



Impactful Potential of Microfinance towards Achievement of SDGs: Case Study on SHGS - Bank Linkage Program in India ¹

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Abstract

The economic growth and Sustainable Development of the economy are based on the socio-economic empowerment of its population in a country. Microfinance has been recognized as one of the vital tools for poverty alleviation and socio-economic empowerment of women. Microfinance has been giving great support to poor women and helping them to move out of poverty economically and socially. Contemporaneously, United Nations General Assembly in Sept. 2015 established 17 Sustainable Development Goals (SDGs) to achieve prosperity and peace in the world with inclusion of gender equality and poverty cure. The Microfinance is directly related to six SDGs, viz., End poverty (01), Zero hunger (02), Good health & wellbeing (03), Quality education (04), Gender-equality (05), and Decent work and economic growth (08). The action plan of the G8 nations mentioned that “Sustainable Microfinance can be a key component in creating sound financial market structure in the world’s poorest countries.” Most of the poverty alleviation programs cover rural areas to provide wage and self-employment besides providing other financial service like savings, credit, money transfer and insurance. In 2022 India’s SDG rank was 121 out of 163 countries. India’s recent overall score was 60 out of 100 (NABARD-2022-2023). In India Vikshit Bharat 2047 aims to make India a developed nation focusing on gender equity, empowering women and girls for sustainable development.

In this context the initiative taken by National Bank for Agriculture and Rural Development merits mention as it has been in the forefront since 1992 to support the Self Help Group (SHG) linked projects with microfinance across the country which is popularly known as “SHG-Bank linkage program.” The pathway of Microfinance to achieve SDGs is twofold, viz., financial inclusion and social engineering. This paper critically analyses the

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progress of the SHGs through bank linked programs and identifies the challenges in the process of holistic empowerment of women and suggests the ways and means to achieve SDGs.

Key words: Microfinance. Self Help Groups. Sustainable Development Goals. NABARD, Bank Linkage.

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1 Introduction

The United Nations defines ‘Sustainable development as a development that meets the needs of the present without compromising the ability of future generations to meet their own needs.’ Sustainable development relates to economic growth, social inclusion, and environmental production. The term ‘Micro-finance’ has been recognized as a vital development tool for challenging the poverty since the beginning of the present century. It has become a worldwide movement as it has the potential to become an important component in addressing the issues by and large relating to rural poverty.

Contemporaneously, United Nations General Assembly in 2015 established 17 Sustainable Development Goals for achieving peace and prosperity in the world. Among these goals three of them, viz., End poverty (SDG1), Zero hunger (SDG2) and Gender equality (SDG5) are directly concerned with the functioning of Microfinance towards promoting gender equality and empowerment besides uplifting the poor from poverty and hunger in rural areas. From sustainability perspectives, the year 2005 was declared as International year of Microcredit by the United Nations; and the G8 member countries have reaffirmed the crucial importance of microfinance as a development tool. The action plan of the G8 countries mentions that Sustainable Microfinance can be a key component in creating sound financial market structure in the world’s poorest countries. On similar line in India, “The Viksit Bharat 2047 initiative seeks to evolve India as a developed nation by its centenary of independence, in 2047. This forward-looking plan focuses on inclusive growth and sustainable development with effective governance. Key to this transformation is the active participation of India's youth, who are seen as both the agents and the recipients of change. This approach promotes innovation and advancement as well as self-reliance, thus accelerating the achievement of Viksit Bharat 2047” (Clear tax). It is therefore microfinance intervention through SHG-Bank linkage programme assumes significance in such a process of transformation of economy in terms of SDGs globally and nationally as well.

2 Review of Literature

Brij Raj (2012) in his international conference paper has indicated the field visits to villages in the states of Andhra Pradesh and Tamil Nadu and show two states are leading in the SHGs movement in India. His field visits featured, discussions with SHG clients, rural bankers, and officials of SHG Federations. Insights gleaned

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from the ground level functioning of SHGs, and the bank linkage programmes are also described. The suggestions of this paper provide improvements to address the weaknesses in the SHGs model and the bank linkage programmes by redesigning them with the client's needs at the center.

Murlidhar Ananada Lokhande (2016) in his study highlights on status of Microfinance, role of banks, challenges, and prospects of SHG-Bank linkage programmes in India. This study based on the secondary data argues that Micro financing through self-help groups has proved to be a strategic measure for organizing poor people in groups and promoting saving habits to gain access to institutional credit for their socio-economic development and empowerment. The researcher concluded that the microfinance program has a high degree of outreach to poor.

Atib Batul (2021) in his international paper has shown that the trend of average of loans disbursed to SHGs, amount of bank loans and loan disbursed to SHGs, amount of bank loan outstanding and agent-wise it's associated gross NPA from 2015 to 2020. The author concluded that the coverage of microfinance SHG – BLP has positive economic impact and perspectives.

Dhirendra Srivastava (2022) claims SHG-BLP as world's largest microfinance programmes and highlighted some challenges for SHG-BLP which include competition from similar women group led government sponsored National Livelihood Rural Mission, uneven regional distribution and non-performing concerns.

Although a good number of literatures on Microfinance linked with SHGs system are present, most of them are concerned with the economic implication of Microfinance on the livelihood of the poor. Limited references that deal with Microfinance implications from sustainability goals orientation are found available since the emergence of SDG concept itself in 2015 onwards. However, National Bank for Agricultural and Rural Development (NABARD) in its report on annual status of Microfinance in India 2022-23 has clearly highlighted that "almost in all the SDGs, SHGs can play a major role in generating funds for development and render community orientation to the interventions. The pathway of microfinance to SDGs is twofold. One is financial inclusion and other is through social engineering" (NABARD 2022-23).

In this regard, V. Rengarajan (2022) in his critical analysis on the pathway of microfinance from SDG perspectives highlighted the contemporaneous issues such as multiple financing, over indebtedness, ineptness of the products, digital divide, cyber-crimes, exclusion after inclusion, diversion of credit, gender gap disconnection with green finance. All these factors may likely to impede the contribution of SHG-MF to SDGs in the pathway to sustainability.

The literature insight on the subject reveals the fact on both the potential of Microfinance and critical gaps as well in the sustainability pathways. However, in the context of implementation of Viksit Bharat and the

imperative need for achievement of SDG mission, it is surmised that an investigation on the implementation of SHG-Bank linkage programmer would be useful in appreciation on the field realities on the outcome of happenings across regions in India and further working out strategies for robust implementation of the same.

With the given premise, the paper makes a descriptive analysis based on secondary data.

3 Objectives of the Paper

The specific objectives are given below:

1. To highlight the nexus between SHG-Microfinance (MF) and SDGs.
2. To critically analyses the progress in the implementation of SHG-Bank linkage program across the regions in India.
3. To identify the challenges in the implementation of SHG-Bank linkage programme and
4. To suggest policy recommendation for achieving SDGs through SHG- MF system.

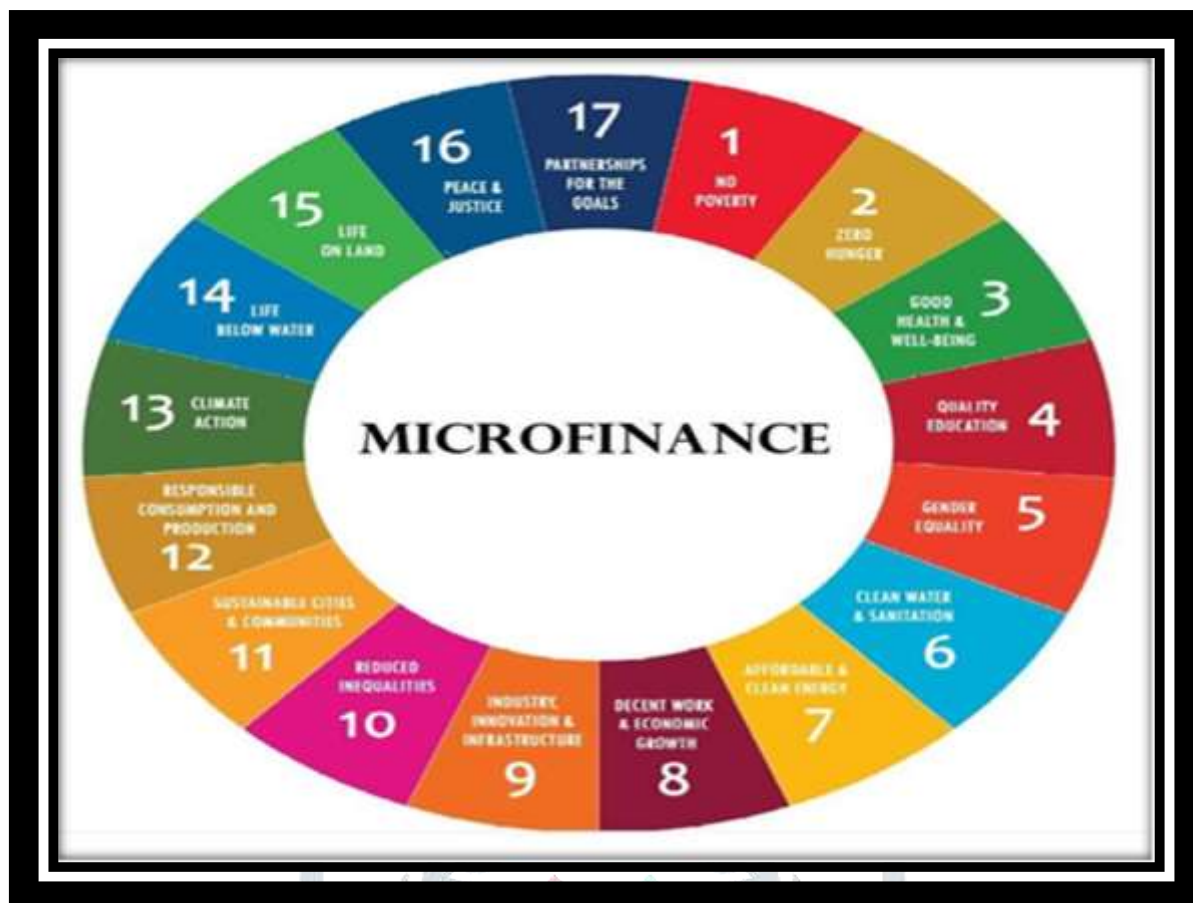
4 The Nexus between MF and SDGs

The United Nations indicates that the sustainable development is a development that meets the needs of the present without compromising the future generations to meet their own needs. It includes harmonizing three elements viz., economic growth, social inclusion, and environmental protection.

According to NABARD “in almost all SDGs, SHG can play a major role in generating funds for development and render community orientation to the interventions. Microfinance –SHG system provides clear way to SDGs in the form of financial inclusion and social engineering” NABARD (2023-24).

In this juncture an attempt has been made to illustrate these 17 SDGs surrounded over the central input namely Microfinance under SHG system as shown in figure 1.

Figure 1 SDGs and Microfinance



For a better understanding, the nexus between MF and SDG, the part played by MF in contributing directly or indirectly or both ways towards achievement of SDGs under respective goals, has been enlisted as follows.

SDG 1 No Poverty

SHG were able to access higher amount of loan from the banks that enhanced capital availability to poor household which led to diversification of income generating activities of SHG members resending mostly women. This system has also facilitated the poor for improving their level of savings and risk bearing ability thereby enabling them to come out of poverty.

SDG 2 Zero Hunger

The SHG assistance in various forms viz., awareness creation on nutrition among the members, providing micro credit for income generation activities like crop/vegetable/flower cultivation, livestock rearing and consumption loans that have facilitated for ending hunger and improving nutrition at household level.

SDG 3 Good Health and Well-Being

The social & economic empowerment of women through SHG system means improved financial security, improved power relationship within household and society, enhanced awareness on health, increased contribution in household decision making along with men and recognition to women.

SDG 4 Quality Education

Many SHGs members through interaction with other members during group meetings can appreciate the value of education for their children. Reportedly 80% of women were able to access to quality education to their children.

SDG 5 Gender Equity

SHGs meetings facilitated women for better decision making at home and community, and higher level of confidence possession besides equitable capability for mobilization of financial resources from the banks.

SDG 8 Decent Work and Economic Growth

The participation in SHG-MF system has helped to promote employment opportunities and enhancement of productivity in various kinds of diversified micro enterprise activities in rural economy such as dairy, poultry, handicrafts, tailoring, food processing, micro enterprises etc. SHGs also work as medium for promoting government employment oriented development schemes in rural areas.

These are indicative impact of the linkages between SHG-MF and SDGs and some of the goals are cross cutting with this kind of SHG linkages contextually benefiting the poor women members. It may be noted that besides the beneficiaries of SHG- bank linkage program, the most of the women beneficiaries who are directly financed (micro credit) by Micro financial Institutions (MFI) that are also benefitted thereby challenging gender equality and inclusivity concerns.. Therefore, in MF market the micro credit loans directly impact the SDGs related to goal nos. 1,2,4,5,8,10 as well indirectly impacting the goal nos. 3,6,7,11,12 and 16.

5 Shel Help Groups – Indian Experience

5.1 Origin

From its inception in 1986, the concept is now being fully implemented in three countries in the Asia-Pacific region, pilot tested in several other countries and linkage components introduced in existing poverty alleviation programmes, across the world. Amidst this seeming failure of the formal financial system to cater to the rural poor, an informal segment particularly those comprising small, indigenous SHGs were achieving some success in saving and lending activities on a very micro scale. The amounts involved were minute, the processes followed were simple but the operational systems seemed to be very effective. NABARD also conducted during 1987 a wider survey, as part of an APRACA member country initiative, covering about 50 SHGs of rural poor functioning in different parts of the country. Encouraged by the results of the studies of SHGs experience, NABARD began exploring the possibilities of establishing linkages between such groups and banks. NABARD has been in the forefront since 1992 to support the Self - Help Projects across the country. Now, many Commercial Banks are also supporting SHGs as part of their regular lending operations. NABARD in 1992 formed the SHG Bank Linkage Project, which is today the world's largest microfinance project. From 1993 onwards, NABARD, along with the Reserve Bank of India, allowed SHGs open saving bank accounts in the

commercial banks.

It would be interesting to observe this MF-SHG program has been well patronized by the government authorities as potential tool to outreach the poor in the last mile and therefore many of the government flagship programmes like NRLM/SLRM have the component of SHG as discussed below.

5.2 SHG - MF – Linkage with Government Programs

Realizing the advantages of these SHG system, the government of India have implemented many pro poor development programmes with the components of SHG at ground level for challenging poverty, hunger, gender equity and inclusivity anxieties. To mention, Swarna Jayanti Gram Swarozgar Yojana (SGSY) was launched in 1999 by amalgamating programmes like IRDP (Integrated Rural Development Programme) and several allied programs such as TRYSEM (Training of Rural Youth for Self- Employment), DWCRA (Development of Women and Children in Rural areas), SITRA (Supply of Improved Toolkits to Rural Artisans), GKY (Ganga Kalyan Yojana) and MWS (Million Wells Schemes). This is a holistic program covering all aspects of self - employment such as formation of Self- Help Groups (SHGs), training, credit, technology, infrastructures, and marketing. The program aims at establishing the large number of micro-enterprises in rural areas.

Presently poor women group-based programmes VIZ., National Rural Livelihood mission (NRLM) and State Rural Livelihood Mission (SLRM) gained significantly empowerment in terms of leadership & management quality and more participation in work force in rural areas.

At state level, the programmes like Velugu in Andhra Pradesh, Jeevika in Bihar, Kudumbashree in Kerala, Mahalir Thittam in Tamil Nadu run by Tamil Nadu Corporation for Development of Women started with a focus on empowerment of women through SHG system in their respective state.

Towards strengthening the local financial inclusion mission, since 1992, NABARD's grant support to development institutions/agencies like NGOs, SHG federations Commercial Banks, Co- operative Banks, RRBs, NGO-MFIs, PACS, Farmers Clubs and Individual Rural Volunteers (IRVs) for promotion, nurturing, and credit linkage of SHGs has been catalyst for the spread of SHG-BLP programme across the country. Cumulatively, two the grant support sanctioned as on 31 March 2023 stood at Rs. 428.39 crore and Rs.180.38 crore, respectively. The cumulative number of SHGs savings linked under FIF stood at 6.85 lakh whereas credit linked SHGs were 4.14 lakh. The grant assistance for SHG formation is now provided by NABARD very selectively and in only such areas where NRLM is not working intensively while support continues uniformly for training and capacity building of various stakeholders.

5.3 SHG-BLP – Progress

SHG-BLP is the largest microfinance programmes in the world, patronized by NABARD in India. More

than 90% of the SHGs are women Self Help Groups. Microfinance which directly impact on SDGs concerned with 'No poverty.' No hunger, good health, Quality education, Gender equality, good jobs and Economic growth, and other goals are directly as well as impacting Goal nos. 3,6,7,11,12, and 16. For the past 30 years the SHG movement is gaining powerful intervention to cover the small and marginalized sections. According to NABARD's status report on Microfinance in India 2022-23 "with the collaboration of NGOs, Banks, the state Governments, SHG- BLP Programmes as on 31 March 2023 touches 16.19 crore rural households were covered under the SHG- BLP. A total of 134.03 lakh SHGs were savings linked to the banking sector with savings of Rs. 58,892.67 crore, registering growth of 13% and 25% over the previous year."

All these performances of SHG - BLP system demonstrate the sustainability of SHG which is also indispensable condition for its contributory role to SDGs. "It touches 17.8 crores households, through more than 144 lakh SHGs with deposit of over 65,089 crore and the annual loan take off 2,09,286 crores The volume of 14.2 cores of SHG women members it is increasing 17.8 crores of SHG women members (2023-24) from poor households indicates the potential coverage of the vulnerable section under empowerment process." (NABARD 2023-24).

According to NABARD's status report on microfinance in India that in 2022 "India's SDG rank was 121 out of 163 countries. India's recent overall score was 60 out of 100". (NABARD-2022-23). Although SHG-BLP is present across India covering all states & UTs, it took off well in southern region and grew exponentially. **Table 1** presents region wise progress in SHG- BLP and reveals the regional imbalance in growth of SHG-BLP regardless in terms of number of SHGs, amount of loan disbursed and average loan disbursed.

The table 1 indicates that in 2019-2024 at all India level, the southern region recorded the highest number of SHGs (52% to 38%) and loan disbursed (71% to 63%) and average loan disbursed. Although it ranked second having number of SHGS (38%) in 2023-24, it reached first position from 2019- 2023, reflecting both high outreach and sustained credit linkage, and well-functioning SHGs programmes. In 2019-2020 and 2021-2022 all-India level, the Southern region recorded the highest number of SHGs, accounting for 52% and 44% respectively, total loan disbursed followed by the Eastern region with 35% and 38% respectively. The lowest

Table 1 Status of SHGs Regions wise SHGS, Average loan disbursed in India 2019–2024

Regions	No of SHGS					Loan disbursed					Average loan disbursed				
Years	Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5
Southern	I	I	I	I	II	I	I	I	I	I	I	I	I	I	I
Eastern	II	II	II	II	I	II	II	II	II	II	II	V	II	IV	V
Western	III	III	III	IV	IV	III	III	III	III	III	IV	III	IV	III	II
Central	IV	IV	IV	III	III	IV	IV	IV	IV	IV	VI	VI	VI	VI	VI
Northern	V	VI	VI	VI	VI	V	V	VI	VI	VI	V	IV	V	V	IV
North Eastern	VI	V	V	V	V	VI	VI	V	V	V	III	II	III	II	III

Note: I, II, III, IV, V and VI are status rank progress in each period.

Y1=2019-20. Y2=2020-21. Y3=2021-22. Y4=2022-23. Y5=2023-24.

Source: Derived from **Annexure 1**.

percentage of SHGs is noticed in Northern (1.3%) in 2019-2020 and Northern region (2.3%) in 2023-2024. The highest total loan disbursed was also found in the Southern region (70.6%) in 2019-2020 and (62.9%) in 2023-2024 respectively, followed by the Eastern region (23%) and (26%), while the northern region shows the lowest disbursement (0.7%) and (1.1%) respectively. The average loan per SHGs was highest in the southern region (3.4laksh) and (4.3 Lakhs) respectively followed by the Eastern region (1.64 Lakhs) and (2Lakhs) and the lowest in the Central region (0.94 lakhs) and (1.2 Lakhs) respectively. However, the overall number of SHGs declined due to challenges posed by the COVID-19 pandemic and associated lockdowns. Savings reduced as many households diverted funds to meet essential consumption needs.

Encouragingly, by 2023–24, with economic recovery started booming up, the total number of SHGs increased across the country as per table 1. In regard to regional spread, the Eastern region overtook others, accounting for the highest number of SHGs (43.1%), followed by Southern (38%), and Northern region (2.5%). The Southern region continued to lead in total loan disbursement (62.9%), followed by Eastern region (24.6%), and only less than 2% in the Northern region. The average loan disbursed per SHG was ₹6.3 lakhs, ₹2.1 lakhs, and ₹1.9 lakhs Southern, Eastern region, and in the Central regions respectively.

The growth in the number of SHGs in the Eastern region during 2023–24 can be attributed to government initiatives, especially the Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM), which played a more competitive role in promoting SHGs and improving financial access than through SHG-Bank linkage programme. These initiatives empowered women to engage in economic activities such as piggery, poultry, farming, and small businesses like roadside shops thereby facilitating achievement of SDGs 1, 2, 5 & 8.

While the Eastern region showed a high growth rate in SHG formation and savings, the Southern region experienced considerable growth in total savings and loan disbursement. Other regions—including the Northern, North Eastern, Central, and Western—also witnessed growth, but it was not as significant or remarkable which may be due to lack development infrastructure and other gender led competitive schemes.

5.4 Regional Imbalance

Although SHG-BLP is present across India covering all states &UTs, it took off well in southern region and grew exponentially. Among the region southern and eastern tangible progress is seen. North and north eastern regions are lagging in this regard. This uneven progress of SHG-BPL may not help in ushering in achievement of SDGs on equity basis in the development path.

6 The Challenges for SHG-MF System in Pathway to Sustainability

The SHG-Bank linkage programmes are single largest one which has spread across the country covering all the states and UTs benefiting 16.2 cores households through 134 lakhs SHGs (NABARD2022-23). But at the same

time SHG remains in informal sector with the management of SHGs remains in the hands of the group members who are poor including socially illiterates and economically marginalized. Further there is a mushroom growth of micro financial institutions which are liberally providing micro credit alone besides traditional money lenders in rural area posing a threat to the morale of group members in SHG-BANK linkage project. Despite providing capacity building and other training programmes to these group members, following are some of the challenges that hurdle the contribution of SHG programmes to the achievement of SDGs in the development pathway.

In the demand side, uncontrolled behavior of members for going multiple borrowing from different sources including neighboring SHGs. This unethical act leads to Over Indebtedness and financial stress at borrowers' household level. In many cases this sordid situation has caused drop out or sometimes pushed out of members from the SHG. In some other cases, due to failure of group members to honor the commitments, group mortality has been reported. In some others cases, Poor financial management and autocracy of the leaders of group caused mortality of the group. These factors cause serious inclusion concerns after inclusion in SHG system thereby affecting SDGs No. 1&2.

In the supply front, there is presence of multiple lending to the same borrowers by different Micro financial institutions in the informal sector, this unchecked phenomenon is overheating the household economy ultimately leading to poor recovery of loans and high level of nonperforming asset to the MFIs there by choking the supply of micro finance to the poor. Reportedly in some other cases the factors such as levy of higher interest rate by MFIs as modern money lender to mainstream banking sector and rude behavior of the agents and the group leaders during recovery period, have culminated in commitment of suicides of the poor client (mostly witnessed in Andhra Pradesh).

Both demand and supply sides in SHG-MF market arena are threatened with the above challenges that hurdles sustainability in the development pathway from SDG perspectives.

7 Recommendations

In view of harnessing the impactful potential of SHG linked programs in general and SHG-BLP in particular towards achieving SDGs following recommendations are made for policy consideration.

7.1 Convergence of SHG Linked Pro Poor Program

Besides SHG-BLP program, SHG mode of conduiting Microfinance is adopted for pro poor government program in different names like Velugu in Andhra Pradesh, Jeevika in Bihar, Mahalir Thittam in Tamil Nadu, and Kudumbashree in Kerala. These programmes need to be converged prudently for avoiding duplication and multiplication of MF assistance resulting financial stress and veritableness at household level, Further this structural unification would go a long way for sustainable inclusion and women empowerment of the target group- poor there by facilitating poverty cure and zero hunger more effectively.

7.2 Provision of Integrated Microfinance

In the context of the multi – dimensional poverty and sustainability goal perspectives, the critical factors such as blind financial inclusion , enabled by digital technology, for delivery of micro credit alone and duplication of gender empowerment program, are having deleterious effects on the sustainability pathway to the no poverty agenda as envisaged under of SDGs and Viksit Bharat 2040 as well.. In the case of financial inclusion, there is a need to ensure accessibility to integrated micro financial services and products viz, Micro insurance, micro pension etc., besides providing timely and adequate credit needed by vulnerable groups at an affordable cost.

7.3 Effective Monitoring and Evaluation of SHG Mode of Financing

In rural informal / non formal financial market, various financial institutions like MFI, NBFC-MFI, NGO, the Banks, beside traditional money lenders, are actively participating in the cut throat competitive niche market with the poor clients .Further these lenders are unethically taking advantage of SHG cohesive value system serving as collateral substitute for their loans. without any lending norms. This unprincipled practice in poor segment in rural area creates duplicates of financing or multiple financing without credit discipline. This is having a cascading effect on household economy in terms of over indebtedness and non-performing assets in the MF market. Ironically there is no record of comprehensive data on total number SHGs comprehensively nurtured by different self -help promoting agencies(SHPI) and their details on MF activity in banking sector in India. This sordid situation may not facilitate diligent monitoring and implementation of SHG activities in to conductively contribute towards achievement of SDGs and Viksit Bharat as well.

RBI and NABARD may consider a prudential governance system to regulate all the participating institutions through SHG system collectively for reporting the details on their participation under Credit Information Company (CIC) to preview and monitor the same periodically. In this regard it merits mention on the imperative need for digital recording for financial services and transparency of data base in SHG –MF system under various programs comprehensively. For the said purposes, capacity building programme for SHG need to include digital literacy campaign for all the SHG members with the provision of networking facility in their respective areas.

7.4 Green Linked Microfinance through SHG

Beside microfinance for income generating activities through SHG system, there is a need for promotion of financial linkages with climate change ecology from SDG perspectives. Until recently, green finance and financial inclusion have been treated in the academic and policy literature mostly as two distinct and largely unrelated concepts. Key target groups for financial inclusion tend to be disproportionally exposed to the risks and impacts of local and global environmental change, while also playing an important role in mitigating environmental damage. There is, therefore, a contemporaneous need for a holistic approach in MF market that combines green finance and financial inclusion policies in an integrated Inclusive Green Finance (IGF) approach, as it helps ensure a sustainable financial inclusion and poverty cure.

7.5 Replication of SHG-BLP Model

To correct regional imbalance in the progress in SHG-BLP as evidenced in table 1, success stories from well performing states may be compiled for replication of SHG-BLP model for adoption by the states with low performance states in this regard.

Inclusion of Vulnerable /Marginalized Poor

On similar pattern of SHG, NABARD has promoted Joint Liability Group (JLG) exclusively covering the most marginalized poor representing small & marginal farmers agricultural laborers, tenant farmers, land less farmers share croppers (without title deeds. From equity goal poverty cure perspectives under SDGs and Viksit Bharath 2047, based on the model of SHG –BLP, Joint Liability Group –Bank linkage model (JLG-BLP) may be considered for deepening inclusion of the marginalized group of poor in the last mile.



Annexure 1 Region -Wise Status of Bank Lon Disbursed to SHGs during 2019-2024

Region	2019-20					2020-21					2021-22				
	No.of SHGs	%	Total Loan disbursed (Lakhs)	%	Avg loan dis-bursed (Lakhs)	No.of SHGs	%	Total Loan disbursed (Lakhs)	%	Avg loan dis-bursed (Lakhs)	No of SHGs	%	Total Loan disbursed (Lakhs)	%	Avg loan dis-bursed (Lakhs)
1	2	3=2/total	4	5=4/total	6=4/2	2	3=2/total	4	5=4/total	6=4/2	2	3=2/total	4	5=4/total	6=4/2
Northern	62905	2.0	84694	1.1	1.3	67658	2.3	94045	1.6	1.4	79532	2.3	117102	1.1	1.5
North eastern	37807	1.2	57893	0.7	1.5	68116	2.4	103651	1.8	1.5	94871	2.8	184636	1.9	1.9
Easten	1123517	35.7	1785075	23.0	1.6	1124578	38.9	1487551	25.6	1.3	1301505	38.3	2568978	25.8	2.0
Central	111074	3.5	104249	1.3	0.9	128617	4.5	105428	1.8	0.8	184322	5.4	216983	2.1	1.2
Western	174218	5.5	249327	3.2	1.4	161159	5.6	230331	4.0	1.4	239086	7	381363	3.9	1.6
Southern	1636481	52.0	5484696	70.6	3.4	1337266	46.3	3786063	65.2	2.8	1498951	44.2	6503860	65.2	4.3
All India	3146002	100.0	7765934	100.0	2.5	2887394	100.0	5807068	100.0	2.0	3398267	100	9972923	100	2.9

Region	2022-23					2023-24				
	No of SHGs	%	Total Loan disbursed (Lakhs)	%	Avg loan dis-bursed (Lakhs)	Noof SHGs	%	Total Loan disbursed (Lakhs)	%	Avg loan dis-bursed (Lakhs)
1	2	3=2/total	4	5=4/total	6=4/2	2	3=2/total	4	5=4/total	6=4/2
Northern	102931	2.4	206437	1.4	2.0	138391	2.5	318183	1.5	2.3
North eastern	123602	2.9	313764	2.2	2.5	177015	3.2	526355	2.5	3.0
Easten	1634604	38	3338333	23	2.0	2361377	43.1	5147356	24.6	2.2
Central	278359	6.5	463673	3.1	1.7	397413	7.2	774839	3.7	1.9
Western	273253	6.4	675144	4.7	2.5	329034	6	1004150	4.8	3.1
Southern	1882772	43.8	9522672	65.6	5.1	2078922	38	13157704	62.9	6.3
All India	4295521	100	14520023	100	3.4	5482152	100	20928587	100	3.8

Source: NABARD, Status of Micro Finance in India - 2022-23 and 2023-24.

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