72	2.21e-05	Significant
	Residuals	19	12161	640			
2012-13	Sectors	3	293897	97966	12.1	0.000117	Significant
	Residuals	19	153851	8097			
2013-14	Sectors	3	969661	323220	15.09	2.9e-05	Significant
	Residuals	19	406946	21418			
2014-15	Sectors	3	1131691	377230	13.63	5.6e-05	Significant
	Residuals	19	525980	27683			
2015-16	Sectors	3	657853	219284	2.769	0.0699	Not Significant
	Residuals	19	1504480	79183			

Source: SLBC Statements (Computed data)

In general, if the Probability value (p-value) associated with F-Ratio (F) is smaller than 0.05 then the null hypothesis is rejected and the alternative hypothesis is supported. The observation of F-Value and p-value in the above table reveals that null hypothesis is rejected for the years 2011-12, 2012-13, 2013-14, and 2014-15. If the null hypothesis is rejected, one can conclude that the means of all the groups are not equal. To know which groups are different from each other, Post-hoc test is conducted for each year.

The Year 2011-12 showed the significant difference between the sectors so post hoc analysis is carried out to know which sector differed significantly

Sector Combination	diff	lwr	upr	p-value	Conclusion
Other Nationalized banks - Major Nationalized banks	-42.02333	- 81.70209	-2.3445801	0.0356147	Significant
Private Sector Bank s - Major Nationalized banks	-41.13375	- 81.68852	-0.5789805	0.0461010	Significant
RRB - Major Nationalized banks	124.59	46.66248	202.5175243	0.0012992	Significant
Private Sector Bank s - Other Nationalized banks	0.88758	- 33.67716	35.4563270	0.9998589	Not Significant
RRB- Other Nationalized banks	166.6133	91.62754	241.5991286	0.0000294	Significant
RRB- Private Sector Banks	165.72375	90.27075	241.1767510	0.0000341	Significant

The Year 2012-13 showed the significant difference between the sectors. So post hoc analysis is carried out to know which sector differed significantly.

Sector Combination	diff	lwr	upr	p-value	Conclusion
Other Nationalized banks - Major Nationalized banks	-165.356444	-306.48747	-24.22542	0.0182901	Significant
Private Sector Bank s - Major Nationalized banks	-162.28700	-306.53388	-18.04012	0.0241661	Significant
RRB - Major Nationalized banks	319.08800	41.91216	596.26384	0.0206771	Significant
Private Sector Bank s - Other Nationalized banks	3.069444	-119.87898	126.01787	0.9998712	Not Significant
RRB- Other Nationalized banks	484.4444	217.73187	751.15702	0.0003363	Significant
RRB- Private Sector Banks	481.375	213.00065	749.74935	0.0003868	Significant

Year 2013-14 showed the significant difference between the sectors. So post hoc analysis is carried out to know which sector differed significantly

Sector Combination	diff	lwr	upr	p-value	Conclusion
Other Nationalized banks - Major Nationalized banks	-332.17778	- 561.7089	-102.64695	0.0033516	Significant
Private Sector Bank s - Major Nationalized banks	-329.15	- 563.7483	-94.55166	0.0044145	Significant
RRB - Major Nationalized banks	500.6	49.8104	951.38960	0.0263458	Significant
Private Sector Bank s - Other	3.027778	-	202.98702	0.9999712	Not Significant

Nationalized banks		196.9315			
RRB- Other Nationalized banks	832.7778	399.0053	1266.55027	0.0001784	Significant
RRB- Private Sector Banks	829.75	393.2748	1266.22515	0.0002001	Significant

Year 2014-15 showed the significant difference between the sectors. So post hoc analysis is carried out to know which sector differed significantly

Sector Combination	diff	lwr	upr	p-value	Conclusion
Other Nationalized banks - Major Nationalized banks	-364.57778	-	-103.62784	0.0045802	Significant
Private Sector Banks - Major Nationalized banks	-360.425	-	-93.71388	0.0060864	Significant
RRB - Major Nationalized banks	527.2	14.70449	1039.69551	0.0424503	Significant
Private Sector Banks - Other Nationalized banks	4.152778	-223.1777	231.48325	0.9999495	Not Significant
RRB- Other Nationalized banks	891.7778	398.62874	1384.92682	0.0003534	Significant
RRB- Private Sector Banks	887.625	391.40335	1383.84665	0.0003987	Significant

The post hoc analysis reveals that there is no significant difference in average amount of loan disbursed by Private Sector Bank and Other Nationalised Banks in the year 2011-12,2012-13,2013-14 and 2014-15 hence Null Hypothesis is rejected.

1.9 Discussion:

Women participation in economic activities is very poor in India. One of the reasons for the low economic performance of women is lack of proper access to finance. Though there is a wide network of branches of banks, till 1992, their credit flow to the weaker sections of the society was very poor. Banking sectors have failed to meet the small financial needs of women. In 1992, NABARD had taken initiation to implement Micro-finance Programme with the support of RBI. As per many social scientists this peculiar programme has a high potential to empower the women by meeting their small financial needs at favourable terms and conditions. But the benefit of this programme can reach the women only if all the major banking sectors take adequate initiation in the implementation of the programme. In his article, the researchers highlighted the role played by major banking sectors in the empowerment of women through microfinance programme. Based on the analyzed data, it is noticed that among three banking sectors i.e., Public Sector Banks, Private Sector Banks, and Regional Rural Banks, Public Sector Banks play a substantial role in the empowerment of women by disbursing highest loan under Micro-finance Programme when compared to other sector banks. The detail findings of the study are as below;

1.10 Findings

- Public Sector Banks are performing well in Uttara Kannada District showing increasing share in loan disbursement to SHGs with reference to the period 2011-12 to 2015-16. During the year 2015-16, these banks occupy highest percentage share of 83percent when compared to the corresponding percentage share of Karnataka i.e., 75 percent and of India, 60 Percent. Among Public Sector banks the major 5 nationalized banks (Syndicate Bank, Canara Bank, SBI, Vijaya Bank & Corporation Bank) occupy the highest share in total loan disbursement whereas other 9 nationalized banks occupy minimal share in disbursement of loan.
- The percentage share of Private Sector Banks in Uttara Kannada district is very poor when compared to the corresponding share represented for Karnataka and for India. In the year 2011-12, the percentage share of Private Sector Bank in U.K. district was 3 percent that has reduced to zero percent in the year 2015-16, showing a decreasing trend in disbursement of loan.
- RRBs i.e., Karnataka Vikas Grameen Bank accounted for the highest percentage share of 42 percent in providing finance under this programme when compared to corresponding data of Karnataka, 40 percent and of India, 33 percent. But over the reference period, there is a decreasing trend in percentage share of RRBs, in U.K. District showing a fall from 42 percent to 17 percent.
- Statistical analysis and Hypothesis testing reveal that there is no significant difference in average loan disbursed by 'Other Public Sector Banks' (as categorised in the study) and 'Private Sector Banks'. But both of these sectors play a nominal role in average loan disbursed to SHGs. Whereas other banking sectors differ significantly in average loan disbursement.

1.11 Recommendations:

- There is a poor performance of 'Private Sector Banks' and 9 'Other Nationalised Banks' in implementing microfinance programme. Hence, more motivation, support, and guidelines are required for these sectors from apex authorities to implement the programme successfully.
- Performance of RRB (Karnataka Vikas Grameen Bank) in Uttara Kannada District was good at the beginning of the study period. But in later years of the study period, there is a decrease in its performance. Hence the reasons for such downfall in performance need to be investigated in order to set right the drastic deviations in performance level.

1.12 Conclusion:

To conclude, Major Public Sector Banks play substantial role in empowerment of women by disbursing them highest amount of loan under micro finance programme, whereas role of Other Public Sector Banks (as categorized above) and private sector bank are very low in providing financial support to women. Performance of RRB was satisfactory with respect to loan disbursement under the Programme during the beginning of reference period but in later years its performance level has reduced.

1.13 Limitations of current Study and Scope of further study:

Micro-finance is a 'credit-plus' program which includes the entire package of financial and non-financial services including credit, saving, insurance, skill up gradation and entrepreneurial development. In this paper, only financial service, that is, the provision of finance to SHGs is considered while evaluating the performance of major banking sectors. Further study may be carried out to overcome the limitations of the present study.

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