

Money Mavericks: How India's Banks Turned Microfinance into a Poverty-Busting Powerhouse: 2006-2024

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Structured Abstract:

Purpose:

This study examines the role of three banks in India's bank-linked microfinance savings model in reducing poverty for period 2006-07 to 2023-24. It analyzes poverty reduction through a holistic microfinance strategy, focusing on SHG savings and loan disbursements while highlighting their impact on economic growth, financial inclusion, and overall socio-economic development.

Methodology:

The study uses secondary data from NABARD-Rural Credit Innovation Department (2006-07 to 2023-24), applying simple arithmetic and econometric analysis to examine SHG participation, savings growth, and loan disbursements for employment generation.

Limitations:

The study is limited to secondary data, which may have inherent biases or gaps. Additionally, the findings are based on data from the three primary bank categories, excluding other potential microfinance institutions that may also play a role in SHG financing.

Originality / Value:

This study highlights India's microfinance policies' effectiveness in poverty alleviation, financial inclusion, SHG empowerment, self-employment, and sustainable development.

Keywords Poverty reduction, Saving, Loan disbursed, Banks, SGSY

Introduction:

India, with its vast population, faces the challenge of poverty, which needs to be addressed through employment opportunities. Poverty is a global issue, affecting all nations, and each country implements different strategies to tackle it. India has been consistently adopting various policies over time to combat poverty and boost economic growth. By focusing on job creation, skill development, and economic reforms, the country aims to uplift its citizens and improve living standards. These efforts reflect the government's commitment to reducing poverty and ensuring sustainable development. Addressing this issue effectively requires continuous policy adjustments and long-term strategic planning.

The latest World Bank data reveals that India's poverty headcount ratio at US \$2.15 a day (2017 PPP) declined significantly from 18.73% in 2015 to 11.9% in 2021, according to the Poverty and Inequality Platform of the World Bank. This substantial reduction highlights the progress made in poverty alleviation through financial inclusion, economic growth, and social welfare programs. With the current pace of decline in India's Multidimensional Poverty, the country is projected to achieve a single-digit poverty level by 2024-25. In 1992, the introduction of a horizon policy by NABARD helped create employment opportunities, enabling people to earn and improve their livelihoods, while also striving to lift the poor out of poverty. The success of this initiative is evident in the World Bank's report, which acknowledges the positive impact of such policies on economic inclusion in India. The present study explores how India's banks transformed microfinance into a powerful tool for poverty alleviation during the period from 2006–07 to 2023–24.

Microfinance theories in India primarily focus on how financial services can empower low-income individuals and groups, particularly in rural areas. These theories often involve group lending models, savings and insurance products, and innovative approaches to access and repayment of loans. Theoretically, microfinance fills the gap between the formal banks and informal lenders. In the institutional credit market, interest rates are uniform, unlike the non-institutional or informal market where rates vary. Formal financial institutions typically do not provide loans without collateral, as lending without security poses significant risks. This creates challenges for low-income individuals who lack assets, making it difficult for them to access formal credit market. As a result, they are often excluded from the formal financial system. Microfinance plays a crucial role in financial inclusion and is a key strategy for poverty alleviation in India. Microfinance offers collateral-free loans, making it a more accessible and appealing option for low-income people, especially in rural areas. Due to its

inclusive approach, microfinance has gained widespread popularity among marginalized communities, helping them meet financial needs and support small businesses, ultimately contributing to economic empowerment and poverty reduction. Key aspects of microfinance in India include financial inclusion, empowerment, rural development, diverse institutions, and Self-Help Groups (SHGs). Most microfinance institutions provide small working capital loans, commonly known as microloans or microcredit, to support low-income individuals and communities. Continued efforts in microfinance, employment generation, and social development are expected to further strengthen India's economic and social progress.

Literature review:

Researchers emphasize that microfinance helps the poor build assets, boost income, and protect against shocks like lockdowns. Various scholars, using field surveys and secondary data, have shown that microfinance positively impacts poverty reduction in India, particularly through the Self-Help Group (SHG) linkage model with bank. Their contributions are discussed and acknowledged in this section.

Ali and Alam (2010) found microfinance improved living standards and reduced poverty. Despite high interest, people preferred it for easy, collateral-free business loans. S. Sarumathi and Dr. K. Mohan (2011), using field surveys and NGO reports, found that microfinance improved rural women's literacy, awareness of children's education, and empowered them socially and economically. About 92% reported reduced poverty after joining SHGs and accessing microfinance. Das, S.K. (2012a) surveyed SHG women in Assam's Barak Valley and found that microfinance significantly empowers women, covering a large population. He concluded that microfinance and SHGs play an effective role in reducing poverty and promoting women's development. Zahid Iqbal, Shahid Iqbal, and Muhammad Ahmad Mushtaq (2015), through empirical analysis, assessed microfinance's impact on poverty alleviation. They found a significant positive relationship between microfinance and key factors—fulfillment of basic needs, improved living standards, and self-employment—concluding that microfinance effectively contributes to reducing poverty levels among beneficiaries. C Chikwira , E Vengesai and P Mandude (2022), used a VECM model on quarterly data from 2009 to 2019 to explore microfinance loan growth and poverty alleviation. Results show a significant relationship, with poverty, SMEs, and agriculture influencing loan growth long-term. In the short term, SME growth reduces poverty, while poverty boosts microfinance loan expansion. P.K. Gupta and S. Sharma (2023) found that

microfinance positively impacts poverty, though its effect varies across different poverty categories. The relationship between poverty and microfinance, however, depends on the specific country being studied

Mandal N. K (2024, pp 86) analyzed the regional distribution of loan disbursement to SHGs across six zones. The southern region led with 61.92% of SHGs and 77.76% of loans, followed by the eastern region with 21.78% SHGs and 11.62% loans. The western region accounted for 6.48% SHGs and 4.13% loans, central region 4.85% and 3.51%, northern region 2.49% and 1.73%, and the north-eastern region 2.11% SHGs and 1.26% loans. These patterns reflect strong savings habits and supportive state policies prevalent in the more active regions.

The above analysis concludes that microfinance plays a vital role in poverty alleviation in India. While it has expanded nationwide, there are notable regional disparities in its reach and impact, influenced by state policies and local savings practices. There is potential to analyze how India's banks can enhance poverty alleviation efforts by strengthening and expanding the microfinance model across underserved communities.

This paper is organized into four distinct sections, each dedicated to different aspects of the research. The first section introduction of the study. In section 2, the objectives and methodology are explored in extensive detail. Section 3 provides an in-depth analytical explanation and finally, Section 4 deals with summary and conclusions.

Objectives

1. To investigate the role of different agencies or banks in the bank-linked microfinance savings model across India from 2006-07 to 2023-24.
2. To analyze the performance of banks in disbursing microfinance loans to Self-Help Groups (SHGs) in India during this period.
3. To conduct a comparative analysis of the performance of various banks in India during the same time frame, highlighting differences and trends in microfinance outcomes.

Methodology:

This paper is based on the secondary sources of information. Data are collected from the rural credit innovations department of NABARD. The study spans a period of 18 years, from 2006-07 to 2023-24. In addition to the data from NABARD, information has been sourced

from published books, journals, and other relevant literature. The analysis involves the use of simple arithmetic calculations to present findings, complemented by illustrative diagrams for clarity. Statistical tools have been used to compute the annual average compound growth rates (AACGRs, henceforth), utilizing appropriate software for accurate results. Growth rate is calculated simple annual growth rate as well as annual average compound growth rate (%). The annual average compound growth rate is calculated using a semi-logarithmic stochastic regression equation: $\text{Log}(y_t) = a + bt + u$, where y_t is dependent variable, t =year, and u =stochastic disturbance terms. Then, the growth rate (g) is estimated as $g = (e^{b^*} - 1) * 100$, where b^* is the least-square estimate by using usual statistical tools. In our model, the two dependent variables are the number of SHGs and the amount.

This study provides a comprehensive analysis of the role of banks in significantly combating poverty, offering insights into trends, growth, and key developments that underscore the transformative power of banking in alleviating poverty. It examines savings linked with banks as of March 31 and loan disbursements during the year in India. By providing financial access to marginalized communities, microfinance empowers individuals to achieve economic stability. The study further explores how banks utilize microfinance initiatives to support low-income groups, ensuring financial resilience.

Analytical Explanation:

Launched in April 1999, the Swarnajayanti Gram Swarozgar Yojana (SGSY) aimed to alleviate poverty by promoting self-employment and forming SHGs. It was funded through bank credit and government subsidies. In 2013, SGSY was restructured into the National Rural Livelihood Mission (NRLM), later renamed Deendayal Antyodaya Yojana-NRLM in 2016. NABARD implements the Interest Subvention Scheme under NRLM for SHGs in Category I districts, coordinating with SRLMs to train rural bank managers and conduct sensitization programs. SRLMs also support SHG digitization through EShakti. The growing microfinance sector faces issues like SHG federation roles, loan defaults, rising NPAs, weak credit linkages, and limited livelihood support. Data from NRLM, NULM, and SGSY is merged for analysis post-2012 due to separate data for NRLM and NULM before 2012-13 is unavailable.

Performance of SHG Savings Linked with Banks:

Table 1 shows the agency-wise average savings of SHGs with banks from 2006-07 to 2023-24. Regional Rural Banks reported the highest average savings at Rs. 9,790.62 but held only a 32.97% share in 2023-24 (Table 2). Commercial banks followed with Rs. 8,250, while cooperative banks recorded Rs. 6,757 in 2006-07. Under India's Swarnajayanti Gram Swarozgar Yojana (SGSY), the average savings per SHG increased from Rs. 7,921 in 2006-07 to Rs. 53,833.99 in 2023-24, marking a 7.8-fold growth. This rise reflects a growing savings trend among SHG members, likely driven by better access to financial services and bank loans, enhancing their savings capacity and liquidity. The findings emphasize the importance of microfinance in fostering sustainable economic growth and reducing poverty.

The overall savings trend of SHGs has been steadily increasing, starting at Rs. 7,556 in 2007-08 and reaching Rs. 45,132.15 in 2023-24. Examining agency-wise savings performance, commercial banks show a consistent increase in average SHG savings from Rs. 7,392 in 2007-08 to Rs. 48,281.89 in 2023-24. A similar trend is observed under SGSY, where SHG savings rose from Rs. 6,882 in 2007-08 to Rs. 60,096.82 in 2023-24. This growth suggests that SHG members, particularly from economically weaker sections, are increasingly utilizing banking facilities for financial security.

However, the savings trend of SHGs with regional rural banks exhibits cyclical fluctuations up to 2012-13, followed by a steady increase. The savings figures for total SHGs and those under SGSY with regional rural banks were Rs. 7,493 and Rs. 8,047 in 2012-13, rising to Rs. 24,986 and Rs. 49,118.38, respectively, in 2023-24. Meanwhile, cooperative banks show a comparatively lower savings performance, though their trend remains upward. The average SHG savings with cooperative banks increased from Rs. 6,757 (total SHGs) and Rs. 5,228 (SGSY) in 2006-07 to Rs. 16,398 and Rs. 24,943.67, respectively, in 2023-24. These trends highlight the growing financial inclusion of SHGs, with increasing savings reflecting improved access to banking and credit facilities.

Table 2 presents the agency-wise percentage share of SHG savings in microfinance. As of March 31, 2006-07, commercial banks (CBs) held 55.13% of SHG accounts and 53.87% of total savings, with SGSY showing even higher shares at 59.71% and 69.24%, respectively. Regional rural banks (RRBs) recorded 28.44% and 32.97% for total SHGs and 41.42% and 24.91% under SGSY. Cooperative banks (CoBs) had the smallest share, with 16.43% and 8.87% of SHG accounts and 13.15% and 5.86% of savings in total and SGSY SHGs, respectively. The combined average percentage share shows that CBs dominate with 55.76% of SHG count and 60.69% of savings. RRBs hold 28.32% of SHGs and 25.96% of savings,

while CoBs account for 15.92% and 13.45%. These patterns reflect the varying roles of financial institutions in SHG savings.

Table 3 presents agency-wise annual and average growth rates of Self-Help Groups (SHGs) and their corresponding savings with banks. In 2007-08, the average growth rate for the total number of SHGs was 20.41%, with a 7.76% increase in savings. Under SGSY, the growth rates were 25.80% for SHGs and 6.87% for savings. By 2023-24, the average growth rate for total SHGs declined to 7.60%, while savings grew by 10.52%. Under SGSY, the number of SHGs increased by only 2.79%, but the savings saw a significant rise of 21.27%. These figures indicate a shift in growth trends, with savings increasing at a higher rate than SHG formation, especially under SGSY in later years. This trend highlights changing dynamics in SHG financial engagement over time.

Yearly Loan Disbursement to SHGs by Banks:

Loan disbursement to Self-Help Groups (SHGs) is a key microfinance indicator in India, supporting income generation, asset building, and self-employment. Over 18 years, the loan amount per SHG has increased 6.4 times, reflecting the success of financial inclusion policies. In 2015-16, loans under the Swarnjayanti Gram Swarozgar Yojana (SGSY) reached Rs. 209,409 per SHG, surpassing the national average of Rs. 203,495, highlighting the program's effectiveness in fostering economic growth.

From the graphical trends, it is clear that both national and SGSY-specific disbursement curves have shown consistent upward momentum since their inception. A detailed agency-wise analysis of loan disbursement is essential for a comprehensive understanding of this trend. The loans disbursed per SHG by Commercial Banks (CBs) steadily increased from Rs.68,557 in 2006-07 to Rs.209,025 in 2013-14. After a slight decline to Rs.202,567 in 2014-15, it surged to Rs.426,016.16 in 2023-24. Similarly, the loan disbursed per SHG under SGSY has shown significant growth, rising from Rs.71,122 in 2006-07 to Rs.442,682.42 in 2023-24—an increase of over 6.22 times. Among financial institutions, CBs have the highest combined average loan disbursement per SHG at Rs.204,375.18, followed by Regional Rural Banks (RRBs) at Rs.174,614.15, and Cooperative Banks at Rs.148,387.97 in table 4.

Loan disbursement remains a crucial element of financial inclusion, playing a key role in meeting the growing demand for credit each year. This trend signifies a positive shift toward inclusive financial growth through microfinance across India. The core objective of the SGSY scheme is to integrate the rural poor with the banking sector, enabling them to access

financial services, generate income, alleviate poverty, and contribute to rural economic and socio-economic development. An analysis of loan disbursement and agency-wise share from 2006-07 to 2023-24 reveals that Commercial Banks consistently led in supporting SHGs, followed by Regional Rural Banks and Cooperative Banks.

The combined average percentage share of total SHG loans disbursed by CBs stands at 57.41% in number and 62.78% in amount in table 5. For RRBs, the figures are 30.12% in number and 27.74% in amount, while CoBs account for 12.47% in number and 8.48% in amount. Data analysis highlights that CBs play a crucial role in poverty alleviation by promoting self-employment through SHG financing. Their strong performance underscores the impact of financial institutions in driving economic empowerment and financial inclusion. Table 6 shows a notable difference in the annual growth rates for Self-Help Groups (SHGs) under the Swarnajayanti Gram Swarozgar Yojana (SGSY) compared to the total SHGs. In 2007-08, the annual growth rate for the number of SHGs under SGSY was 30.53%, higher than the 11.04% for all SHGs. Similarly, the growth rate for the amount under SGSY was 31.66%, compared to 34.68% for the total amount of all SHGs. However, after 18 years, the trends have shifted. In 2023-24, the annual growth rate for the number of SHGs and amount for all SHGs stands at 27.62% and 44.14%, respectively, while for SGSY, the corresponding growth rates are 28.73% for number and 45.78% for amount, as shown in Table 6.

An interesting observation from the table is the significant growth in loan disbursements for SHGs under SGSY between 2006-07 and 2023-24. The growth rate in loan disbursements has varied across the years. For loan disbursements with Commercial Banks (CBs), the growth rate rose from 37.89% in 2007-08 to 53.22% in 2023-24. For Regional Rural Banks (RRBs), the growth rate decreased slightly from 29.19% in 2007-08 to 28.32% in 2023-24. Similarly, loan disbursements through Cooperative Banks saw a decline in growth rate, from 32.54% in 2007-08 to 25.65% in 2023-24. These findings suggest that various banks have played a crucial role in providing the necessary capital to foster self-employment and reduce poverty on a large scale in India.

Annual compound average growth rate for loan disbursement:

The annual average compound growth rates (AACGRs) for the number of Self-Help Groups (SHGs) and their loan disbursement have been analyzed across three categories of banks. Table 1.7 presents the AACGRs from 2006–07 to 2023–24, showing a 5.89% growth in the number of SHGs and a 19.37% increase in loan disbursement by commercial banks to SHGs.

Under the SGSY scheme, these figures are significantly higher, at 12.70% and 28.24%, respectively.

For Regional Rural Banks (RRBs), the AACGRs stand at 7.40% for the number of SHGs and 19.51% for loan disbursement in total, whereas for SGSY SHGs, the figures are 16.67% and 31.58%, respectively. Meanwhile, cooperative banks recorded an AACGR of 3.41% in the number of SHGs and 13.13% in loan disbursement in total, compared to 11.77% and 21.63% under SGSY.

A combined analysis of all banks reveals an AACGR of 5.91% for the number of SHGs and 18.59% for loan disbursement in total, whereas for SGSY SHGs, the figures are 13.62% and 28.43%, respectively. All AACGRs are statistically significant at the 1% level, as shown in Table 7. The findings indicate a consistent upward trend in loan disbursement, particularly under the SGSY scheme, emphasizing the growing role of institutional finance in supporting SHGs.

Analyzing the growth of loan disbursement is vital for assessing its impact. Increased loans to SHGs enable self-employment through income-generating units, fostering economic development and poverty alleviation. This financial support enhances productivity and livelihoods. The steady rise in disbursements underscores the importance of institutional finance in empowering SHGs, contributing to sustainable economic growth and social upliftment.

Summary and conclusion:

The analysis of SHG savings linked with banks (2006-07 to 2023-24) shows a steady increase, with commercial banks holding the largest share, followed by regional rural and cooperative banks. Savings growth has outpaced SHG formation, particularly under SGSY, reflecting improved financial inclusion. Institutional finance empowers SHGs, fostering self-reliance, financial stability, and economic growth. Accumulated savings serve as collateral, enhancing credit access and strengthening SHGs' financial independence.

Loan disbursement to SHGs has driven microfinance in India, promoting self-employment and economic empowerment. Over 18 years, loan amounts per SHG have significantly increased, with commercial banks leading disbursements. The Swarnajayanti Gram Swarozgar Yojana (SGSY) has boosted loan growth and SHG numbers. Consistent AACGRs reflect financial inclusion's positive impact. Institutional finance supports SHGs' role in

economic growth, poverty reduction, and sustainable development, strengthening their contribution to social upliftment.

Access to banking services empowers individuals, especially women, by enhancing financial autonomy and decision-making. Microfinance fosters economic independence, improves child education, and strengthens family resource management. By breaking traditional barriers, it promotes self-sufficiency and social influence, contributing to inclusive development and meaningful participation in economic and societal progress.

Table 1.1: Progress under Microfinance -Average Savings Amount of SHGs with Banks - Agency-wise position as on 31th March of every year (Rs./SHG)

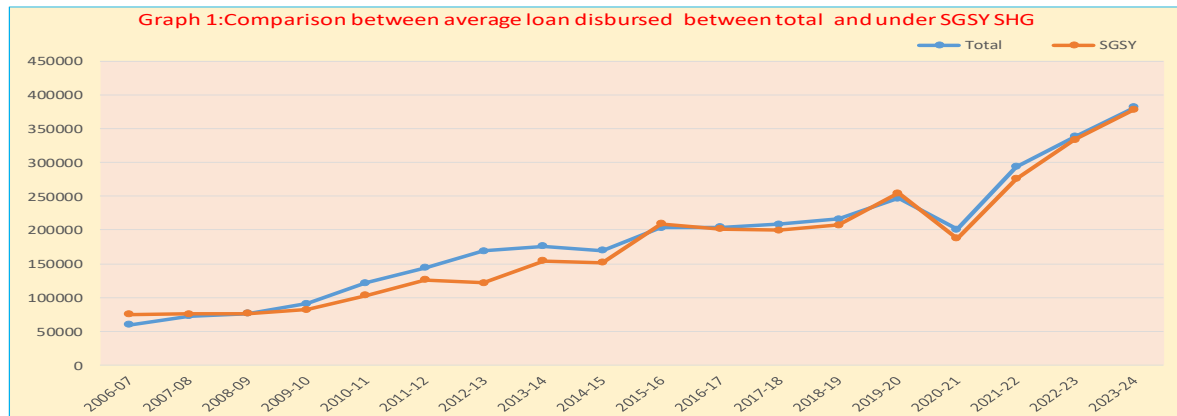
	Commercial Banks		Regional Rual Banks		Cooperative Banks		Year-wise average Saving Amount of Total	Year-wise average saving amount of Total under SGSY/(NRLM+NULM)
Year	Average saving amount of SHG	Average saving amount under SGSY/(NRLM+NULM)	Average saving amount of SHG	Average saving amount under SGSY/(NRLM+NULM)	Average saving amount of SHG	Average saving amount under SGSY/(NRLM+NULM)		
2006-07	8250.23	9184.49	9790.62	6279.66	6756.87	5228.63	8442.82	7921.04
2007-08	7392.10	6882.19	8411.14	5905.66	6662.92	8924.67	7555.98	6728.72
2008-09	7812.32	7317.87	12217.64	17850.33	8301.55	7646.17	9059.77	10383.93
2009-10	9064.81	7641.12	7136.01	5807.12	11352.31	13435.80	8914.84	7631.00
2010-11	9783.95	10773.81	11694.83	8970.75	7237.06	5464.97	9402.78	8983.88
2011-12	8992.86	7842.43	6111.49	4367.72	9040.25	6368.50	8230.06	6572.00
2012-13	13570.25	9779.02	7493.11	8046.71	9626.01	7187.65	11229.51	8895.60
2013-14	16484.64	12849.79	9280.68	8620.11	10086.27	8921.78	13321.78	10952.45
2014-15	16032.31	18750.58	10857.16	9842.59	14872.12	16412.52	14368.15	15767.27
2015-16	21820.40	25613.88	11007.93	9019.79	14429.65	10398.25	17324.29	18404.21
2016-17	22882.64	26812.03	14042.21	14733.24	14956.32	9542.25	18787.99	20236.61
2017-18	25172.53	32017.48	20683.34	20781.71	16274.52	11053.99	22405.23	25570.58
2018-19	24174.62	25617.96	24986.45	24604.24	16398.03	12634.25	23291.31	24059.08
2019-20	28612.82	27939.64	23947.15	21868.53	17767.17	18172.93	25530.83	24722.82
2020-21	36871.58	30504.35	26445.36	23910.62	35838.37	53896.20	33392.39	29876.56
2021-22	44611.90	41068.41	38488.43	38570.26	19142.96	17121.24	39721.07	38388.12
2022-23	44743.15	50935.75	44969.15	42479.14	37450.15	20018.38	43939.65	45632.98
2023-24	48281.89	60960.86	46209.88	49118.38	23992.03	24943.67	45132.15	53833.99
Combined Average	21919.72	22916.20	18542.92	17820.92	15565.81	14298.44	20002.81	20253.38

Source: NABARD - Rural Credit Innovations Department

	Commercial Banks				Regional Rural Banks				Cooperative Banks				Total		Total-Under SGSY/(NRLM+N ULM)		
Year	% Share of Total Savings of SHGs with Banks		% Share of Out of total-Under SGSY/(NRLM+NULM)		% Share of Total Savings of SHGs with Banks		% Share of Out of total-Under SGSY/(NRLM+N ULM)		% Share of Total Savings of SHGs with Banks		% Share of Out of total-Under SGSY/(NRLM+N ULM)						
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	
2006-07	55.13	53.87	59.71	69.24	28.44	32.97	31.42	24.91	16.43	13.15	8.87	5.86	100	100	100	100	
2007-08	56.11	54.89	63.65	65.10	27.68	30.82	29.67	26.04	16.21	14.30	6.67	8.85	100	100	100	100	
2008-09	57.99	50.00	61.86	43.60	26.61	35.88	28.82	49.54	15.41	14.12	9.32	6.86	100	100	100	100	
2009-10	58.29	59.27	64.24	64.32	26.19	20.96	27.30	20.77	15.52	19.77	8.46	14.90	100	100	100	100	
2010-11	57.94	60.29	60.14	72.12	15.48	19.25	9.31	9.29	26.58	20.46	30.56	18.59	100	100	100	100	
2011-12	58.01	63.39	58.01	69.22	26.72	19.85	32.56	21.64	15.26	16.76	9.43	9.14	100	100	100	100	
2012-13	55.72	67.33	53.63	58.96	27.85	18.58	37.03	33.50	16.43	14.09	9.34	7.54	100	100	100	100	
2013-14	54.15	67.00	54.51	63.95	28.42	19.80	36.63	28.83	17.43	13.20	8.86	7.22	100	100	100	100	
2014-15	53.73	59.95	61.32	72.93	28.08	21.22	31.64	19.75	18.19	18.83	7.03	7.32	100	100	100	100	
2015-16	52.39	65.98	55.88	77.77	28.56	18.14	35.98	17.63	19.06	15.87	8.14	4.60	100	100	100	100	
2016-17	51.82	63.11	49.52	65.61	30.15	22.54	41.27	30.05	18.03	14.35	9.21	4.34	100	100	100	100	
2017-18	52.99	59.54	50.31	63.00	32.11	29.64	40.81	33.16	14.90	10.82	8.88	3.84	100	100	100	100	
2018-19	54.69	56.77	54.68	58.22	30.74	32.98	36.14	36.96	14.57	10.26	9.18	4.82	100	100	100	100	
2019-20	53.44	59.89	52.51	59.35	31.84	29.87	38.45	34.01	14.72	10.24	9.04	6.64	100	100	100	100	
2020-21	54.60	60.29	55.44	56.61	32.05	25.38	36.85	29.49	13.35	14.33	7.70	13.90	100	100	100	100	
2021-22	57.91	65.04	57.82	61.86	30.13	29.19	34.60	34.76	11.96	5.76	7.58	3.38	100	100	100	100	
2022-23	57.85	58.90	56.26	62.80	30.20	30.91	36.60	34.07	11.95	10.19	7.14	3.13	100	100	100	100	
2023-24	60.93	65.18	55.87	63.27	28.54	29.22	36.26	33.09	10.53	5.60	7.86	3.64	100	100	100	100	
Combined Average %	55.76	60.59	56.97	63.77	28.32	25.96	33.41	28.75	15.92	13.45	9.63	7.48	100	100	100	100	
Note: No. = Number of SHGs , Amt. = Amount of Savings							Source: NABARD - Rural Credit Innovations Department										

Table 1.3: The Annual growth rate for Savings of SHGs with Banks Agency-wise position as on 31th March of every year																		
	Commercial Banks				Regional Rual Banks				Cooperative Banks				Total		Total-Under SGSY/(NRLM+N ULM)			
Year	Total Savings of SHGs with Banks		Out of total-Under SGSY/(NRLM+NUL M)		Total Savings of SHGs with Banks		Out of total-Under SGSY /(NRLM+NULM)		Total Savings of SHGs with Banks		Out of total-Under SGSY/(NRLM+N ULM)							
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.		
2006-07	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
2007-08	22.54	9.79	34.10	0.48	17.22	0.71	18.83	11.75	18.79	17.14	-5.35	61.56	20.41	7.76	25.80	6.87		
2008-09	26.28	33.46	21.63	29.33	17.43	70.58	21.54	267.37	16.11	44.66	74.67	49.65	22.18	46.50	25.14	93.13		
2009-10	14.18	32.49	16.83	21.99	11.81	-34.70	6.56	-65.33	14.47	56.53	2.23	79.64	13.59	11.78	12.51	-17.32		
2010-11	6.68	15.14	11.78	57.61	-36.56	3.96	-59.29	-37.11	83.74	17.13	331.04	75.33	7.32	13.19	19.41	40.58		
2011-12	6.81	-1.82	1.24	-26.30	84.18	-3.75	267.28	78.82	-38.75	-23.48	-67.61	-62.25	6.68	-6.63	4.96	-23.22		
2012-13	-11.72	33.22	-10.82	11.21	-4.20	17.46	9.69	102.09	-1.02	5.40	-4.50	7.79	-8.07	25.43	-3.54	30.56		
2013-14	-1.33	19.86	12.27	47.53	3.62	28.34	9.27	17.05	7.68	12.83	4.85	30.15	1.53	20.45	10.47	36.01		
2014-15	2.81	-0.01	73.34	152.95	2.35	19.73	33.12	52.00	8.14	59.45	22.27	124.92	3.61	11.74	54.09	121.82		
2015-16	0.10	36.24	2.01	39.35	4.42	5.87	27.30	16.65	7.55	4.35	29.66	-17.86	2.67	23.79	11.96	30.68		
2016-17	7.35	12.58	-2.60	1.96	14.60	46.19	26.08	105.94	2.66	611.45	24.26	14.03	8.53	113.73	9.91	20.85		
2017-18	4.26	14.69	9.17	30.37	8.56	59.85	6.24	49.85	-15.73	-86.28	3.67	20.09	1.95	-33.06	7.45	35.78		
2018-19	18.20	13.51	41.93	13.57	9.64	32.50	15.66	36.94	11.96	12.81	35.05	54.36	14.52	19.06	30.60	22.88		
2019-20	-0.06	18.29	-7.62	0.75	5.96	1.55	2.33	-9.05	3.34	11.97	-5.37	36.11	2.29	12.12	-3.82	-1.17		
2020-21	11.96	44.27	18.14	28.98	10.27	21.77	7.25	17.26	-0.62	100.46	-4.60	182.92	9.57	43.31	11.89	35.22		
2021-22	12.39	35.98	15.65	55.70	-0.38	44.99	4.11	67.94	-5.07	-49.29	9.16	-65.32	5.97	26.05	10.90	42.49		
2022-23	12.57	12.90	11.09	37.78	12.97	31.99	20.77	33.01	12.64	120.36	7.51	25.70	12.70	24.67	14.16	35.71		
2023-24	13.34	22.30	2.08	22.18	1.67	4.48	1.85	17.77	-5.18	-39.26	13.20	41.05	7.60	10.52	2.79	21.27		
Note: No. = Number of SHGs, Amt. = Amount of Savings							Source: NABARD - Rural Credit Innovations Department											

Table1.4: Progress under Microfinance -Average Loan Amount Disbursed to SHGs during the Year - Agency-wise position (Rs.)								
	Commercial Banks		Regional Rual Banks		Cooperative Banks		Year-wise average loan amount disbursed to SHG of Total	Year -wise average loan amount disbursed to SHG of Total under SGSY/(NRLM+NULM)
Year	Average loan amount disbursed to SHG	Average loan amount disbursed to SHG under SGSY/ (NRLM+NULM)	Average loan amount disbursed to SHG	Average loan amount disbursed to SHG under SGSY/ (NRLM+NULM)	Average loan amount disbursed to SHG	Average loan amount disbursed to SHG under SGSY/ (NRLM+NULM)		
2006-07	68556.62	71121.82	53849.33	83841.72	39153.66	74225.62	59420.25	74672.14
2007-08	73510.59	68692.05	80935.19	92412.47	48091.68	73405.41	72075.90	75319.16
2008-09	80237.26	82812.77	78740.98	80242.63	50117.47	51643.80	76128.36	76145.91
2009-10	100050.90	77144.94	88461.44	101051.40	57629.87	70924.25	91083.33	82198.05
2010-11	145198.71	99347.60	70793.63	100089.15	107746.19	110439.69	121622.93	102967.83
2011-12	165478.18	127301.08	164891.83	144717.52	64668.51	89142.85	144046.39	126016.53
2012-13	181966.09	121070.73	180331.47	124870.10	91377.73	118587.51	168757.26	121843.97
2013-14	209024.84	171151.30	188594.97	141531.86	63659.23	126870.25	175768.36	154230.45
2014-15	202566.79	156961.63	147953.36	144460.94	101578.75	160546.45	169608.08	151744.22
2015-16	222426.87	225158.32	194833.08	181766.39	127894.16	181120.81	203495.24	209409.14
2016-17	217629.03	205523.70	208290.06	204478.20	128096.70	134375.99	204313.51	201653.48
2017-18	225531.77	226814.84	193202.79	168455.98	163305.52	197019.53	208682.54	199518.56
2018-19	227988.02	223456.70	207826.00	186914.25	175103.28	218516.32	216173.37	207105.77
2019-20	269645.97	296903.32	221538.56	204503.21	195093.63	203872.32	246850.92	254627.67
2020-21	191805.92	181778.17	206742.22	187204.64	229277.94	220414.76	201117.96	187172.07
2021-22	294460.29	284469.52	294895.88	265873.72	276484.56	237785.35	293470.83	275410.92
2022-23	376659.19	386890.49	282020.29	268833.62	308381.33	277879.56	338027.06	334017.46
2023-24	426016.16	442682.40	297152.16	279552.25	443323.32	467483.05	381758.61	378253.87
Combined Average	204375.18	191626.74	175614.07	164488.89	148387.97	167458.53	187355.61	178461.51
Source: NABARD - Rural Credit Innovations Department								



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Table 1.5: Progress under Microfinance - Percentage share of Bank Loan disbursed to SHGs - Agency-wise position during the year																
	Commercial Banks				Regional Rural Banks				Cooperative Banks				Total		Total-Under SGSY/(NRLM+ NULM)	
Year	% Share of SHGs loans disbursed during year		% Share of Out of total-Under SGSY/(NRLM+NU LM)		% Share of SHGs loans disbursed during year		% Share of Out of total-Under SGSY/(NRLM+N ULM)		% Share of SHGs loans disbursed during year		% Share of Out of total-Under SGSY/(NRLM+N ULM)					
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
2006-07	51.70	59.65	65.38	62.28	34.47	31.24	25.75	28.91	13.83	9.11	8.87	8.82	100	100	100	100
2007-08	59.87	61.07	65.14	59.41	26.69	29.97	26.22	32.17	13.44	8.97	8.63	8.42	100	100	100	100
2008-09	62.41	65.78	50.30	54.70	25.20	26.06	30.86	32.52	12.39	8.16	18.85	12.78	100	100	100	100
2009-10	61.60	67.67	58.92	55.30	23.75	23.06	25.25	31.05	14.65	9.27	15.82	13.65	100	100	100	100
2010-11	55.99	66.85	51.72	49.90	19.20	11.17	16.76	16.29	24.81	21.98	31.52	33.80	100	100	100	100
2011-12	52.34	60.13	49.51	50.02	26.55	30.40	32.35	37.16	21.11	9.48	18.13	12.83	100	100	100	100
2012-13	60.30	65.02	48.90	48.59	25.58	27.33	32.51	33.31	14.12	7.65	18.59	18.10	100	100	100	100
2013-14	56.15	66.77	47.41	52.61	24.40	26.18	43.42	39.84	19.45	7.04	9.17	7.54	100	100	100	100
2014-15	52.62	62.85	53.84	55.69	32.11	28.01	42.72	40.67	15.27	9.15	3.44	3.64	100	100	100	100
2015-16	61.79	67.54	63.76	68.55	25.67	24.58	32.56	28.26	12.53	7.88	3.68	3.18	100	100	100	100
2016-17	58.82	62.65	55.07	56.13	29.37	29.94	40.08	40.64	11.81	7.40	4.85	3.23	100	100	100	100
2017-18	56.29	60.84	50.91	57.88	34.61	32.04	44.36	37.45	9.10	7.12	4.73	4.67	100	100	100	100
2018-19	56.08	59.15	51.56	55.64	34.87	33.53	44.17	39.86	9.04	7.33	4.27	4.50	100	100	100	100
2019-20	57.09	62.36	54.28	63.29	34.77	31.20	41.51	33.34	8.14	6.43	4.22	3.38	100	100	100	100
2020-21	50.47	48.14	36.16	35.12	41.03	42.18	58.03	58.04	8.50	9.68	5.81	6.84	100	100	100	100
2021-22	61.19	61.39	57.54	59.43	32.52	32.68	38.32	36.99	6.29	5.93	4.14	3.57	100	100	100	100
2022-23	57.53	64.11	54.98	63.68	36.56	30.50	41.94	33.76	5.90	5.39	3.08	2.56	100	100	100	100
2023-24	61.07	68.15	57.54	67.34	34.89	27.16	39.89	29.48	4.04	4.70	2.57	3.18	100	100	100	100
Combined Average %	57.41	62.78	54.05	56.42	30.12	28.74	36.48	34.99	12.47	8.48	9.47	8.59	100	100	100	100
Note: No. = Number of SHGs, Amt. = Amount of Loan disbursed								Source: NABARD - Rural Credit Innovations Department								

Table 1.6 The annual growth rate for Bank Loan disbursed to SHGs - Agency-wise position during the year																
	Commercial Banks				Regional Rural Banks				Cooperative Banks				Total		Total-Under SGSY/(NRLM+NULM)	
Year	SHGs loans disbursed during year		Out of total-Under SGSY/(NRLM+NULM)		SHGs loans disbursed during year		Out of total-Under SGSY/(NRLM+NULM)		SHGs loans disbursed during year		Out of total-Under SGSY/(NRLM+NULM)					
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
2006-07	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
2007-08	28.60	37.89	30.05	25.60	-14.05	29.19	32.94	46.53	7.90	32.54	27.09	25.68	11.04	34.68	30.53	31.66
2008-09	36.66	49.16	-17.15	-0.12	23.78	20.43	26.26	9.63	20.87	25.96	134.18	64.76	31.10	38.47	7.30	8.48
2009-10	-2.69	21.33	18.36	10.26	-7.09	4.37	-17.30	4.14	16.58	34.06	-15.16	16.51	-1.41	17.95	1.04	9.07
2010-11	-31.49	-0.57	-20.92	1.84	-39.06	-51.23	-40.22	-40.79	27.64	138.64	79.43	179.41	-24.62	0.65	-9.92	12.85
2011-12	-10.29	2.24	-16.64	6.82	32.74	209.19	68.12	143.09	-18.37	-51.00	-49.89	-59.56	-4.03	13.66	-12.91	6.58
2012-13	22.43	34.63	-14.70	-18.88	2.36	11.95	-13.24	-25.13	-28.91	0.46	-11.44	17.81	6.27	24.50	-13.64	-16.50
2013-14	4.31	19.82	20.77	70.73	6.86	11.76	66.39	88.59	54.29	7.49	-38.57	-34.28	12.02	16.67	24.56	57.67
2014-15	11.53	8.09	276.67	245.44	56.60	22.85	226.39	233.15	-6.54	49.13	24.38	57.39	19.01	14.84	231.71	226.36
2015-16	32.32	45.29	46.61	110.31	-9.91	18.64	-5.66	18.71	-7.54	16.41	32.56	49.55	12.67	35.18	23.80	70.84
2016-17	-1.40	-3.53	-7.50	-15.57	18.52	26.71	31.82	48.29	-2.40	-2.24	41.09	4.68	3.59	4.01	7.09	3.12
2017-18	14.01	18.15	28.29	41.59	40.36	30.19	53.61	26.55	-8.23	16.99	35.40	98.52	19.12	21.67	38.78	37.31
2018-19	18.86	20.15	30.74	28.80	20.22	29.32	28.53	42.61	281.75	336.94	16.38	29.08	43.24	45.64	29.08	33.99
2019-20	18.72	40.41	21.34	61.22	16.26	23.93	8.34	18.53	4.97	16.95	13.92	6.29	16.62	33.17	15.28	41.73
2020-21	-18.86	-42.28	-48.52	-68.48	8.32	1.08	8.04	-1.10	-4.23	12.55	6.48	15.12	-8.22	-25.22	-22.72	-43.19
2021-22	42.68	119.03	130.21	260.27	-6.72	33.06	-4.47	35.67	-12.82	5.13	3.09	11.22	17.69	71.74	44.67	112.87
2022-23	18.86	52.04	45.42	97.78	42.10	35.90	66.61	68.46	18.61	32.30	13.12	32.19	26.40	45.59	52.20	84.59
2023-24	35.46	53.22	34.73	54.16	21.78	28.32	22.41	27.29	-12.60	25.65	7.54	80.92	27.62	44.14	28.73	45.78
Note: No. = Number of SHGs, Amt. = Amount of disbursed							Source: NABARD - Rural Credit Innovations Department									

Table 1.7: Compound Average Growth Rate of Number of SHG and Amount of loan disbursed for the period 2006-07 to 2023-24									
		Commercial Banks				Regional Rural Banks			
		SHGs loans disbursed during		Out of total-Under SGSY/(NRLM+NULM		SHGs loans disbursed during		Out of total-Under SGSY/(NRLM+NULM)	
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
Compound Average Growth Rate		5.89	19.37	12.70	28.24	7.40	19.51	16.67	31.58
R Square		0.85	0.99	0.96	0.97	0.92	0.91	0.89	0.92
Adjusted R Square		0.84	0.99	0.96	0.96	0.91	0.90	0.88	0.91
P-value	Intercept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	T	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F		91.02	1282.26	428.09	468.07	178.28	161.99	130.95	183.38
		Cooperative Banks				Total		Total-Under SGSY/(NRLM+NULM)	
		SHGs loans disbursed during year		Out of total-Under SGSY/(NRLM+NULM)					
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
Compound Average Growth Rate		3.41	13.13	11.77	21.63	5.91	18.59	13.62	28.43
R Square		0.48	0.88	0.74	0.87	0.91	0.98	0.98	0.97
Adjusted R Square		0.44	0.87	0.73	0.86	0.91	0.98	0.98	0.97
P-value	Intercept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	T	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F		14.48	112.50	45.98	103.94	171.73	969.86	720.35	535.65

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