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A STUDY ON PERFORMANCE OF THE SHG BANK LINKAGE PROGRAMME IN GUJARAT

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ABSTRACT

Microfinance has evolved as an accepted institutional framework to provide financial services to the poor in the developing countries and Self Help Groups (SHGs) are considered as the vehicle for advancement of micro-credit to them. The "credit-plus approach” of microfinance through SHG not only provides small, timely and easy loan to the poor without any collateral but also inculcates saving behavior amongst them. The SHG-Bank linkage model is the indigenous model of micro-credit evolved in India and has been widely acclaimed as a successful model. SHG-Bank linkage programme is considered a promising approach to reach the poor and has since its inception made rapid strides exhibiting considerable democratic functioning and group dynamism. Against this theoretical backup, the present study deals with SHGs and its members. It reviews the performance of SHGs on various issues including theirs saving and credit mobilization and linkage with banks. The present study also analyses the progress of SBLP in terms of its outreach, regional coverage, agency wise coverage, lending performance of banks involved and saving mobilized by the SHGs. The study shows last five years status of SBLP in Gujarat.

KEYWORDS : Self Help Groups, Micro finance, Self help group bank linkage programme.

INTRODUCTION

In India, the provision of microfinance is different from that in most countries due to the extensive bank branch network available. The most widely spread model of microfinance in India links so-called self-help groups (SHGs) with existing formal financial intermediaries rather than relying on the establishment of specialized microfinance institutions. This minimizes set-up costs and ensures outreach. The main steps involved in the SHG-model include formation of self-help groups, accumulation of group savings, internal lending and on-lending of bank loans. In addition to improving access to financial services, the SHG-model also has significant social benefits. The SHG - Bank Linkage Programme is a major plank of the strategy for delivering financial services to the poor in a sustainable manner.

REVIEW OF LITERATURE

Pinky Dutta (2011) examines the growth and impact of NABARD’s SHG- Bank Linkage Programme in India and found that there is a rapid increase in the number of SHGs all over India, but the growth is not uniform throughout the country. The growth of SHGs is dominant in the southern region of India. The programme is successful in poverty alleviation. It has uplifted the savings and income of the poor, especially of women. Urmila Moon (2011) tries to study the status, progress and trends of Self-help Groups (SHGs) linkage with banks in India. She has also studied the role of micro credit and its performance as a tool for women empowerment. The study is based on secondary data and the sources include reports and studies of various agencies, organizations, newspaper articles, journals and books. The study found that the pre-SHG period and post SHG period when compared shows significant changes in net household income in 2006 depicting an annual growth rate of 6.1 per cent and also an increased expenditure on education and health sectors by 5.6 per cent and 5.5 per cent respectively is observed (NCAER, 2008). There is very good growth of SHGs in India in last decade. Khanka S.S (2010) makes a modest attempt to delineate the evolution and development of microfinance in India and also highlights its scope vis-à-vis challenges and conclude that microfinance is certainly an effective instrument for poverty alleviation in India. It also shows that microfinance over the period has made impressive progress at least in terms of its outreach in India. Sangram Panigrahi (2010) studied the achievements and problems of SHG microfinance in including the excluded section of the society in the rural area and found that SBLP linkage facilitates financial deepening and smoothing of credit services by accessing mainstream banking resources. Kumararaja (2009) made an attempt to evaluate the performance of SHGs in Tamil Nadu. The study highlighted the progress of SHGs in India and in Tamil Nadu. It revealed that there has been a steady progress in the number of SHGs and amount of loan sanctioned. The study concluded that a timely and regular check of the micro credit through SHGs will contribute to a healthy progress and to the overall development of rural women. Shiralashetti and Hugar (2008) made an attempt to examine the progress of SHGs and their linkage to bank. The study was based on the secondary data collected from annual reports of the NABARD. The main objectives of the study were to examine the progress of SHGs and bank linkage in India and in Karnataka State and to study the district-wise and bank-wise linkage of SHGs in Karnataka State. They concluded that SHG movement is a powerful tool for alleviating the poverty of the people.

SIGNIFICANCE OF THE STUDY

Microfinance scene is dominated by Self Help Group (SHGs)-Bank Linkage Programme as a cost effective mechanism for providing financial services to the "Unreached Poor" which has been successful not only in meeting financial needs of the rural poor women but also strengthen collective self help capacities of the poor, leading to their empowerment. Rapid progress in SHG formation has now turned into an empowerment movement among women across the country. So it is necessary to know the progress of SHG Bank Linkage Programme in Gujarat.

OBJECTIVES OF THE STUDY

1. To study the growth and pattern of SHG Bank Linkage Programme in Gujarat.
2. To Compare and Analyze the performance of Banks with SHG Bank Linkage Programme in Gujarat
3. To study the growth and pattern of Women SHGs Linkage with banks in Gujarat

RESEARCH METHODOLOGY

The research design used in this study is descriptive. The study is confined to the bank linkage self help groups. The study uses secondary data. In this study, simple percentage analysis has been employed to interpret. This study attempts to review the spread of saving linkages between self-help groups (SHGs) and banks across different models adapted by the

Reserve Bank of India (RBI) and the National Bank for Agriculture and Rural Development (NABARD). It further examines the spread of credit linkages across different regions and states of Gujarat. It also reviews the participation of commercial banks, regional rural banks, and cooperatives in the SHG-Bank Linkage Program in Gujarat. The study assesses the coverage of SHG linkages for four years from 2007–08 to 2011–12 and reviews their spread across Gujarat.

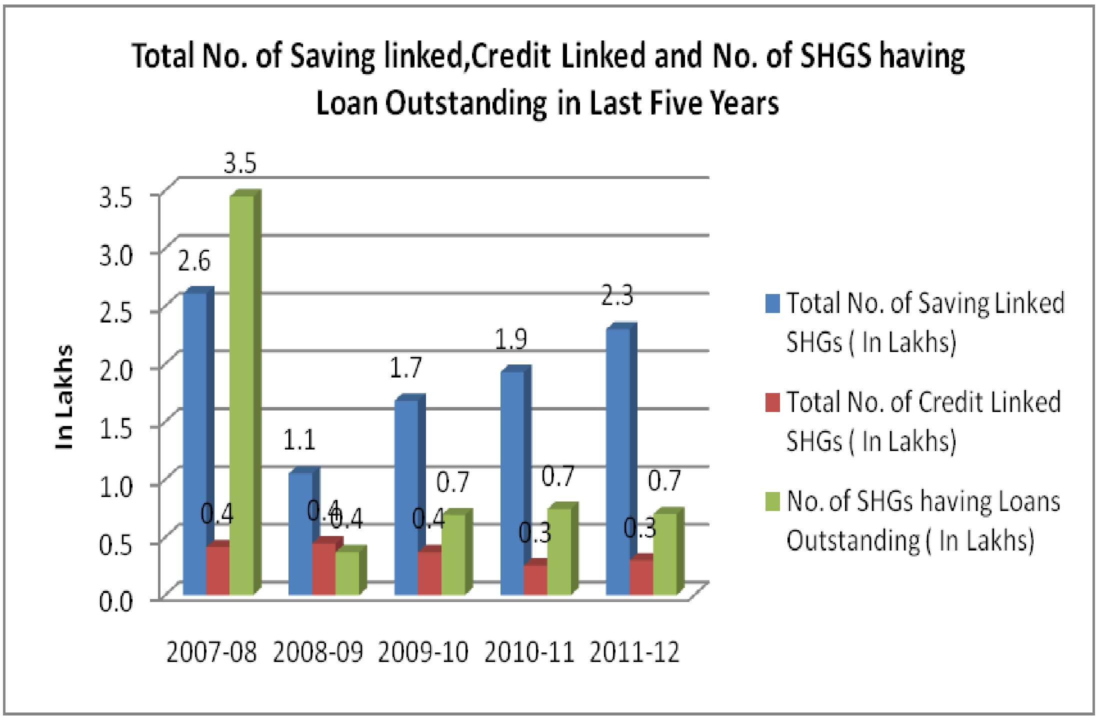
DATA SOURCES:

The data collected for the study includes secondary data. The various sources used to collect secondary data include research papers, journals, articles and annual reports for the year 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 provided by the NABARD.

DATA ANALYSIS

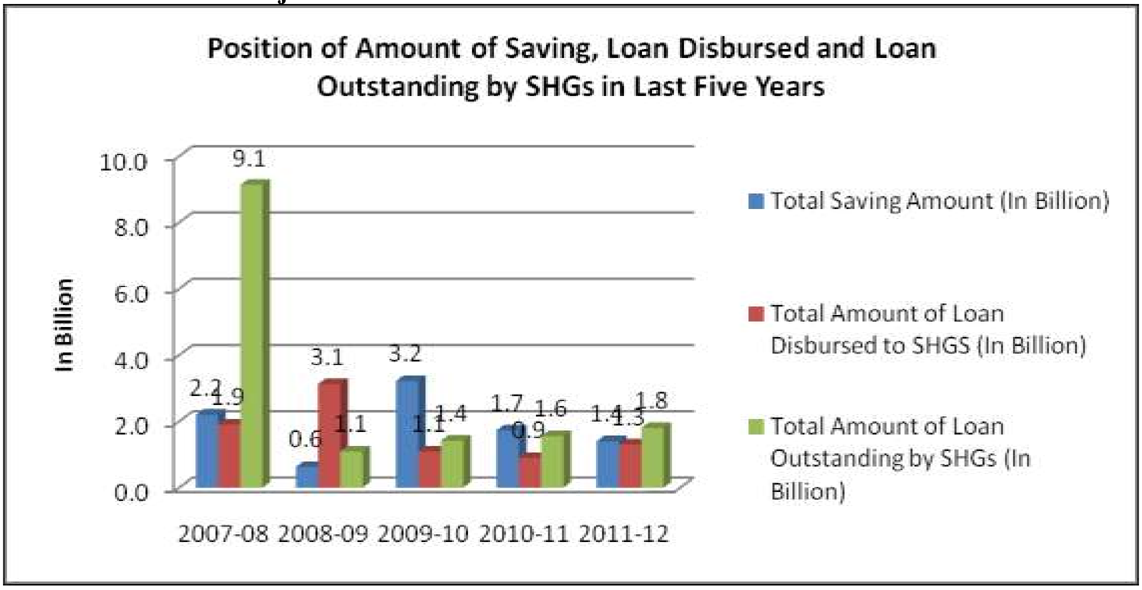
Information found in published reports is often not enough to form conclusive judgments about performance of SHG bank linkage programme but it provides important information about what needs to be examined in greater detail.

Figure 1: Total No. of saving linked, Credit Linked and No. of SHGS having Loan Outstanding in Last Five Years in Gujarat



Interpretation: Total no. of saving linked SHGs have increased year by year and it was highest in the year 2007-08. In the year 2011-12, it was 2.3 lakhs in Gujarat. The position of no. of credit linked SHGs and no. of SHGs having loan outstanding in Gujarat is more or less same In last five years. It has reached to 0.3 and 0.7 lakhs respectively in the year 2011-12.

Figure 2: Position of Amount of Saving, Loan Disbursed and Loan Outstanding by SHGs in Last Five Years in Gujarat



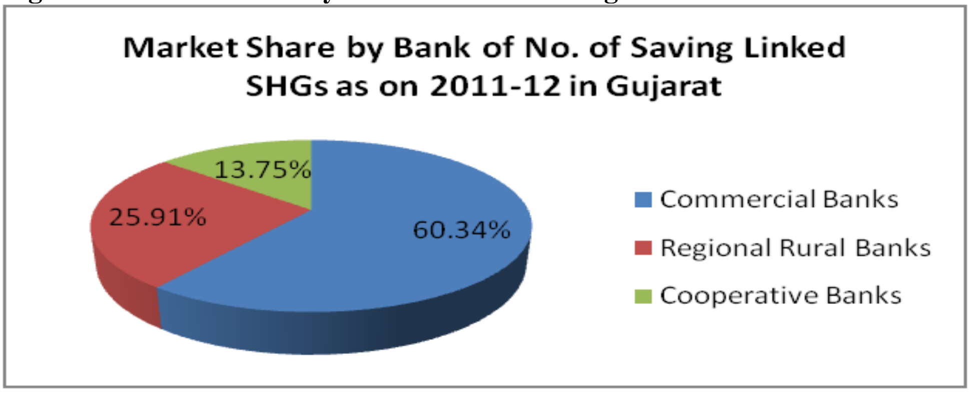
Interpretation: Total amount saved by SHGs are showing fluctuating trend in last five year and it was highest in the year 2009-10. In the year 2011-12, it was 1.4 billion in Gujarat. It has declined in the year 2011-12 compared to previous year. Amount of loan disbursed by banks to SHGs also showing declining trend except 2008-09. It was 1.3 billion in the year 2011-12. Amount of loan outstanding with banks shows good position in Gujarat except 2007-08. It was highest in the year 2007-08 and it has reached to Rs. 1.8 billion in the year 2011-12

Table1: Market Share by Bank of No. of Saving Linked SHGs in Gujarat

	2007-08		**2008-09**		**2009-10**		**2010-11**		**2011-12**	
Agency	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**
Commercial Banks	213572	81.86 %	51443	48.97 %	96674	57.48 %	111708	57.93 %	136 741	60.34 %
Regional Rural Banks	30722	11.77 %	32662	31.09 %	44169	26.26 %	50625	26.25 %	587 13	25.91 %
Cooperative Banks	16,619	6.37 %	20941	19.94 %	27337	16.25 %	30501	15.82 %	311 72	13.75 %
Total	260913	100.0 0%	105046	100.0 0%	168180	100.0 0%	192834	100.0 0%	226 626	100.0 0%

Source: Calculated data

Figure 3: Market Share by Bank of No. of Saving Linked SHGs as on 2011-12 in Gujarat



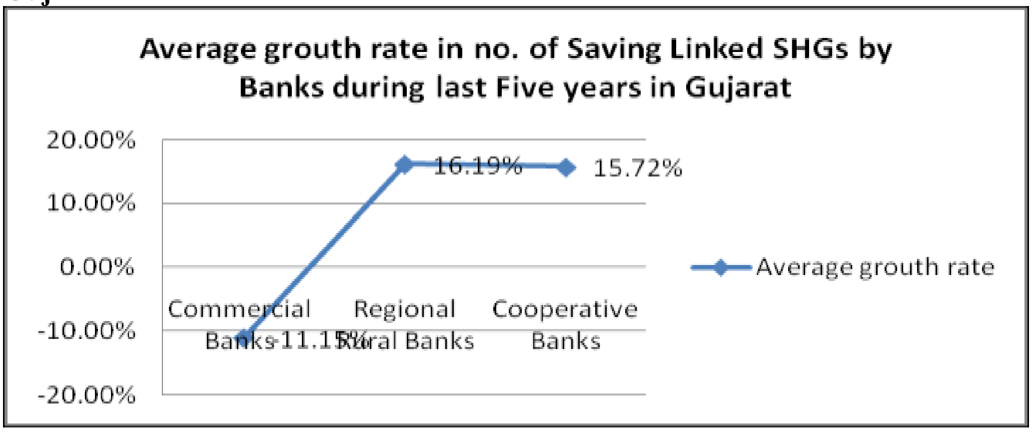
Interpretation: Commercial banks stood first in market share with 60.34 percent of saving linked SHGs in Gujarat as on 31st March 2012 followed by Regional rural banks having market share of 25.91 percent. Cooperative banks stood in third position in market share of saving linked SHGs in Gujarat as on 31st March 2012. Almost same position of market share is maintained by all agencies in last five years.

Table 2: Growth rate in no. of saving Linked SHGs by Banks during last Five years in Gujarat

	2008-09	2009-10	2010-11	2011-12	Average growth rate
Commercial Banks	-142.35%	63.09%	14.45%	20.22%	-11.15%
Regional Rural Banks	6.12%	30.18%	13.64%	14.82%	16.19%
Cooperative Banks	23.12%	26.65%	10.95%	2.18%	15.72%
Total	-90.98%	47.06%	13.68%	16.15%	-3.52%

Source: Calculated data

Figure 4: Average growth rate in no. of saving Linked SHGs by Banks during last Five years in Gujarat



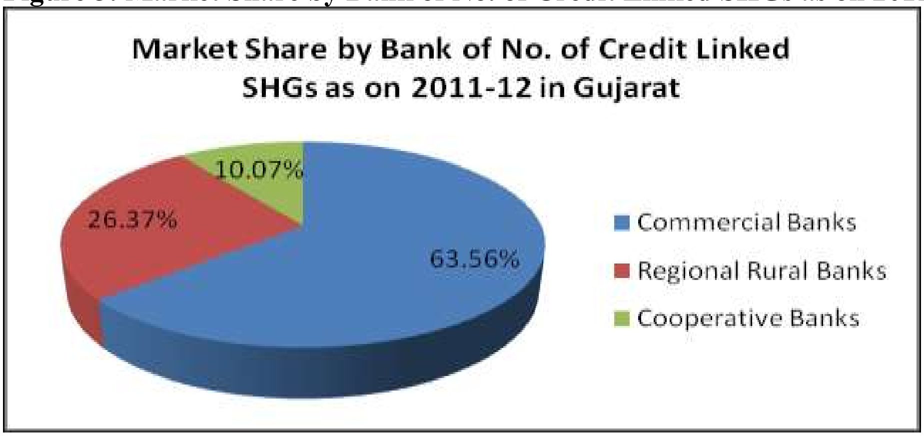
Interpretation: Compared to last year, all banks are showing positive growth in the year 2011-12. Average growth of saving linked SHGs is showing positive with Regional rural banks at 16.19 percent and Cooperative banks at 15.72 percent in last five years. It shows negative with commercial bank at -11.15 percent and overall at -3.52 percent.

Table 3: Market Share by Bank of No. of Credit Linked SHGs in Gujarat

	2007-08		**2008-09**		**2009-10**		**2010-11**		**2011-12**	
Agency	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**
Commercial Banks	38030	91.51%	40426	90.43%	25926	69.96%	16503	64.46%	19281	63.56%
Regional Rural Banks	1236	2.97%	2599	5.81%	7108	19.18%	6113	23.88%	8001	26.37%
Cooperative Banks	2291	5.51%	1680	3.76%	4025	10.86%	2984	11.66%	3054	10.07%
Total	41557	100.00%	44705	100.00%	37059	100.00%	25600	100.00%	30336	100.00%

Source: Calculated data

Figure 5: Market Share by Bank of No. of Credit Linked SHGs as on 2011-12 in Gujarat



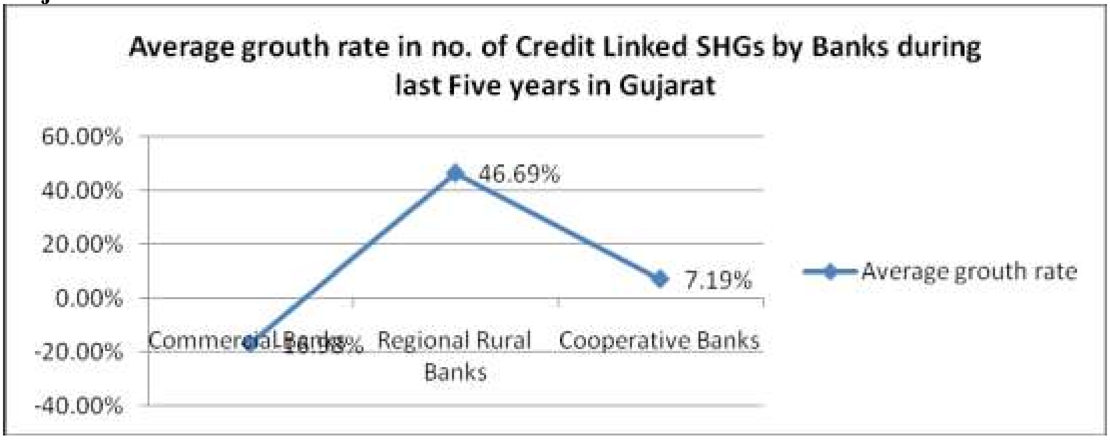
Interpretation: Commercial banks stood first in market share with 63.56 percent of credit linked SHGs in Gujarat as on 31st March 2012 followed by Regional rural banks having market share of 26.37 percent. Cooperative banks stood in third position in market share of credit linked SHGs in Gujarat as on 31st March 2012. Almost same position of market share is maintained by all agencies in last five years.

Table 4: Growth rate in no. of Credit Linked SHGs by Banks during last Five years in Gujarat

	2008-09	**2009-10**	**2010-11**	**2011-12**	**Average growth rate**
Commercial Banks	6.11%	-44.42%	-45.17%	20.22%	-16.98%
Regional Rural Banks	74.32%	100.61%	-15.08%	14.82%	46.69%
Cooperative Banks	-31.02%	87.37%	-29.93%	2.18%	7.19%
Total	7.30%	-18.76%	-36.99%	16.15%	-7.87%

Source: Calculated data

Figure 6: Average growth rate in no. of Credit Linked SHGs by Banks during last Five years in Gujarat



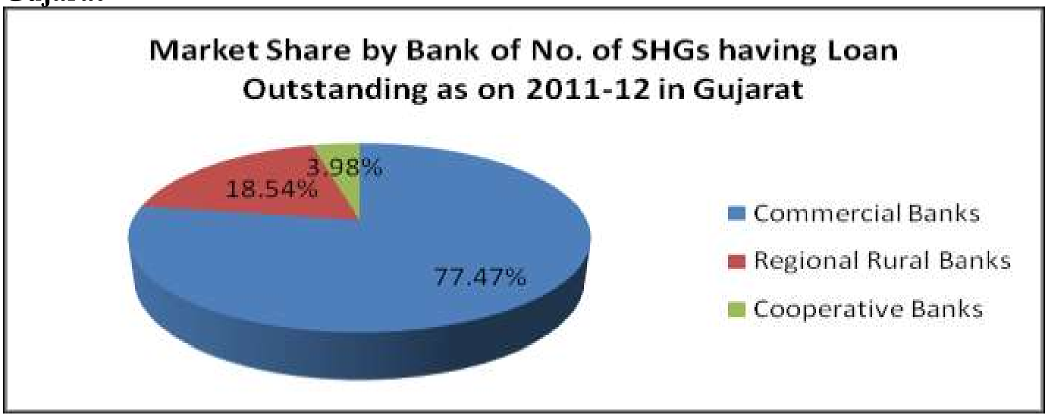
Interpretation: Compared to last year, all banks are showing positive growth in the year 2011-12. Average growth of credit linked SHGs is showing positive with Regional rural banks at 46.69 percent and Cooperative banks at 7.19 percent in last five years. It shows negative with commercial bank at -16.98 percent and overall at -7.87 percent.

Table 5: Market Share by Bank of No. of SHGs having Loan Outstanding in Gujarat

	2007-08		**2008-09**		**2009-10**		**2010-11**		**2011-12**	
Agency	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**	**No. of SHGs**	**% Share**
Commercial Banks	340008	98.54%	32630	87.94%	57406	82.85%	62830	84.29%	77.47%	77.47%
Regional Rural Banks	3828	1.11%	3127	8.43%	8582	12.39%	8806	11.81%	18.54%	18.54%
Cooperative Banks	1223	0.35%	1348	3.63%	3298	4.76%	2904	3.90%	3.98%	3.98%
Total	345059	100.00%	37105	100.00%	69286	100.00%	74540	100.00%	100.00%	100.00%

Source: Calculated data

Figure 7: Market Share by Bank of No. of SHGs having Loan Outstanding as on 2011-12 in Gujarat



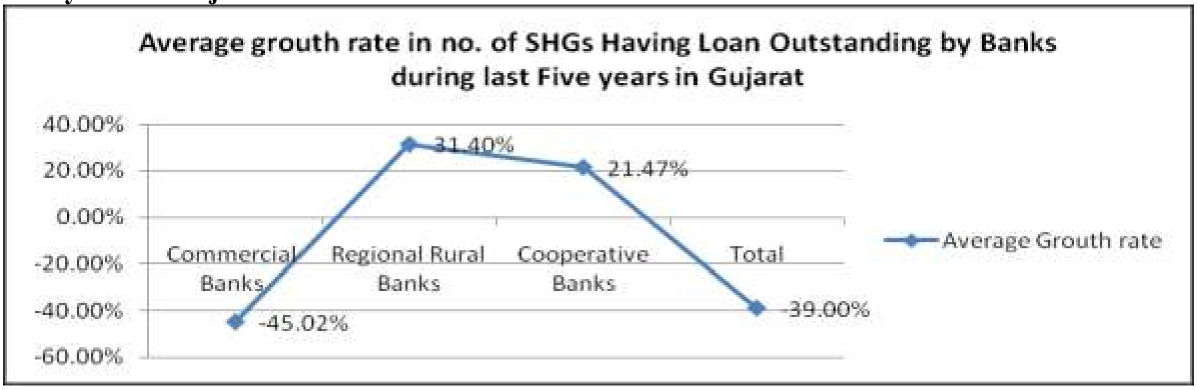
Interpretation: Commercial banks stood first in market share with 77.47 percent of no. of SHGs having loan outstanding in Gujarat as on 31st March 2012 followed by Regional rural banks having market share of 18.54 percent. Cooperative banks stood in third position in market share of no. of SHGs having loan outstanding in Gujarat as on 31st March 2012. Almost same position of market share is maintained by all agencies in last five years.

Table 6: Growth rate in no. of SHGs Having Loan Outstanding by Banks during last Five years in Gujarat

	2008-09	2009-10	2010-11	2011-12	Average grouth rate
Commercial Banks	-234.37%	56.49%	9.03%	-0.11%	-45.02%
Regional Rural Banks	-20.23%	100.96%	2.58%	0.42%	31.40%
Cooperative Banks	9.73%	89.47%	-12.72%	-0.01%	21.47%
Total	-223.00%	62.45%	7.31%	-0.03%	-39.00%

Source: Calculated data

Figure 8: Average growth rate in no. of SHGs Having Loan Outstanding by Banks during last Five years in Gujarat



Interpretation: Compared to last year, commercial banks and cooperative banks are showing negative growth in the year 2011-12, that means no. of loan outstanding accounts have decreased in this year. Regional rural banks show positive growth in the year 2011-12. Average growth of no. of SHGs having loan outstanding with commercial banks is showing negative at -45.02 percent in last five years that shows good position in recovery of loan by the banks. Regional rural banks and Cooperative banks show positive average growth in last five years at 31.40 percent and 21.47 percent respectively.

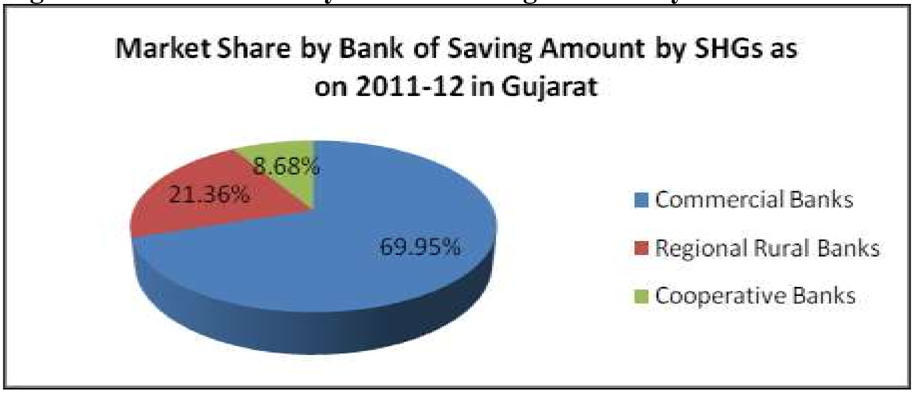
Table 7: Market Share by Bank of Saving Amount by SHGs in Gujarat

(Amount in Lakhs)

	2007-08		2008-09		2009-10		2010-11		2011-12	
Agency	**Saving Amount**	**% Share**	**Saving Amount**	**% Share**	**Saving Amount**	**% Share**	**Saving Amount**	**% Share**	**Saving Amount**	**% Share**
Commercial Banks	19124.63	86.92%	3413.02	54.38%	20313.52	63.10%	12285.44	71.00%	9767.96	69.95%
Regional Rural Banks	1500.57	6.82%	1432.51	22.83%	2097.13	6.51%	2507.22	14.49%	2982.96	21.36%
Cooperative Banks	1376.31	6.26%	1430.47	22.79%	9779.5	30.38%	2510.47	14.51%	1212.31	8.68%
Total	22001.51	100.00%	6276	100.00%	32190.15	100.00%	17303.13	100.00%	13963.23	100.00%

Source: Calculated data

Figure 9: Market Share by Bank of Saving Amount by SHGs as on 2011-12 in Gujarat



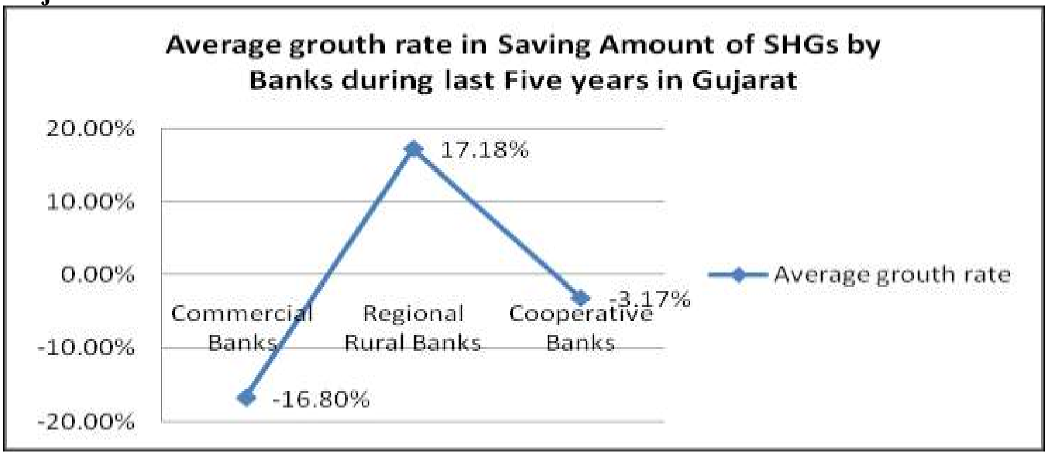
Interpretation: Commercial banks stood first in market share with 69.95 percent of saving amount by SHGs in Gujarat as on 31st March 2012 followed by Regional rural banks having market share of 21.36 percent. Cooperative banks stood in third position in market share of saving amount by SHGs in Gujarat as on 31st March 2012. Almost same position of market share is maintained by all agencies in last five years.

Table 8: Growth rate in saving Amount of SHGs by Banks during last Five years in Gujarat

	2008-09	2009-10	2010-11	2011-12	Average growth rate
Commercial Banks	-172.34%	178.37%	-50.29%	-22.93%	-16.80%
Regional Rural Banks	-4.64%	38.11%	17.86%	17.37%	17.18%
Cooperative Banks	3.86%	192.23%	-135.98%	-72.79%	-3.17%
Total	-125.44%	163.49%	-62.08%	-21.45%	-11.37%

Source: Calculated data

Figure 10: Average growth rate in saving Amount of SHGs by Banks during last Five years in Gujarat



Interpretation: Compared to last year, commercial banks and Cooperative banks are showing negative growth in the year 2011-12. Average growth of amount of saving by SHGs is showing positive with Regional rural banks at 17.18 percent and negative with Cooperative banks at 3.17 percent in last five years. It shows negative with commercial bank at -16.80 percent and overall at - 11.37 percent.

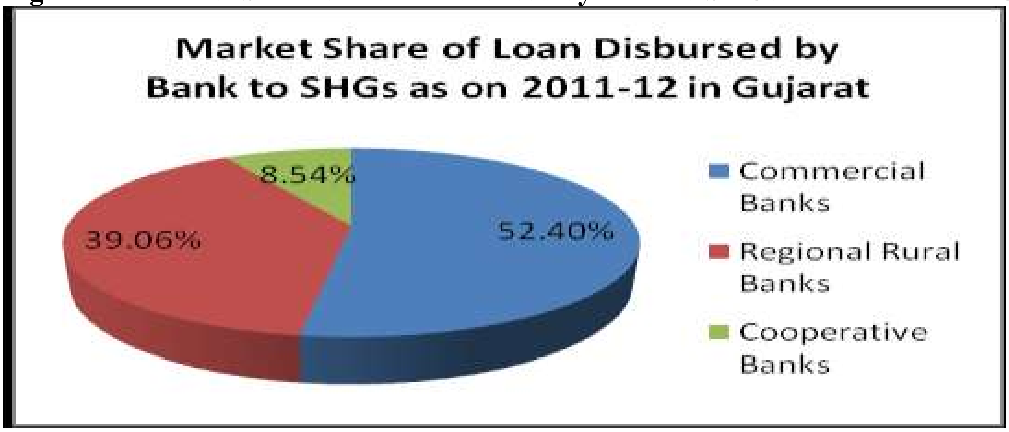
Table 9: Market Share of Loan Disbursed by Bank to SHGs in Gujarat

(Amount in Lakhs)

	2007-08		2008-09		2009-10		2010-11		2011-12	
Agency	**Loan Disbursed**	**% Share**	**Loan Disbursed**	**% Share**	**Loan Disbursed**	**% Share**	**Loan Disbursed**	**% Share**	**Loan Disbursed**	**% Share**
Commercial Banks	16904.17	88.75%	29293.13	93.58%	6140.2	56.49%	5762.86	64.03%	6873.62	52.40%
Regional Rural Banks	587.9	3.09%	949.27	3.03%	1999.63	18.40%	1606.14	17.85%	5122.88	39.06%
Cooperative Banks	1554.06	8.16%	1059.27	3.38%	2729.83	25.11%	1631.15	18.12%	1120.33	8.54%
Total	19046.13	100.00%	31301.67	100.00%	10869.66	100.00%	9000.15	100.00%	13116.83	100.00%

Source: Calculated data

Figure 11: Market Share of Loan Disbursed by Bank to SHGs as on 2011-12 in Gujarat



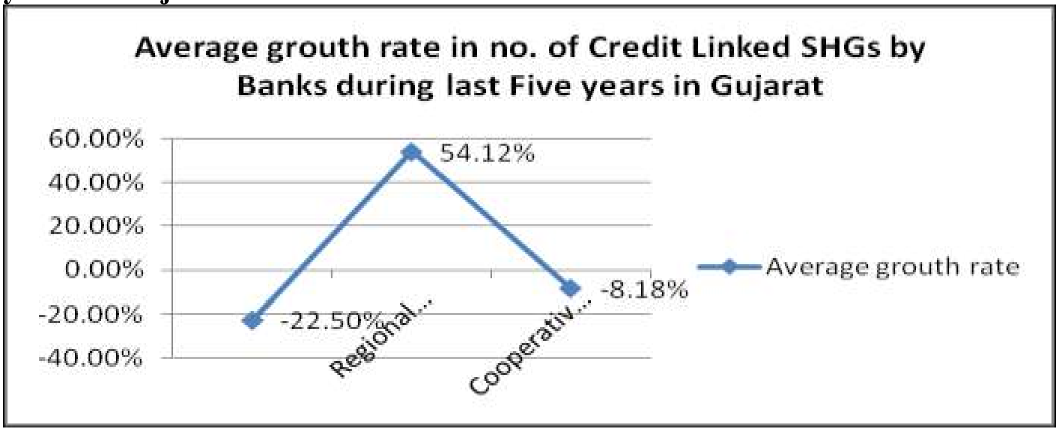
Interpretation: Commercial banks stood first in market share with 52.40 percent of loan amount disbursed to SHGs in Gujarat as on 31st March 2012 followed by Regional rural banks having market share of 39.06 percent. Cooperative banks stood in third position in market share of loan amount disbursed to SHGs in Gujarat as on 31st March 2012. Almost same position of market share is maintained by all agencies in last five years.

Table 10: Growth rate in no. of Credit Linked SHGs by Banks during last Five years in Gujarat

	2008-09	2009-10	2010-11	2011-12	Average growth rate
Commercial Banks	54.98%	-156.25%	-6.34%	17.63%	-22.50%
Regional Rural Banks	47.91%	74.50%	-21.91%	115.99%	54.12%
Cooperative Banks	-38.33%	94.67%	-51.50%	-37.57%	-8.18%
Total	49.68%	-105.77%	-18.87%	37.67%	-9.32%

Source: Calculated data

Figure 12: Average growth rate in no. of Credit Linked SHGs by Banks during last Five years in Gujarat



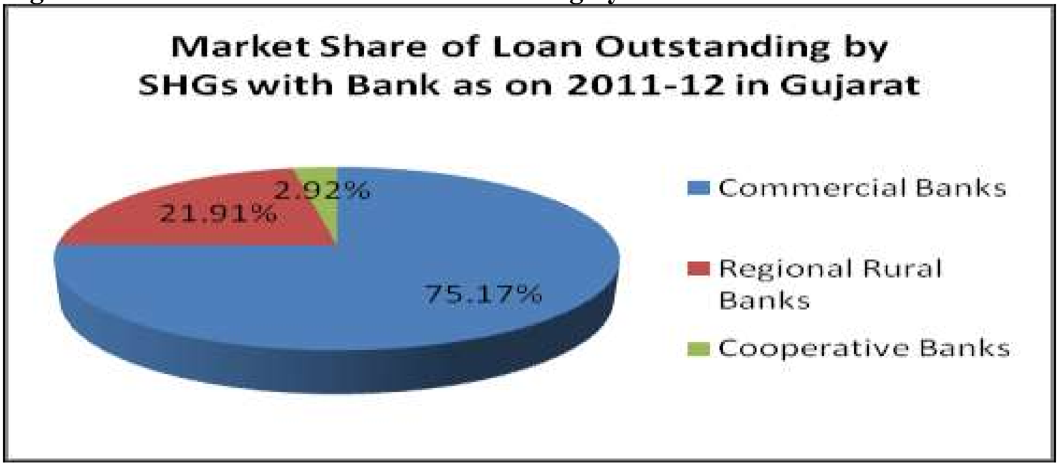
Interpretation: Compared to last year, Commercial and Regional rural banks are showing positive growth in the year 2011-12. Average growth of loan amount disbursed to SHGs is showing positive with Regional rural banks at 54.12 percent in last five years. It shows negative with commercial bank at -22.50 percent and overall at -9.32 percent.

Table 11: Market Share of Loan Outstanding by SHGs with Bank as on 2011-12 in Gujarat

(Amount in Lakhs)										
	2007-08		**2008-09**		**2009-10**		**2010-11**		**2011-12**	
Agency	**Loan Outstanding**	**% Share**	**Loan Outstanding**	**% Share**	**Loan Outstanding**	**% Share**	**Loan Outstanding**	**% Share**	**Loan Outstanding**	**% Share**
Commercial Banks	88848.41	97.25%	8929.41	81.63%	10699.48	75.55%	12317.89	79.24%	13254.3	75.17%
Regional Rural Banks	1508.26	1.65 %	1,160.95	10.61%	2036.24	14.38%	2115.58	13.61%	3864.25	21.91%
Cooperative Banks	999.5	1.09 %	848.13	7.75 %	1426.11	10.07%	1110.62	7.14 %	514.63	2.92 %
Total	91356.17	100.00%	10938.49	100.00%	14161.83	100.00%	15544.09	100.00%	17633.18	100.00%

Source: Calculated data

Figure 13: Market Share of Loan Outstanding by SHGs with Bank as on 2011-12 in Gujarat



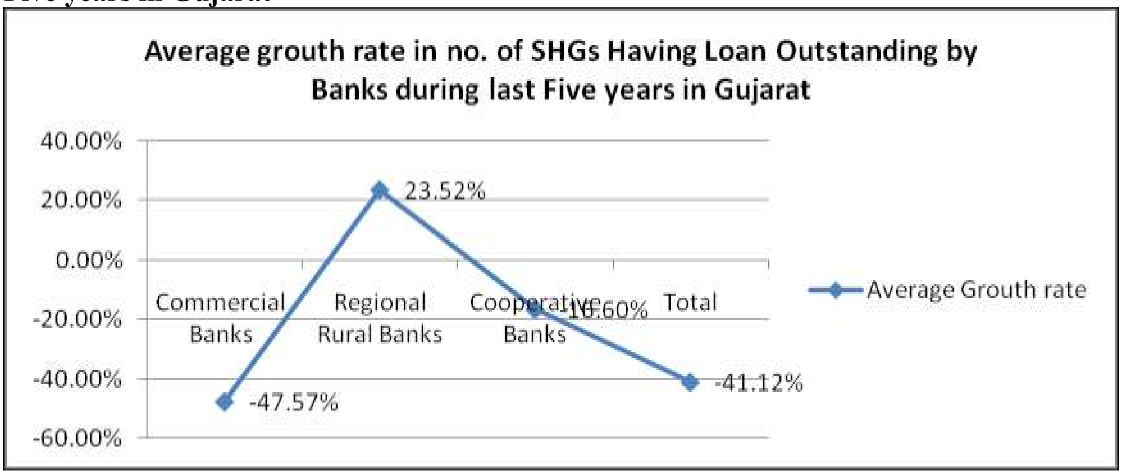
Interpretation: Commercial banks stood first in market share with 75.17 percent of loan outstanding by SHGs in Gujarat as on 31st March 2012 followed by Regional rural banks having market share of 21.91 percent. Cooperative banks stood in third position in market share of loan outstanding by SHGs in Gujarat as on 31st March 2012. Almost same position of market share is maintained by all agencies in last five years.

Table 12: Growth rate in no. of SHGs Having Loan Outstanding by Banks during last Five years in Gujarat

	2008-09	2009-10	2010-11	2011-12	Average growth rate
Commercial Banks	-229.76%	18.08%	14.09%	7.33%	-47.57%
Regional Rural Banks	-26.17%	56.19%	3.82%	60.24%	23.52%
Cooperative Banks	-16.42%	51.97%	-25.00%	76.92%	-16.60%
Total	-212.25%	25.83%	9.31%	12.61%	-41.12%

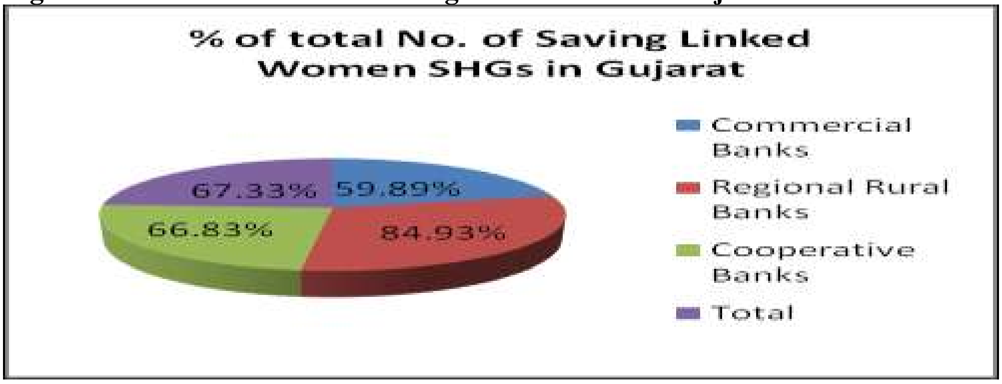
Source: Calculated data

Figure 14: Average growth rate in no. of SHGs Having Loan Outstanding by Banks during last Five years in Gujarat



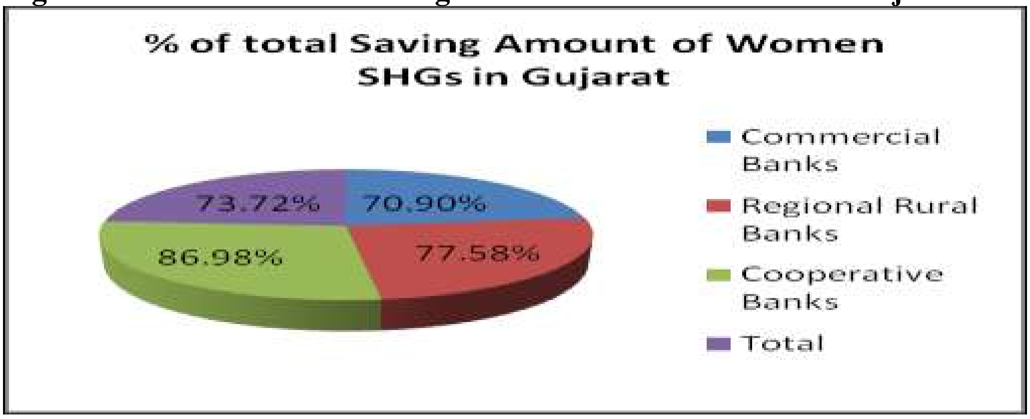
Interpretation: Compared to last year, Cooperative banks is showing positive growth in the year 2011-12 that means loan outstanding by SHGs has increased in this year. Average growth of loan outstanding by SHGs with commercial banks is showing negative at -47.57 percent in last five years that shows good position in recovery of loan by the banks. Regional rural banks show positive average growth in last five years at 23.52 percent.

Figures 15: Status of Women Saving Linked SHGs in Gujarat as on 2011-12



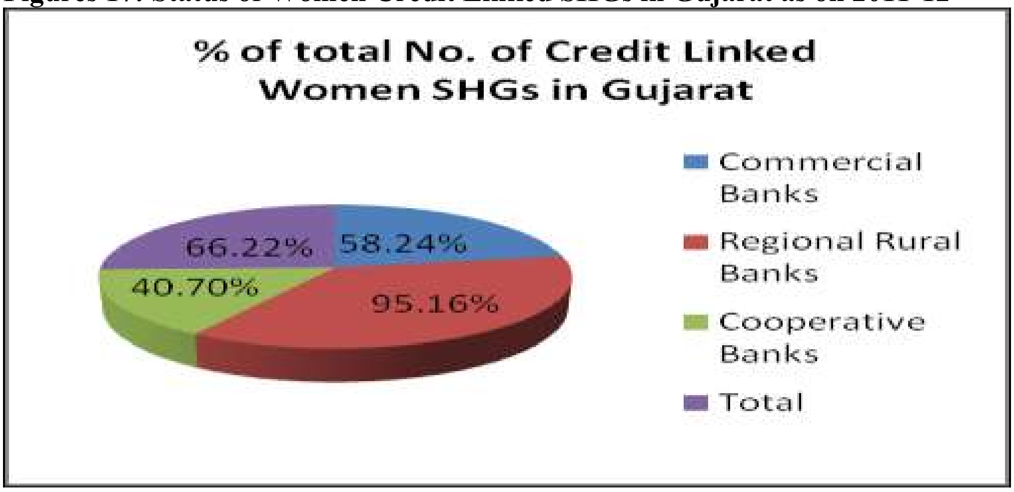
Interpretation: In total no. of saving linked SHGs with all agencies, more than 67 percent SHGs are exclusively for women as on 31st March 2012 so it is one of the most distinguishing features of microfinance in Gujarat.

Figures 16: Status of total saving Amount of Women SHGs in Gujarat



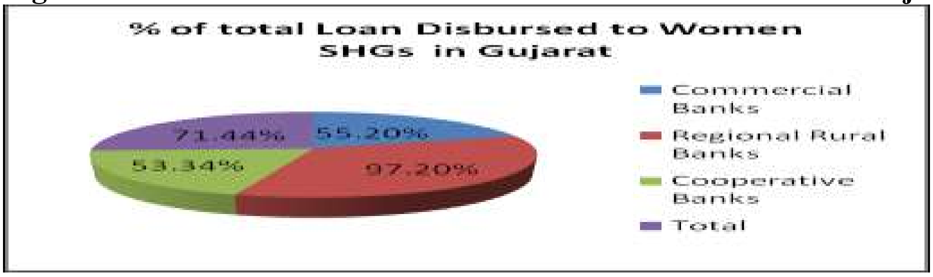
Interpretation: In total amount saved by SHGs with all agencies, more than 73 percent amount is saved by only women SHGs as on 31st March 2012 so it is one of the most distinguishing features of microfinance in Gujarat.

Figures 17: Status of Women Credit Linked SHGs in Gujarat as on 2011-12



Interpretation: In total no. of credit linked SHGs with all agencies, more than 66 percent SHGs are exclusively for women as on 31st March 2012 so it is one of the most distinguishing features of microfinance in Gujarat.

Figures 18: Status of total Loan Disbursed to Women SHGs in Gujarat as on 2010-11



Interpretation: In total amount of loan disbursed to SHGs by all agencies, more than 71 percent amount of loan disbursed only to women SHGs as on 31st March 2012.

Table 13: Overall Performance of Saving Linked SHGs with the Commercial Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Saving Amount (In Lakhs)	% Share	No. of Members	% Share	Avg. Saving Per SHG (In Rs)	Avg. Saving Per Member (In Rs)
Allahabad Bank	127	0.09%	6.45	0.07%	1524	0.11%	5078.74	423.23
Bank of Baroda	40052	29.29%	2713.07	27.78%	356009	25.26%	6773.87	762.08
Bank of India	8199	6.00%	1071.73	10.97%	101855	7.23%	13071.47	1052.21
Bank of Maharashtra	528	0.39%	2.6	0.03%	5280	0.37%	492.42	49.24
Canara Bank	15	0.01%	1.7	0.02%	174	0.01%	11333.33	977.01
Central Bank of India	2618	1.91%	243	2.49%	27274	1.94%	9281.89	890.96
Corporation Bank	140	0.10%	17.01	0.17%	1476	0.10%	12150.00	1152.44
Dena Bank	40150	29.36%	1263.31	12.93%	401500	28.49%	3146.48	314.65
IDBI Bank	41	0.03%	6.41	0.07%	410	0.03%	15634.15	1563.41
Indian Bank	1596	1.17%	196.91	2.02%	28728	2.04%	12337.72	685.43
Indian Overseas Bank	1652	1.21%	137	1.40%	20815	1.48%	8292.98	658.18
Oriental Bank of Commerce	52	0.04%	2.69	0.03%	579	0.04%	5173.08	464.59
Punjab National Bank	1289	0.94%	55.57	0.57%	12890	0.91%	4311.09	431.11
State Bank of India	34881	25.51%	3479	35.62%	378459	26.86%	9973.91	919.25
Syndicate Bank	561	0.41%	31.22	0.32%	7285	0.52%	5565.06	428.55
UCO Bank	568	0.42%	45.65	0.47%	6368	0.45%	8036.97	716.87
Union Bank of India	3741	2.74%	476.32	4.88%	52374	3.72%	12732.42	909.46
Vijaya Bank	342	0.25%	13.9	0.14%	3682	0.26%	4064.33	377.51
City Union Bank	1	0.00%	0.17	0.00%	10	0.00%	17000.00	1700.00
ICICI Bank	94	0.07%	2.44	0.02%	1128	0.08%	2595.74	216.31
HDFC Bank	94	0.07%	1.81	0.02%	1410	0.10%	1925.53	128.37
Total	136741	100.00%	9767.96	100.00%	1409230	100.00%	7143.40	693.14

Source: Calculated data

Interpretation: Dena bank is having highest market share in no. of saving linked SHGs with 29.36 percent in total as on 31st March 2012 followed by Bank of Baroda with 29.29 percent and State bank of India with 25.51 percent. SBI is in top position in saving amount by SHGs with the market share of 35.62 percent followed by BOB and Dena bank with 27.78 percent and 12.93 percent respectively. IDBI is in top position in average saving per SHG in total followed by Bank of India and Indian Bank respectively.

Table 14: Overall Performance of Credit Linked SHGs with the Commercial Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Loan Disbursed (In Lakhs)	% Share	Avg. Loan Per SHG (In Rs)
Allahabad Bank	50	0.26%	17.21	0.25%	34420.00
Bank of Baroda	6366	33.02%	2069.23	30.10%	32504.40
Bank of India	4766	24.72%	604.33	8.79%	12680.03
Bank of Maharashtra	8	0.04%	3.64	0.05%	45500.00
Central Bank of India	1501	7.78%	639.73	9.31%	42620.25
Corporation Bank	102	0.53%	11.5	0.17%	11274.51
Dena Bank	3079	15.97%	1202.78	17.50%	39063.98
Indian Bank	315	1.63%	239.52	3.48%	76038.10
Indian Overseas Bank	98	0.51%	213	3.10%	217346.94
Oriental Bank of Commerce	0	0.00%	0	0.00%	0.00
Punjab National Bank	38	0.20%	40.08	0.58%	105473.68
State Bank of India	2377	12.33%	1501	21.84%	63146.82
Syndicate Bank	44	0.23%	9.7	0.14%	22045.45
UCO Bank	41	0.21%	38.24	0.56%	93268.29
Union Bank of India	384	1.99%	211.61	3.08%	55106.77
Vijaya Bank	17	0.09%	7.86	0.11%	46235.29
HDFC Bank	29	0.15%	25.89	0.38%	89275.86
ICICI Bank	66	0.34%	38.3	0.56%	58030.30
Total	19281	100.00%	6873.62	100.00%	35649.71

Source: Calculated data

Interpretation: Bank of Baroda is having highest market share in no. of credit linked SHGs with 33.02 percent in total as on 31st March 2012 followed by Bank of India with 24.72 percent and Dena bank with 15.97 percent. BOB is in top position in loan amount disbursed to SHGs with the market share of 30.10 percent followed by SBI and Dena bank with 21.84 percent and 17.50 percent respectively.

Table 15: Overall Performance of Women Saving Linked SHGs with the Commercial Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Saving Amount (In Lakhs)	% Share	No. of Members	% Share	Avg. Saving Per SHG (In Rs)	Avg. Saving Per Member (In Rs)
Allahabad Bank	120	0.15%	6.1	0.09%	1440	0.17%	5083.33	423.61
Bank of Baroda	35862	43.79%	2486.37	35.90%	323114	37.46%	6933.16	769.50
Bank of India	6690	8.17%	614.44	8.87%	83358	9.66%	9184.45	737.11
Bank of Maharashtra	528	0.64%	2.6	0.04%	5280	0.61%	492.42	49.24
Canara Bank	15	0.02%	1.7	0.02%	174	0.02%	11333.33	977.01
Central Bank of India	56	0.07%	16	0.23%	1120	0.13%	28571.43	1428.57
Corporation Bank	119	0.15%	8.12	0.12%	1258	0.15%	6823.53	645.47
Dena Bank	0	0.00%	0	0.00%	0	0.00%	0.00	0.00
IDBI Bank	8	0.01%	0.34	0.00%	80	0.01%	4250.00	425.00
Indian Bank	1580	1.93%	194.94	2.81%	28441	3.30%	12337.97	685.42
Indian Overseas Bank	1458	1.78%	110	1.59%	18371	2.13%	7544.58	598.77
Oriental Bank of Commerce	41	0.05%	2.63	0.04%	497	0.06%	6414.63	529.18
Punjab National Bank	1162	1.42%	51.73	0.75%	11620	1.35%	4451.81	445.18
State Bank of India	29649	36.20%	2957	42.70%	326139	37.81%	9973.35	906.67
Syndicate Bank	507	0.62%	30.79	0.44%	6770	0.78%	6072.98	454.80
UCO Bank	463	0.57%	25.13	0.36%	4993	0.58%	5427.65	503.30
Union Bank of India	3142	3.84%	400.11	5.78%	43994	5.10%	12734.25	909.46
Vijaya Bank	312	0.38%	13	0.19%	3364	0.39%	4166.67	386.44
City Union Bank	0	0.00%	0	0.00%	0	0.00%	0.00	0.00
HDFC Bank	94	0.11%	1.81	0.03%	1410	0.16%	1925.53	128.37
ICICI BAnk	94	0.11%	2.44	0.04%	1128	0.13%	2595.74	216.31
Total	81900	100.00%	6925.25	100.00%	862551	100.00%	8455.74	802.88

Source: Calculated data

Interpretation: Bank of Baroda is having highest market share in no. of women saving linked SHGs with 43.36 percent in total as on 31st March 2012 followed by State bank of India with 36.20 percent. SBI is in top position in saving amount by women SHGs with the market share of 42.70 percent followed by BOB with 35.90 percent.

Table 16: Overall Performance of Saving Linked SHGs with the Regional Rural Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Saving Amount (In Lakhs)	% Share	No. of Members	% Share	Avg. Saving Per SHG (In Rs)	Avg. Saving Per Member (In Rs)
Baroda Gujarat Gramin Bank	26641	45.37%	886.61	29.72%	266410	43.16	3327.99	332.80
Dena Gujarat Gramin Bank	21543	36.69%	1281.92	42.97%	232234	37.62	5950.52	551.99
Saurashtra Gramin Bank	10529	17.93%	814.43	27.30%	118659	19.22	7735.11	686.36
Total	58713	100.00%	2982.96	100.00%	617303	100.00	17013.62	483.22

Source: Calculated data

Interpretation: Baroda Gujarat Gramin Bank is having highest market share in no. of saving linked SHGs with 45.37 percent in total as on 31st March 2012 followed by Dena Gujarat Gramin Bank with 36.69 percent. Dena Gujarat Gramin Bank is in top position in saving amount by SHGs with the market share of 42.97 percent followed by Baroda Gujarat Gramin Bank with 29.72 percent.

Table 17: Overall Performance of Credit Linked SHGs with the Regional Rural Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Loan Disbursed (In Lakhs)	% Share	Avg. Loan Per SHG (In Rs)
Baroda Gujarat Gramin Bank	4847	60.58%	3434	67.03%	70847.95
Dena Gujarat Gramin Bank	1724	21.55%	1407.11	27.47%	81618.91
Saurashtra Gramin Bank	1430	17.87%	281.77	5.50%	19704.20
Total	8001	100.00%	5122.88	100.00%	64028.00

Source: Calculated data

Interpretation: Baroda Gujarat Gramin Bank is having highest market share in no. of credit linked SHGs with 60.58 percent in total as on 31st March 2012 followed by Dena Gujarat Gramin Bank with 21.55 percent. Baroda Gujarat Gramin Bank is in top position in amount of loan disbursed to SHGs with the market share of 67.03 percent followed by Dena Gujarat Gramin Bank with 27.47 percent.

Table 18: Overall Performance of Loan Outstanding by SHGs with the Regional Rural Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Loan Outstanding (In Lakhs)	% Share	Avg. Loan outstanding Per SHG (In Rs)
Baroda Gujarat Gramin Bank	6259	46.56%	1902.93	49.24%	30403.10
Dena Gujarat Gramin Bank	5109	38.00%	1503.12	38.90%	29421.02
Saurashtra Gramin Bank	2076	15.44%	458.2	11.86%	22071.29
Total	13444	100.00%	3864.25	100.00%	28743.31

Source: Calculated data

Interpretation: Baroda Gujarat Gramin Bank is having highest market share in no. of SHGs having loan outstanding with it at 46.56 percent in total as on 31st March 2012 followed by Dena Gujarat Gramin Bank with 38 percent. Baroda Gujarat Gramin Bank is in top position in amount of loan outstanding by SHGs with the market share of 49.24 percent followed by Dena Gujarat Gramin Bank with 38.90 percent.

Table 19: Overall Performance of Saving Linked SHGs with the Co-operative Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Saving Amount (In Lakhs)	% Share	No. of Members	% Share	Avg. Saving Per SHG (In Rs)	Avg. Saving Per Member (In Rs)
Ahmedabad DCCB	4531	14.54%	55.18	4.55%	52210	13.75%	1217.83	105.69
Amreli DCCB	579	1.86%	0.35	0.03%	7575	1.99%	60.45	4.62
Banaskantha DCCB	9292	29.81%	520.2	42.91%	107812	28.39%	5598.36	482.51
Baroda DCCB	19	0.06%	0.66	0.05%	244	0.06%	3473.68	270.49
Bharuch DCCB	784	2.52%	2.83	0.23%	9408	2.48%	360.97	30.08
Bhavnagar DCCB	864	2.77%	0.92	0.08%	10364	2.73%	106.48	8.88
Jamnagar DCCB	159	0.51%	9.67	0.80%	1696	0.45%	6081.76	570.17
Junagadh DCCB	459	1.47%	32.8	2.71%	5636	1.48%	7145.97	581.97
Kheda DCCB	426	1.37%	23.91	1.97%	5149	1.36%	5612.68	464.36
Kodinar DCCB	787	2.52%	93.06	7.68%	9683	2.55%	11824.65	961.07
Kutch DCCB	450	1.44%	0	0.00%	4500	1.18%	0.00	0.00
Mehsana DCCB	4215	13.52%	3.71	0.31%	58712	15.46%	88.02	6.32
Panchmahal DCCB	774	2.48%	29.08	2.40%	6102	1.61%	3757.11	476.57
Rajkot DCCB	3463	11.11%	4.14	0.34%	48365	12.73%	119.55	8.56
Sabarkantha DCCB	2027	6.50%	434.42	35.83%	28175	7.42%	21431.67	1541.86
Surat DCCB	1870	6.00%	1.11	0.09%	18700	4.92%	59.36	5.94
Surendranagar DCCB	39	0.13%	0.02	0.00%	605	0.16%	51.28	3.31
Valsad DCCB	434	1.39%	0.25	0.02%	4872	1.28%	57.60	5.13
Total	31172	100.00%	1212.31	100.00%	379808	100.00%	3889.10	319.19

Source: Calculated data

Interpretation: Banaskantha DCCB is having highest market share in no. of saving linked SHGs with 29.81 percent in total as on 31st March 2012 followed by Ahmedabad DCCB with 14.54 percent and Mehsana DCCB with 13.52 percent. Banaskantha DCCB is in top position in saving amount by SHGs with the market share of 42.91 percent followed by Sabarkantha DCCB with 35.83 percent.

Table 20: Overall Performance of Credit Linked SHGs with the Co-operative Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Loan Disbursed (In Lakhs)	% Share	Avg. Loan Per SHG (In Rs)
Ahmedabad DCCB	542	17.75%	143.17	12.78%	26415.13
Bharuch DCCB	218	7.14%	913.58	81.55%	419073.39
Bhavnagar DCCB	10	0.33%	0.21	0.02%	2100.00
Junagadh DCCB	9	0.29%	0.55	0.05%	6111.11
Kheda DCCB	7	0.23%	3.42	0.31%	48857.14
Kodinar DCCB	94	3.08%	19.05	1.70%	20265.96
Mehsana DCCB	1517	49.67%	7.91	0.71%	521.42
Rajkot DCCB	484	15.85%	1.94	0.17%	400.83
Sabarkantha DCCB	85	2.78%	14.57	1.30%	17141.18
Surat DCCB	43	1.41%	15.64	1.40%	36372.09
Valsad DCCB	45	1.47%	0.29	0.03%	644.44
Total	3054	100.00%	1120.33	100.00%	36684.02

Source: Calculated data

Interpretation: Mehsana DCCB is having highest market share in no. of credit linked SHGs with 49.67 percent in total as on 31st March 2012 followed by Ahmedabad DCCB with 17.75 percent and Rajkot DCCB with 15.85 percent. Bharuch DCCB is in top position in loan amount disbursed to SHGs with the market share of 81.55 percent followed by Ahmedabad DCCB with 12.78 percent.

Table 21: Overall Performance of Loan Outstanding by SHGs with the Co-operative Banks as on 31st March 2012 in Gujarat

Name of the Bank	No. of SHGs	% Share	Loan Outstanding (In Lakhs)	% Share	Avg. Loan outstanding Per SHG (In Rs)
Ahmedabad DCCB	249	8.62%	28.69	5.57%	11522.09
Amreli DCCB	11	0.38%	0.02	0.00%	181.82
Banaskantha DCCB	0	0.00%	0	0.00%	0.00
Bharuch DCCB	178	6.17%	382.12	74.25%	214674.16
Bhavnagar DCCB	22	0.76%	0.65	0.13%	2954.55
Junagadh DCCB	9	0.31%	0.55	0.11%	6111.11
Kheda DCCB	10	0.35%	1.99	0.39%	19900.00
Kodinar DCCB	90	3.12%	18.19	3.53%	20211.11
Kutch DCCB	32	1.11%	5.13	1.00%	16031.25
Mehsana DCCB	646	22.38%	2.97	0.58%	459.75
Panchmahal DCCB	13	0.45%	5.02	0.98%	38615.38
Rajkot DCCB	776	26.88%	1.34	0.26%	172.68
Sabarkantha DCCB	765	26.50%	59.79	11.62%	7815.69
Surat DCCB	40	1.39%	7.71	1.50%	19275.00
Surendranagar DCCB	1	0.03%	0.17	0.03%	17000.00
Valsad DCCB	45	1.56%	0.29	0.06%	644.44
Total	2887	100.00%	514.63	100.00%	17825.77

Source: Calculated data

Interpretation: Rajkot DCCB is having highest market share in no. of SHGs having loan outstanding with 26.88 percent in total as on 31st March 2012 followed by Sabarkantha DCCB with 26.50 percent and Mehsana DCCB with 22.38 percent. Bharuch DCCB is in top position in loan amount outstanding by SHGs with the market share of 74.25 percent followed by Sabarkantha DCCB with 11.62 percent.

Table 22: Overall Performance of NPAs against Banks Loan to SHGs and Recovery Performance of Commercial Banks as on 31st March 2012 in Gujarat

Name of the Bank	Loan Outstanding(In Lakhs)	Amount of NPAs	NPA as % to total Loan O/S
Allahabad Bank	10.21	0.40	3.92%
Bank of Baroda	5810.29	185.84	3.20%
Bank of India	884.93	4.17	0.47%
Bank of Maharashtra	40.65	0.38	0.93%
Canara Bank	64.01	15.64	24.43%
Central Bank of India	760.7	23.81	3.13%
Corporation Bank	7.26	2.01	27.69%
Dena Bank	2427.26	61.39	2.53%
Indian Bank	415.83	61.54	14.80%
Indian Overseas Bank	120	2.00	1.67%
Oriental Bank of Commerce	1.6	0.14	8.75%
Punjab National Bank	140.17	2.34	1.67%
State Bank of India	2011	164.00	8.16%
Syndicate Bank	39.67	5.54	13.97%
UCO Bank	57.7	0.00	0.00%
Union Bank of India	395.78	32.48	8.21%
Vijaya Bank	10.75	1.14	10.60%
Total	13197.81	562.82	4.26%

Source: Calculated data

Interpretation: Overall performance of commercial banks is good in loan recovery. In total loan outstanding amount of 13197.81 lakhs, NPA is only 562.82 lakhs that is only 4.26 percent of total amount. Most of the banks have less than 5 percent NPA.

Table 23: Overall Performance of NPAs against Banks Loan to SHGs and Recovery Performance of Regional Rural Banks as on 31st March 2012 in Gujarat

Name of the Bank	Loan Outstanding(In Lakhs)	Amount of NPAs	NPA as % to total Loan O/S
Baroda Gujarat Gramin Bank	1902.93	150.00	7.88%
Dena Gujarat Gramin Bank	1503.12	16.65	1.11%
Saurashtra Gramin Bank	458.2	0.03	0.01%
Total	3864.25	166.68	4.31%

Source: Calculated data

Interpretation: Overall performance of Regional Rural banks is good in loan recovery. In total loan outstanding amount of 3864.25 lakhs, NPA is only 166.68 lakhs that is only 4.31 percent of total amount. Most of the banks have less than 5 percent NPA.

Table 24: Overall Performance of NPAs against Banks Loan to SHGs and Recovery Performance of Co-operative Banks as on 31st March 2012 in Gujarat

Name of the Bank	Loan Outstanding(In Lakhs)	Amount of NPAs	NPA as % to total Loan O/S
Ahmedabad DCCB	28.69	4.52	15.75%
Amreli DCCB	0.02	0.00	0.00%
Banaskantha DCCB	0	0.00	0.00%
Baroda DCCB	0	0.00	0.00%
Bharuch DCCB	382	100.00	26.18%
Bhavnagar DCCB	0.65	0.26	40.00%
Junagad DCCB	0.55	0.00	0.00%
Kheda DCCB	1.99	0.36	18.09%
Kodinar DCCB	18.19	0.00	0.00%
Kutch DCCB	5.13	0.00	0.00%
Mehsana DCCB	2.97	2.97	100.00%
Panchmahal DCCB	5.02	4.14	82.47%
Rajkot DCCB	1.34	0.00	0.00%
Sabarkantha DCCB	59.79	4.26	7.12%
Surat DCCB	7.71	0.03	0.39%
Surendranagar DCCB	0.17	0.00	0.00%
Valsad DCCB	0.29	0.29	100.00%
Total	514.51	116.83	22.71%

Source: Calculated data

Interpretation: Overall performance of commercial banks is good in loan recovery. In total loan outstanding amount of 514.51 lakhs, NPA is only 116.83 lakhs that is 22.71 percent of total amount. Most of the banks have high NPA.

CONCLUSION

As a result of collective effort of the Government of India and Banks, more number of rural people has access to the benefits of the modern banking system. The SHG Bank linkage programme is yielding promising outcomes. Over the last five years, there has been a significant increase in the performance of the banks in terms of no. of saving linked, credit linked SHGs and loan repayment. Though there is a rapid increase in the No. of SHGs all over Gujarat, but the growth is not uniform throughout the state. The growth of SHGs is dominant with the commercial banks. All banks have major portion of women SHGs that means they are focusing on women empowerment. NPA of all banks are very low so it shows very good recovery of loan by banks and repayment of loan by all SHGs in Gujarat.

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