

BANK WISE REGIONAL VARIATIONS IN THE PERFORMANCE OF SHGs IN INDIA

Dr. Kulpreet Kaur¹ Ms. Mukesh²

¹Assistant Professor in Commerce, Khalsa College (Asr.) of Technology & Business Studies,
Mohali

²Assistant Professor in Management, Khalsa College (Asr.) of Technology & Business Studies,
Mohali

kulpreetkaur87@yahoo.co.in
mukesh.ajinder2018@gmail.com

Abstract

Self Help Groups have been playing avital role in economic as well as social development of India by generating swarojgaar opportunities in rural areas, providing financial support to needy people and by providing marketing and technical support to its members. In this research paper an attempt has been made to analyse the regional progress of SHGs during the time period of 2017-18 to 2021-22. The progress of SHGs have been analysed with the help of SHGs Bank linkage program, growth of loan disbursed to SHGs by Commercial Banks, RRBs and Co-operative banks. Region wise and Bank wise data is collected to analyse the percentage of outstanding loan of SHGs with banks and to study the level of NPAs. The present paper found that southern region depicts the highest percentage share with regards to the number of SHGs which are having saving linked with banks and saving amount maintained by the SHGs. Commercial Banks issued highest amount of loan to SHGs that's why total loan outstanding is highest with commercial Banks along with highest amount of gross NPAs with public sector commercial Banks. However, study revealed that NPAs as percentage to loan outstanding has been declining over the study period.

Keywords: SHGs, NPAs, Region-Wise, Bank-Wise, Bank linkage programme, loan disbursed outstanding loan etc.

1. Introduction

Rural people of our country mainly depend on agriculture for income. Agriculture income occurs only after 5-6 months. Till then they have to face financial problem to meet with their daily expenses. To solve this type of financial issues, Self Help Groups (SHGs) come into existence. SHGs are small associations consisting of 10-20 people who comes together to serve its members. All members voluntarily come together to save some amount. They credit these funds to their members in case of any emergency, to purchase assets and to start swarojgaar. But SHGs faced lot of problems due to its unorganized structure. In 1992 NABARD take initiative to link SHGs with Indian banking system to reap its fruits. NABARD along with RBI allowed SHGs to open saving bank account with the banks. This program is known as Self Help Groups-Bank Linkage Programme. Self Help Groups-Bank Linkage Programme is the largest microfinance program to provide financial support to poor people in different rural regions of India. Under this programme Commercial Banks, Regional Rural Banks and Cooperative Banks provide loans to SHGs on the basis of their saving pattern and credit history. SHGs can availed loan amount up to 4 times of their savings. Banks facilitate simple and quick documentation procedure for sanctioning the loan which helps them to start their work quickly. They just have to submit their an inter-se agreement by members of SHGs, a loan application and loan agreement between bank and SHG. Then SHGs distribute this loan amount to its members according to their requirements. This program provides an opportunity of self-employment to weaker section. It also helps in upliftment of other issues like health and education. In this way SHGs act as financial intermediates to improve socio- economic development of country. SHGs can availed loan amount up to Rs. 10 lakhs without collateral security. Commercial Banks are not charging any loan penalty from the SHGs due to non-payment of instalment on time by weaker section. Some members of SHGs utilize this amount for their personal activities and are not able to repay the loan amount on time. Due to the default in repayment of loan by the members loan disbursed will turn into loan outstanding. When the principal and interest loan amount remain overdue for more than 90 days then this amount is transferred Non-Performing Assets (NPA).

The present research paper reviews the performance of SHGs from the time period of 2017-18 to 2021-22 covering a period of 5 years. The main focus of current study is to find out the growth and pattern of savings and loan to SHGs by banks. Further region wise analysis has been done to find out the regional disparities with regards to the performance of SHGs.

2. Literature Review

Parida And Sinha (2010) analyzed the performance of SHGs in six states of India in 2010. Study examined the performance of three types of SHGs: female SHGs, male SHGs and mixed SHGs. After conducting the survey, it was found that performance of female SHGs was much better than other SHGs groups. During the study time Female SHGs were doing well in financial management, loan recovery and to increase per capita income of female members. **Ahlawat (2016)** analyzed regional growth of SHGs in India during 2015-16 and found that almost all the regions had positive growth rate during this time period. Southern Region had highest number of SHGs followed by Eastern Region. There was requirement of encourage number of SHGs in Northern and North Eastern region. **Arora & Singh (2017)** studied major role played by Commercial banks through SHGs Bank Linkage Programme in economic and social development of India during 2006-07 to 2015-16. Commercial banks provide credit to SHGs according to their savings and SHG-BLP provide credit opportunity to poor people especially woman to make them financially independent. **Kumar & Mittal (2017)** studied the role of MFI in development of rural areas. They found that people in rural areas mainly facing the problem of lack of funds because agriculture was only source of income for them. The financial institutions played a major role in the development of these areas by lending funds to needy people. SHGs also played major role in development of business in rural areas. Development of rural areas help in economic development of India. **Hundekar (2018-19)** has analyzed the performance of SHP-BLP from 2006-07 to 2016-17 in

Karnataka and found that major part of population was still financial weak. Study found that only 2 districts have above average, 6 districts average and 22 districts was below average level of financial inclusion. Most of the people were taking funds from private moneylenders due to lack of financial literacy. **Gowda G N' and Thimmaiah (2019)** studied the role of SHGs in financial inclusion of women from 2014-17. Study revealed that digitization of SHGs solved the problem of both information and transaction records of microfinance sector. More women were able to take financial services through self-help groups. **Indumathi & Savaraiah (2020)** analysed the region wise progress of SHGs between the time period 2010-11 to 2018-19. Study revealed that SHGs have highest loan disbursement and highest amount of loan outstanding in Southern region. **Meena & Prasad (2021)** studied the satisfaction level of members of SHGs and association of demographic factors of members with performance of SHGs. They found that 63% members of SHGs are satisfied with the financial support provided by SHGs to start up a business. Members are highly satisfied with assistance for marketing activities and decision making. There was no significant difference between demographic factors of members with performance of SHGs. **Muthu (2021)** analysed the progress of SHG-BLP in India during 2007-2008 to 2019-2020. The progress of SHG-BLP has been analyzed in two terms 1) growth of savings of SHGs with banks 2) growth of bank loans disbursed to SHGs. The study found that there was significant raise in both the savings of SHGs with banking sector and the amount of loans disbursed to SHGs. This program played a vital role in changing the standard of living of poor people. **Sinha & Nitin Navin (2021)** studied the performance of SHGs in India during 2011-19. They studied performance of SHGs from two aspects: region wise growth and growth of NPAs and found that SHGs have better performance in southern and eastern region but have to struggle in Central and north-eastern regions. There was requirement of immediate action for raising NPAs in some regions. **Murthy** observed that SHGs bring desired change in social and economic lives of poor people not only by providing credit opportunity but also by raising awareness through training.

3. Objectives of study

1. To analyse the progress of SHGs-Bank Linkage Program in India in terms of
 - Saving accounts
 - Loan disbursed
 - Loan outstanding
 - NPA level
2. To examine the inter-regional variations of SHGs in India in terms of
 - Saving accounts
 - Loan disbursed
 - Loan outstanding
 - NPA level

4. Research Methodology

The present research paper is based on secondary data covering the time period of 5 years from 2017-18 to 2021-22. The data has been obtained from annual reports of "Status of Micro Finance in India" of National Bank for Agriculture and Rural Development (NABARD). Percentage method has been used for calculating and comparing region wise and bank wise progress of SHGs.

5. Discussion and Analysis

5.1 Region-Wise progress of saving linked SHGs with Banks

Table 1 reveals the region wise progress of saving linked SHGs with banks. Study reveals that the highest saving amount is found in case of southern region during the study period however their percentage share among other region has been declined from 62.06 per cent in the FY 2017-18 to 50.93 per cent in the FY 2021-22 followed by Eastern region but this region depicts increased in their percentage share i.e., 22.55 per cent in the FY 2017-18 to 28.76 per cent in the FY 2021-22.

North-eastern region, Northern region, central region and western region have marginal amount of saving during the study period but their percentage share has been increased from 1.64 per cent in the FY 2017-18 to 2.25 per cent in the FY 2021-22, 2.52 per cent in the FY 2017-18 to 4.22 per cent in the FY 2021-22, 4.87 per cent in the FY 2017-18 to 6.89 per cent in the FY 2021-22 and 6.36 per cent in the FY 2017-18 to 6.94 per cent in the FY 2021-22 respectively.

On the whole, southern region have maintained the highest number of SHGs which are having saving linked with banks but percentage share has been declined from 41.73 per cent in the FY 2017-18 to 35.69 per cent in the FY 2021-22 followed by eastern region however their percentage has been increased from 24.37 per cent in the FY 2017-18 to 27.27 per cent in the FY 2021.22. Rest of the region also highlights their increase in percentage share with regards to the number of SHGs.

Table-1: Region-Wise progress of saving linked SHGs with Banks (2017-18 to 2021-22)
(Amount in Rs. Lakhs)

Years→ Regions↓	2017-18			2018-19			2019-20		
	No. SHGs	Saving Amount	% Share	No. SHGs	Saving Amount	% Share	No. SHGs	Saving Amount	% Share
Northern Region	478883	49294	2.52	548624	62453	2.68	577122	59550	2.28
North-Eastern Region	485591	32208	1.64	523469	40407	1.73	556899	48141	1.84
Eastern Region	2130997	441803	22.55	2654358	601155	25.77	2811130	664333	25.40
Central Region	902222	95385	4.87	1062759	133230	5.71	1135083	171217	6.55
Western Region	1097448	124695	6.36	1388615	205275	8.80	1473853	201880	7.72
Southern Region	3649296	1215827	62.06	3836418	1289928	55.30	3689236	1470085	56.21
Total	8744437	1959212	100	10014243	2332448	100	10243323	2615206	100

Years→ Regions↓	2020-21			2021-22		
	No. SHGs	Saving Amount	% Share	No. SHGs	Saving Amount	% Share
Northern Region	609808	174345	4.65	680143	199582	4.22
North-Eastern Region	633714	83126	2.22	680845	106441	2.25
Eastern Region	3122424	774912	20.68	3243980	1358595	28.76
Central Region	1345575	211870	5.65	1355564	325696	6.89
Western Region	1550176	374023	9.98	1688451	327691	6.94
Southern Region	3961703	2129485	56.82	4244070	2406043	50.93
Total	11223400	3747761	100	11893053	4724048	100

Table-2: Region-Wise and Bank wise saving of SHGs (2017-18 to 2021-22)**(Amount in Rs. Lakhs)**

Years→ Regions↓	2017-18				2018-19				2019-20			
	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total
Northern Region	21945 (44.52)	18975 (38.50)	8373 (16.98)	49294	35318 (56.71)	17542 (28.08)	9593 (15.36)	62453	30481 (51.19)	19360 (32.51)	9708 (16.30)	59550
North-Eastern Region	10415 (32.34)	19904 (61.80)	1889 (5.86)	32208	14519 (35.93)	24931 (61.70)	957 (2.37)	40407	16577 (34.43)	30613 (63.59)	950 (1.97)	48141
Eastern Region	194164 (43.95)	190154 (43.04)	57485 (13.01)	441803	261901 (43.57)	270146 (44.94)	69107 (11.50)	601155	322898 (48.60)	249772 (37.60)	91663 (13.80)	664333
Central Region	49569 (51.97)	40313 (42.26)	5504 (5.77)	95385	74163 (55.67)	53788 (40.37)	5278 (3.96)	133230	105360 (61.54)	58766 (34.32)	7091 (4.14)	171217
Western Region	65681 (52.67)	17045 (13.67)	41969 (33.66)	124695	128310 (62.51)	20511 (9.99)	56454 (27.50)	205275	122343 (60.60)	26374 (13.06)	53163 (26.33)	201880
Southern Region	824648 (67.83)	294344 (24.21)	96834 (7.96)	1215827	809811 (62.78)	382283 (29.64)	97834 (7.58)	1289928	968558 (65.88)	396241 (26.95)	105285 (7.16)	1470085
Total	1166422 (59.54)	580735 (29.64)	212054 (10.82)	1959212	1324023 (56.77)	769201 (32.98)	239224 (10.26)	2332448	1566218 (59.89)	781127 (29.87)	267860 (10.24)	2615205

Years→ Regions↓	2020-21				2021-22			
	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total
Northern Region	141631 (81.24)	23661 (13.57)	9052 (5.19)	174345	158600 (79.47)	32257 (16.16)	8725 (4.37)	199582
North-Eastern Region	31526 (37.93)	44460 (53.48)	7140 (8.59)	83126	55623 (52.26)	49403 (46.41)	1414 (1.33)	106441
Eastern Region	423170 (54.61)	264774 (34.17)	86969 (11.22)	774912	682292 (50.22)	612910 (45.11)	63393 (4.67)	1358595
Central Region	122310 (57.73)	82685 (39.03)	6874 (3.24)	211870	234318 (71.94)	84846 (26.05)	6532 (2.01)	325696
Western Region	160077 (42.80)	29883 (7.99)	184064 (49.21)	374023	245872 (75.03)	32469 (9.91)	49350 (15.06)	327691
Southern Region	1380919 (64.85)	505706 (23.75)	242861 (11.40)	2129485	1695943 (70.49)	567239 (23.58)	142862 (5.94)	2406043
Total	2259633 (60.29)	951169 (25.38)	536960 (14.33)	3747761	3072648 (65.04)	1379125 (29.19)	272275 (5.76)	4724048

5.2 Region-Wise and Bank wise saving of SHGs

Table 2 reveals that highest percentage of saving of SHGs is lying among commercial banks throughout the study period and moreover their percentage share has been increased from 59.54 per cent in the FY

2017-18 to 65.04 per cent in the FY 2021-22 whereas percentage share of Regional Rural Banks (RRBs) and Cooperative banks in terms of saving of SHGs is approximately 30 per cent and 10 per cent during the study period.

Region wise saving of SHGs also reveals that the highest percentage share is with the commercial banks. Among the regions, northern region has the largest amount of saving with commercial banks i.e., 79.47 per cent in the FY 2021-22 from 44.52 per cent in the FY 2017-18. Cooperative banks registered the smallest amount of saving of SHGs during the study period. Among the regions, central region contributes a meagre amount of saving with the cooperative banks during the study period and their percentage share has been declined from 5.77 per cent in the FY 2017-18 to 2.01 per cent in the FY 2021-22.

Table-3: Region-Wise status of Bank loan disbursed to SHGs (2017-18 to 2021-22)

(Amount in Rs. Lakhs)

Years→ Regions↓	2017-18			2018-19			2019-20			2020-21			2021-22		
	No. SHGs	Total loan disbursed	% Share	No. SHGs	Total loan disbursed	% Share	No. SHGs	Total loan disbursed	% Share	No. SHGs	Total loan disbursed	% Share	No. SHGs	Total loan disbursed	% Share
Northern Region	51800	54038	1.15	55922	62664	1.07	62905	84694	1.09	67658	94045	1.62	79532	117102	1.17
North-Eastern Region	35017	35721	0.76	27086	29001	0.50	37807	57893	0.75	68116	103651	1.78	94871	184636	1.85
Eastern Region	72044 4	908950	19.26	909375	119707 9	20.53	112351 7	178507 5	22.99	112457 8	1487551	25.62	130150 5	2568978	25.76
Central Region	69295	55943	1.19	85135	72199	1.24	111074	104249	1.34	128617	105428	1.82	184322	216983	2.18
Western Region	12897 3	155099	3.29	146674	184565	3.16	174218	249327	3.21	161159	230331	3.97	239086	381363	3.82
Southern Region	12556 03	350883 4	74.36	147420 8	428625 6	73.50	163648 1	548469 6	70.63	133726 6	3786063	65.20	149895 1	6503860	65.22
Total	22611 32	471858 7	100	269840 0	583176 3	100	314600 2	776593 5	100	288739 4	5807068	100	339826 7	9972923	100

5.3 Region-Wise status of Bank loan disbursed to SHGs

Table 3 shows region wise status of banks loan disbursed to SHGs. Southern region registered the highest amount of loan disbursed to SHGs followed by eastern region, together they took approximately more than 90 per cent of the total share. However, percentage share of southern region has been declined from 74.36 per cent in the 2017-18 to 65.22 in the FY 2021-22 whereas eastern region exhibits the increase in their percentage share i.e., from 19.26 per cent in the FY 2017-18 to 25.76 per cent in the FY 2021-22. Northern region, north-eastern region, central region and western region together took a meager portion of loan disbursed to SHGs throughout the study period i.e., less than 10 per cent.

Study revealed that highest number of SHGs with regards to loan disbursed have been found in case of southern region followed by eastern region and their percentage share has been increased by 9.68 per cent and 6.44 percent respectively during the study

Table-4: Region-Wise and Bank wise loan distributed to SHGs (2017-18 to 2021-22)

Years→ Regions↓	2017-18				2018-19				(Amount in Rs. Lakh) 2019-20			
	Comm ercial Banks	Regi onal Rural Bank s	Cooper ative Banks	Total	Comm ercial Banks	Regi onal Rural Bank s	Cooper ative Banks	Total	Comm ercial Banks	Regi onal Rural Bank s	Cooper ative Banks	Total
Northern Region	38251 (70.78)	1223 1 (22.6 3)	3557 (6.58)	5403 9	42486 (67.80)	1453 8 (23.2 0)	5639 (9.00)	6266 4	54305 (64.12)	2504 8 (29.5 7)	5341 (6.31)	8469 4
North- Eastern Region	12713 (35.59)	2136 8 (59.8 2)	1641 (4.59)	3572 2	12586 (43.40)	1570 5 (54.1 5)	710 (2.45)	2900 1	20445 (35.32)	3600 7 (62.2 0)	1441 (2.49)	5789 3
Eastern Region	347755 (38.26)	4901 38 (53.9 2)	71057 (7.82)	9089 50	442558 (36.97)	6441 68 (53.8 1)	110353 (9.22)	1197 079	733606 (41.10)	9303 72 (52.1 2)	121097 (6.78)	1785 075
Central Region	36968 (66.08)	1688 4 (30.1 8)	2091 (3.74)	5594 4	40770 (56.47)	2909 7 (40.3 0)	2333 (3.23)	7219 9	52670 (50.52)	4834 5 (46.3 7)	3234 (3.10)	1042 50
Western Region	102536 (66.11)	2508 7 (16.1 7)	27476 (17.72)	1551 00	133978 (72.59)	1864 5 (10.1 0)	31942 (17.31)	1845 64	159019 (63.78)	4581 1 (18.3 7)	44497 (17.85)	2493 27
Southern Region	233254 0 (66.48)	9462 26 (26.9 7)	230068 (6.56)	3508 834	277687 0 (64.79)	1233 111 (28.7 7)	276275 (6.45)	4286 256	382306 3 (69.70)	1337 579 (24.3 9)	324054 (5.91)	5484 696
Total	287076 2 (60.84)	1511 934 (32.0 4)	335892 (7.12)	4718 588	344924 7 (59.15)	1955 264 (33.5 3)	427252 (7.33)	5831 763	484310 9 (62.36)	2423 162 (31.2 0)	499664 (6.43)	7765 935

(Amount in Rs. Lakhs)

Years→ Regions↓	2020-21				2021-22			
	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total
Northern Region	52042 (55.34)	36836 (39.17)	5168 (5.50)	94045	93151 (79.55)	19946 (17.03)	4005 (3.42)	117102
North-Eastern Region	35652 (34.40)	65889 (63.57)	2110 (2.04)	103651	56079 (30.37)	126197 (68.35)	2360 (1.28)	184636
Eastern Region	474631 (31.91)	903045 (60.71)	109874 (7.39)	1487551	1103204 (42.94)	1292588 (50.32)	173186 (6.74)	2568978
Central Region	50149 (47.57)	50069 (47.49)	5210 (4.94)	105428	118866 (54.78)	91181 (42.02)	6937 (3.20)	216983
Western Region	162391 (70.50)	34796 (15.11)	33144 (14.39)	230331	309229 (81.09)	41363 (10.85)	30770 (8.07)	381363
Southern Region	2020387 (53.36)	1358795 (35.89)	406882 (10.75)	3786063	4442049 (68.30)	1687849 (25.95)	373962 (5.75)	6503860
Total	2795251 (48.14)	2449430 (42.18)	562387 (9.68)	5807068	6122577 (61.39)	3259124 (32.68)	591221 (5.93)	9972923

5.4 Region-Wise and Bank wise loan distributed to SHGs

Table 4 represent region wise and bank wise loan distributed to SHGs. Study found that commercial banks distributed highest amount of loan to SHGs followed by regional rural banks whereas smallest amount of loan has been distributed by cooperative banks throughout the study period.

Region wise analysis also depicts that the highest amount of loan to SHGs has been disbursed by commercial banks except north eastern region and eastern region where highest amount of loan distributed to SHGs by regional rural banks during the study period.

Table-5: Region-Wise number of SHGs having loan outstanding (2017-18 to 2021-22)**(Amount in Rs. Lakhs)**

Years→ Regions↓	2017-18				2018-19				2019-20			
	No. SHGs having loan O/S	outstanding loan	% share loan O/S	% share	No. SHGs having loan O/S	outstanding loan	% share loan O/S	% share	No. SHGs having loan O/S	outstanding loan	% share loan O/S	% share
Northern Region	144428	86865	60.14	1.15	124130	99374	80.06	1.14	133515	122216	91.54	1.13
North-Eastern Region	143648	89048	61.99	1.18	123554	83132	67.28	0.95	131006	103195	78.77	0.95
Eastern Region	1412153	1168064	82.72	15.5	1690515	1652544	97.75	18.97	1955112	2276461	116.44	21.06
Central Region	404378	216172	53.46	2.86	324142	200443	61.84	2.30	354466	225097	63.50	2.08
Western Region	276336	237207	85.84	3.14	276901	246800	89.13	2.83	284109	303111	106.69	2.80
Southern Region	2639415	5762489	218.32	76.2	2538090	6427521	253.24	73.80	2818863	7777427	274.91	71.96
Total	5020358	7559845	150.58	100	5077332	8709815	171.54	100	5677071	10807507	190.37	100

(Amount in Rs. Lakhs)

Years→ Regions↓	2020-21				2021-22			
	No. SHGs having loan O/S	outstanding loan	% share loan O/S	% share	No. SHGs having loan O/S	outstanding loan	% share loan O/S	% share
Northern Region	143275	123034	85.87	1.19	161848	165378	102.18	1.09
North-Eastern Region	164421	144455	87.86	1.40	212009	236245	111.43	1.56
Eastern Region	2252039	2594652	115.21	25.12	2459218	3529425	143.52	23.37
Central Region	368271	252282	68.50	2.44	407004	325178	79.89	2.15
Western Region	312913	328785	105.07	3.18	391082	449277	114.88	2.97
Southern Region	2539325	6885762	271.17	66.66	3108796	10399627	334.52	68.85
Total	5780244	10328971	178.69	100	6739957	15105130	224.11	100

5.5 Region-Wise number of SHGs having loan outstanding

Table 5 reveals the region wise status of SHGs having loan outstanding during the study period. Study found that total number of SHGs having outstanding loans with banks has increased from Rs. 5020358 (amount in Lakhs) to Rs. 6739957 (amount in Lakhs) i.e., 34.25 per cent. The highest number of SHGs having outstanding loan and the amount of outstanding loan has been found in southern region during the

study period whereas north eastern region and northern region depicts the smallest number of SHGs have loan outstanding and the amount of loan outstanding as well during the research period.

On the whole percentage share of loan outstanding registered a growth of 73.53 per cent share during the study period. Region wise analysis registered the highest growth in southern region in term of percentage share of loan outstanding i.e., from 218.32 per cent in the FY 2017-18 to 334.52 per cent in the FY 2021-22 followed by eastern region 82.72 per cent in the FY 2017-18 to 143.52 per cent in the FY 2021-22, north eastern region 61.99 per cent in the FY 2017-18 to 111.43 per cent in the FY 2021-22, northern region 60.14 in the FY 2017-18 to 102.18 per cent in the FY 2021-22, western region 85.84 per cent in the FY 2017-18 to 114.88 per cent in the FY 2021-22 and central region 53.46 per cent in the FY 2017-18 to 79.89 per cent in the FY 2021-22.

Table-6: Region-Wise and Bank wise loan outstanding against SHGs (2017-18 to 2021-22)
(Amount in Rs. Lakhs)

Years→ Regions ↓	2017-18				2018-19				2019-20			
	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total
Northern Region	48305 (55.61)	22381 (25.77)	16179 (18.63)	86865	58096 (58.46)	24889 (25.05)	16389 (16.49)	99374	79596 (65.13)	28374 (23.22)	14246 (11.66)	122216
North-Eastern Region	34823 (39.11)	49310 (55.37)	4916 (5.52)	89048	33489 (40.28)	48246 (58.04)	1398 (1.68)	83132	37388 (36.23)	63894 (61.92)	1913 (1.85)	103195
Eastern Region	478172 (40.94)	605693 (51.85)	84199 (7.21)	1168064	734860 (44.47)	798645 (48.33)	119039 (7.20)	1652544	1147765 (50.42)	980387 (43.07)	148309 (6.51)	2276461
Central Region	108334 (50.11)	102677 (47.50)	5160 (2.39)	216172	101071 (50.42)	94261 (47.03)	5111 (2.55)	200443	117223 (52.08)	101736 (45.20)	6139 (2.73)	225097
Western Region	162525 (68.52)	56045 (23.63)	18637 (7.86)	237207	183813 (74.48)	37339 (15.13)	25648 (10.39)	246800	231696 (76.44)	41080 (13.55)	30335 (10.01)	303111
Southern Region	4042645 (70.15)	1437759 (24.95)	282085 (4.90)	5762489	4452783 (69.28)	1616218 (25.15)	358520 (5.58)	6427521	5507915 (70.82)	1816631 (23.36)	452882 (5.82)	7777427
Total	4874805 (64.48)	2273864 (30.08)	411176 (5.44)	7559845	5564111 (63.88)	2619599 (30.08)	526106 (6.04)	8709815	7121582 (65.89)	3032101 (28.06)	653824 (6.05)	10807507

(Amount in Rs. Lakhs)

Years→ Regions↓	2020-21				2021-22			
	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total	Commercial Banks	Regional Rural Banks	Cooperative Banks	Total
Northern Region	73079 (59.40)	37082 (30.14)	12874 (10.46)	123034	105809 (63.98)	49664 (30.03)	9905 (5.99)	165378
North-Eastern Region	49035 (33.94)	91997 (63.69)	3423 (2.37)	144455	88149 (37.31)	145558 (61.61)	2538 (1.07)	236245
Eastern Region	1261673 (48.63)	1184149 (45.64)	148830 (5.74)	259465 2	1976994 (56.01)	1414977 (40.09)	137454 (3.89)	3529425
Central Region	118539 (46.99)	127318 (50.47)	6426 (2.55)	252282	203332 (62.53)	112241 (34.52)	9605 (2.95)	325178
Western Region	248186 (75.49)	46273 (14.07)	34326 (10.44)	328785	368091 (81.93)	51487 (11.46)	29699 (6.61)	449277
Southern Region	4228059 (61.40)	2105503 (30.58)	552200 (8.02)	688576 2	7523382 (72.34)	2174938 (20.91)	701307 (6.74)	10399627
Total	5978570 (57.88)	3592322 (34.78)	758079 (7.34)	103289 71	10265757 (67.96)	3948866 (26.14)	890507 (5.90)	15105130

5.6 Region-Wise and Bank wise loan outstanding against SHGs

Table 6 reveals that commercial banks have the highest amount of loan outstanding against SHGs with them and registered a growth of 110.59 per cent during 2017-18 to 2021-22 whereas study found a decline in percentage share of loan outstanding against SHGs in case of regional rural banks and cooperative banks i.e., from 30.08 per cent in the FY 2017-18 to 26.14 per cent in the FY 2021-22 and 5.44 per cent the FY 2017-18 to 5.90 per cent in the FY 2021-22 respectively.

The highest amount of outstanding loan with regards to commercial banks has been found in case of southern region, western region, northern region and central region during the study period whereas north eastern region has their highest amount of loan outstanding with regional rural banks. Eastern region depicts a fluctuating trend between the regional rural banks and commercial banks with regards to outstanding loan against SHGs.

Table-7: Region-Wise NPA level (2017-18 to 2021-22)

Years→ Regions↓	(Amount in Rs. Lakhs)									
	2017-18		2018-19		2019-20		2020-21		2021-22	
	Amount of Gross NPAs	NPAs as percentages to loan outstanding	Amount of Gross NPAs	NPAs as percentages to loan outstanding	Amount of Gross NPAs	NPAs as percentages to loan outstanding	Amount of Gross NPAs	NPAs as percentages to loan outstanding	Amount of Gross NPAs	NPAs as percentages to loan outstanding
Northern Region	19216	22.12	20608	20.74	21206.7	17.35	17133	13.93	18094	10.94
North-Eastern Region	17435	19.58	27501	33.08	26914.2	26.08	28366	20.07	27458	11.62
Eastern Region	83752	7.17	85786	5.19	101495	4.46	115889	4.47	118293	3.35
Central Region	53393	24.7	61315	30.59	56612.7	25.15	52551	20.83	63650	19.57
Western Region	31855	13.43	30574	12.39	33564.7	11.07	32917	10.01	38566	8.58
Southern Region	257154	4.46	226617	3.53	292377	3.76	242064	3.52	308310	2.96
Total	462806	6.12	452401	5.19	532170	4.92	488921	4.73	574371	3.8

5.7 Region-Wise NPA level

Table 7 reveals the NPA level of all the regions and found that total gross NPAs has increased from Rs. 462806 lakhs in the FY 2017-18 to Rs. 574371 Lakhs in the FY 2021-22 but NPAs as percentage to loan outstanding has been declined from 6.12 per cent in the FY 2017-18 to 3.8 per cent in the FY 2021-22 across the regions of the country. Among the regions, central have highest NPAs as percentage to loan outstanding during the study period except in the year 2018-19 and 2019-20 north eastern region reveals the highest NPA as percentage to loan outstanding followed by northern and north eastern region. Analysis reported a lowest NPAs as percentage to loan outstanding in southern region followed by eastern region during the study period i.e., from 2017-18 to 2021-22.

Table-8: Region-Wise and Bank wise loan NPA against bank loan to SHGs (2017-18 to 2021-22)**(Amount in Rs. Lakhs)**

Year s→ Regions↓	2017-18					2018-19					2019-20				
	Public Sector Com merci al Banks	Privat e Sector Com merci al Banks	Reg ion al Rur al Ban ks	Coo perat ive Bank s	Tot al	Public Sector Com merci al Banks	Privat e Sector Com merci al Banks	Reg ion al Rur al Ban ks	Coope rative Banks	Tot al	Public Sector Com merci al Banks	Privat e Sector Com merci al Banks	Reg ion al Rur al Ban ks	Coope rative Banks	Tot al
Nort hern Regi on	9596 (49.94)	572 (2.98)	497 6 (25. 90)	4072 (21.1 9)	192 16	7924 (38.45)	304 (1.48)	768 8 (37. 31)	4691 (22.76)	20 60 8	8378 (39.51)	341 (1.61)	681 0 (32. 11)	5678 (26.77)	212 07
Nort h- Easte rn Regi on	6514 (37.36)	0 (0.00)	970 7 (55. 68)	1214 (6.96)	174 35	8214 (29.87)	2 (0.01)	187 12 (68. 04)	573 (2.08)	27 50 1	8221 (30.55)	143 (0.53)	180 39 (67. 02)	511 (1.90)	269 14
Easte rn Regi on	42623 (50.89)	16 (0.02)	364 50 (46. 52)	4663 (5.57)	837 52	41770 (48.69)	184 (0.21)	357 92 (41. 72)	8040 (9.37)	85 78 6	46342 (45.66)	1351 (1.33)	451 83 (44. 52)	8620 (8.49)	101 495
Centr al Regi on	22692 (42.50)	840 (1.57)	276 78 (51. 84)	2183 (4.09)	533 93	30078 (49.05)	173 (0.28)	289 51 (47. 22)	2113 (3.45)	61 31 5	31143 (55.01)	2580 (4.56)	202 53 (35. 77)	2637 (4.66)	566 13
West ern Regi on	19814 (62.20)	1356 (4.26)	773 2 (24. 27)	2952 (9.27)	318 55	20335 (66.51)	1129 (3.69)	609 5 (19. 94)	3015 (9.86)	30 57 4	19704 (58.70)	3836 (11.43)	585 0 (17. 43)	4175 (12.44)	335 65
Sout hern Regi on	19571 1 (76.11)	10386 (4.04)	350 60 (13. 663)	1599 7 (6.22)	257 154	16975 0 (74.91)	9875 (4.36)	302 46 (13. 35)	16747 (7.39)	22 66 17	22793 4 (77.96)	10495 (3.59)	363 93 (12. 45)	17556 (6.00)	292 377
Total	29694 9 (64.16)	13171 (2.85)	121 603 (26. 28)	3108 2 (6.72)	462 806	27807 1 (61.47)	11668 (2.58)	127 483 (28. 18)	35179 (7.78)	45 24 01	34172 1 (64.21)	18745 (3.52)	132 527 (24. 90)	39177 (7.36)	532 170

(Amount in Rs. Lakhs)

Years→ Regions↓	2020-21					2021-22				
	Public Sector Commer cial Banks	Private Sector Commer cial Banks	Regio nal Rural Banks	Coopera tive Banks	Tota l	Public Sector Commer cial Banks	Private Sector Commer cial Banks	Regio nal Rural Banks	Coopera tive Banks	Total
Northern Region	6552 (38.24)	286 (1.67)	5115 (29.8 5)	5180 (30.23)	1713 3	9094 (50.26)	955 (5.28)	4231 (23.3 8)	3813 (21.07)	18094
North- Eastern Region	8797 (31.01)	133 (0.47)	19326 (68.1 3)	111 (0.39)	2836 6	9397 (34.22)	305 (1.11)	17074 (62.1 8)	681 (2.48)	27458
Eastern Region	52307 (45.14)	1299 (1.12)	54172 (46.7 4)	8110 (7.00)	1158 89	65392 (55.28)	2091 (1.77)	42345 (35.8 0)	8465 (7.16)	11829 3
Central Region	30115 (57.31)	2380 (4.53)	18276 (34.7 8)	1781 (3.39)	5255 1	45433 (71.38)	2849 (4.48)	14275 (22.4 3)	1094 (1.72)	63650
Western Region	20580 (62.52)	3752 (11.40)	4676 (14.2 1)	3909 (11.88)	3291 7	21944 (56.90)	4647 (12.05)	8291 (21.5 0)	3684 (9.55)	38566
Southern Region	171053 (70.66)	6132 (2.53)	41895 (17.3 1)	22984 (9.50)	2420 64	154765 (50.20)	14983 (4.86)	37956 (12.3 1)	100606 (32.63)	30831 0
Total	289403 (59.19)	13982 (2.86)	14346 0 (29.3 4)	42075 (8.61)	4889 21	306025 (53.28)	25831 (4.50)	12417 2 (21.6 2)	118343 (20.60)	57437 1

5.8 Region-Wise and Bank wise loan NPA against bank loan to SHGs

Table 8 represent the region wise and bank wise Gross NPAs against bank loan to SHGs during 2017-18 to 2021-22. Study reveals that majority of the gross NPAs stood among commercial banks followed by regional rural banks and cooperative banks during the study period but the percentage share of commercial banks and regional rural banks has been decreased from 67.01 per cent in the FY 2017-18 to 57.78 per cent in the FY 2021-22 and 26.28 per cent in the FY 2017-18 to 21.62 per cent in the FY 2021-22 whereas cooperative bank reveals a considerable increase from 6.72 per cent in the FY 2017-18 to 20.60 per cent in the FY 2021-22.

Commercial banks mainly public sector commercial banks have highest amount of gross NPAs against SHGs are in southern region, western region and northern region throughout the study period whereas north eastern region depicts their largest amount of gross NPAs against SHGs are lying with

Regional rural banks. Central region shows a shifting of largest amount of gross NPAs from regional rural banks to commercial banks during the study period whereas eastern region shows a fluctuating trend among the commercial banks and Regional rural banks with regards to gross NPAs.

1. Conclusion

The study found that southern region depicts the highest percentage share with regards to the number of SHGs which are having saving linked with banks and saving amount maintained by the SHGs followed by eastern region and western region whereas north eastern region reveals the lowest percentage share with regards to the number of SHGs which are having saving linked with banks and saving amount maintained by the SHGs followed by northern region, central region and western region. However, the percentage share of southern region among all other region has been declined over the study period whereas rest of the region depicts the growth in their percentage share. It has been observed that largest amount of saving of SHGs is with RRBs and cooperative banks during the period of study. Large portion of loan disbursed to SHGs by southern region followed by eastern region. Both the regions also registered a growth in their percentage share whereas very less portion of loan disbursed to SHGs by the rest of the regions of India. It has been found from the present research paper that highest amount of loan has been distributed to SHGs by the commercial banks followed by regional rural banks and cooperative banks. The share of total loan outstanding is considerably increased in eastern region followed by north eastern region whereas study found noticeable decline in southern region followed by central region, western region and northern region. The share of total loan outstanding is highest with commercial banks followed by regional rural banks and cooperative banks during the study period. NPAs as a percentage to loan outstanding amount have been declined over the study period across the regions of the country. Study reveals that highest amount of gross NPAs is with public sector commercial banks followed by Regional Rural banks and cooperative banks whereas private sector commercial banks have lowest amount of gross NPAs.

References:

1. Ahlawat. S 2016"Inter- Region variation of Self-Help Groups in India "International Journal of Research in Finance and Marketing (IJRFM) Vol. 6 Issue 11, November - 2016, pp. 132-139
ISSN(o): 2231-5985 | Impact Factor: 5.861
2. Arora. M & Singh. S (2017)"Role of Financial Institutions in Promoting microfinance through SHGs Bank Linkage Programme in India" Pacific Business Review International Volume 10, issue 4, October 2017

3. Kumar & Mittal, 2017" Role banks in the financing of SHGs in India "DVS International Journal of multi-Disciplinary Research ISSN No. 2454-7522, Issue:07, Vol:2, No. 3.
4. Hundekar. V. R 2019 "Financial Inclusion through Self Help Groups Bank Linkage Programme – An Economic Catalyst to Transform Rural India"SIMSARC 2018, December 18-19, Pune, India, Conference Paper .
5. Gowda G. N. K and Thimmaiah. N (2019)"Promoting Financial Inclusion of Women through SHG-Bank Linkage Model: An Analysis "International Journal of Academic Research ISSN: 2348-7666: Vol.6, Issue-3(3), March, 2019 Impact Factor: 6.023
6. Indumathi. T & Savaraiah. G (2020) "Regional Variations in the Performance of SHGs in India: An Analytical Study" August 2020| IJIRT | Volume 7 Issue 3 | ISSN: 2349-6002
7. Meena. S. S& Prasad.H(2021)"An Evaluative Study of Performance of Self Help Groups in Tribal Sub Region of RRajasthan"International Journal of Current Microbiology and Applied Sciences ISSN: 2319-7706 Volume 10 Number 01 (2021)
8. Muthu. N(2021)" Progress of Self Help Group-Bank Linkage Programme in India" Shanlax International Journal of Economics March 2021
9. Sinha &Nitin Navin 2021" Performance of Self-help Groups in India " Economic &Political weekly January 30,2021 Vol LVI No 5
10. Murthy. B. R "A Study on the Impact of Banks and SHG on Financial Inclusive Growth" International Journal in Multidisciplinary and Academic Research (SSIJMAR)Vol. 1, No. 4, November-December (ISSN 2278 – 5973)
11. NABARD - Annual report on Status of Micro Finance in India (2017-18)
12. NABARD - Annual report on Status of Micro Finance in India (2018-19)
13. NABARD - Annual report on Status of Micro Finance in India (2019-20)
14. NABARD - Annual report on Status of Micro Finance in India (2020-21)
15. NABARD - Annual report on Status of Micro Finance in India (2021-22)
16. Srivastava. A. K & Mondal. S. R (2021) "Role of Self-Help Group in Socio Economic Development of India" Ilkogretim Online - Elementary Education Online, 2021; Vol 20 (Issue 6): pp. 3052-3059
17. Jagannatha (2018) "A study on the impact of financial inclusion on Self Help: a selective study in Karnataka" IJIRT Volume 5 Issue 6 ISSN: 2349-6002
18. Parida. P. C & Sinha. A "Performance and Sustainability of Self-Help Groups in India: A Gender Perspective" Asian Development Review, vol. 27, no. 1, pp. 80–103

19. Mallikarjun (2019) "Financial Inclusion for Self Help Groups" Seshadripuram Journal of Social Sciences Special Issue, December 2019 ISSN: 2581-6748
20. Berwal. J (2018) "The Role of SHGs in Financial Inclusion" International Journal of 360 Management Review, Vol. 06, Issue 01, April 2018, ISSN:2320-7132
21. Ahmad Dar (2017) "Role of Self-Help Groups (SHGs) In Financial Inclusion-A Study of Anantnag District, Jammu and Kashmir" International Journal of Management, IT & Engineering Vol. 7 Issue 4, April 2017, ISSN: 2249-0558 Impact Factor: 7.119.