



TREND IN THE DISBURSEMENT OF LOANS TO SHGS BY BANKS UNDER SGSY IN INDIA

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INTRODUCTION

Swarnajayanti Gram Swarozgar Yojana (SGSY) aims at establishing a large number of micro enterprises in rural areas based on the ability of the poor and potential of each area. This is different from earlier programmes like IRDP, TRYSEM, DWACRA, SITRA, GKY and MWS in terms of strategy. It has been conceived as a holistic programme of self – employment. It covers all aspects of self-employment of the rural poor viz. organisation of poor into self-help groups (SHGs) and their capacity building, training, selection of key activities, planning of activity clusters, infrastructure build up, technology and marketing support. A major shift of SGSY is its emphasis on social mobilisation of the poor. The programme focuses on organisation of the poor at grassroots level through a process of social mobilisation for poverty eradication. Social mobilization enables the poor to build their own organisations in which they can fully and directly participate and take decisions on all issues that will help them to cross the poverty line. SHG may consist of 10-20 persons belonging to families below the Poverty line and a person should not be a member of more than one group. In the case of minor irrigation schemes and of disabled persons, the minimum may be five. Efforts are to be made to involve women members in each SHG and 50 per cent of SHGs in each block should be exclusively of women. Group activities are to be given preference and progressively majority of funding should be for SHGs. against this back drop, an attempt is made to analyse the disbursement of an amount under SGSY to SHGs in terms of year, agency and region both in India and Andhra Pradesh (AP) during 2008-13.

1. Year – Wise

A look at the Table 1 shows that the loans disbursed to SHGs under SGSY have increased from Rs 1857.74 crores spread over 2.47 lakhs SHGs in 2008 to Rs 2207.47 crores over 1.81 lakhs SHGs under SGSY in 2013 with fluctuations. The loan disbursed per SHG was

Table 1 : Year - wise Loans Disbursed to SHGs under SGSY during 2008-13

Year	No. of SHGs	Amount (Rs crores)	Per SHG(Rs)
2008	246649	1857.74	75319
2009	264653	2015.22	76146
2010	267403	2198.00	82198
2011	241000	2480.37	102920
2012	210000	2643.56	125884
2013	181000	2207.47	121960

Source: Relevant issues of NABARD, **Status of Micro Finance in India**

Rs 75319 in 2008 as compared to Rs 121960 in 2013. There is a similar trend in amount in both at aggregate and per SHG.

2. Agency –Wise

The loans disbursed by commercial banks were Rs 1103.70 crores in 2008 vis-à-vis 1072.61 crores in 2013 (see Table 2). Of the total, these have constituted 59.41 per cent and 48.60 per cent in the former and the latter respectively. The regional rural banks (RRBs) have

Table 2: Agency wise Loans Disbursed to SHGs under SGSY during 2008 – 13(Rs crores)

Year	Commercial banks	Regional rural banks	Cooperative banks
2008	1103.70(59.41)	597.71(32.17)	156.33(8.42)
2009	1102.38(54.70)	655.27(32.52)	257.57(12.78)
2010	1215.50(55.30)	682.41(31.05)	300.09(13.65)
2011	1237.82(49.91)	838.48` (33.81)	404.07(16.38)
2012	1322.21(50.02)	982.24(37.15)	339.10(12.83)
2013	1072.61(48.60)	735.36(33.31)	399.49(18.09)

Note: Figures in brackets indicate the percentage to total,

Source: Relevant issues of NABARD, **Status of Micro Finance in India**

Occupied the second place with a share varying between 31.05 per cent and 37.15 per cent during the period. The cooperative banks came last. Their proportion was 8.42 per cent in 2008 as against 18.09 per cent in 2013.



3. Regional spread

Among the regions in the country, southern region ranked first in four years and second in two years. Its account was in the range of 26.91 – 43.33 per cent (see Table 3). The eastern region came first in two years and second in the remaining four years. The central region.

Table 3 Region wise Loans Disbursed to SHGs under SGSY during 2008 - 13(Rs lakhs)

Year	Northern	Northeastern	Eastern	Central	Western	Southern
2008	6283.68(3.38)	8287.4(4.47)	41205.45(22.18)	34314.3(18.47)	17993.12(9.68)	77690(41.82)
2009	10468.01(5.34)	10605.23(5.41)	47849.77(24.42)	45809.72(23.38)	14026.41(7.15)	67207.76(34.30)
2010	13258.73(6.03)	14101.69(6.41)	66224.50(30.13)	44398.26(20.20)	19722.66(8.97)	62094.17(28.26)
2011	12892.13(5.19)	21634.74(8.72)	83563.61(33.69)	42440.82(17.12)	20766.07(8.37)	66739.78(26.91)
2012	6090.15(4.82)	8242.60(6.54)	33581.73(26.61)	18919.60(14.98)	23467.29(18.60)	35904.40(28.45)
2013	13154.69(5.96)	10914.76(4.94)	43030.50(19.49)	41068.71(18.61)	16933.99(7.67)	95644.51(43.33)

Note: Figures in brackets indicate the percentage to Total,

Source: Relevant issues of NABARD, **Status of Micro Finance in India**

occupied the third Place throughout the period leaving 2011. The north eastern and northern regions followed them sequentially. Among the regions, the percentage of northern and north eastern is less volatile.

4. Andhra Pradesh

It observed from Table 4 that, in AP, the loans disbursed were Rs 32722.65 lakhs in 2008 while Rs 29098.79 lakhs in the year 2013. There is a gradual decrease during the period leaving

Table 4: Year - wise Loans Disbursed to SHGs under SGSY in AP during 2008-13

Year	No. of SHGs	Amount (Rs lakhs)	Per SHG(Rs)
2008	36285	32722.65	90182
2009	11595	10865.14	93705
2010	9984	7064.72	70760
2011	9954	2771.56	27843
2012	4961	4918.32	99139
2013	15688	29098.79	185484

Source: Relevant issues of NABARD, **Status of Micro Finance in India**

a increase in the years 2012 and 2013 over the respective previous years. There is a remarkable increase in 2013 over 2012. A similar trend exists in the number of SHGs.

A glance at the Table 5 reveals that the share of commercial banks was in the range of 93.49 to 34.08 per cent in disbursement. RRBs 64.94 - 6.51 per cent, cooperative banks 0.06-

Table 5: Agency wise Loans Disbursed to SHGs under SGSY in AP during 2008 - 13(Rs lakhs)

Year	Commercial banks	Regional rural banks	Cooperative banks
2008	22975.58(70.21)	9744.95(29.73)	2.12(0.06)
2009	7635.32(70.27)	3035.08(27.94)	194.74(1.79)
2010	2407.62(34.08)	4588.04(64.94)	69.06(0.98)
2011	1456.19(52.54)	803.78(29.00)	511.59(18.46)
2012	4144.72(84.27)	773.60(15.73)	NA
2013	27205.85(93.49)	1892.94(6.51)	NA

Note: Figures in brackets indicate the percentage to Total, NA: Not Applicable

Source: Relevant issues of NABARD, **Status of Micro Finance in India**

18.46 per cent. The situation in AP contradicts the all India one.

CONCLUSION

It may be concluded that there is almost a growing trend in the disbursement loans to SHGs under the SGSY. Among the bank categories, commercial bank ranked first in both India and AP. The account of these have declined as against an increase in the share of RRBs and Cooperatives. Of the regions, southern occupied the first place. The volatility in AP is high as compared to India. There is a surprising increase in 2013 over 2012. Finally, we may say that the SHGs movement in terms of disbursement of loans under SGSY glows during the period in AP as well as India.

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