



A STUDY ON FINANCIAL ASSISTANCE OF RRBS TOWARDS EXCLUSIVE WOMEN SHGs

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Abstract

Financial inclusion and empowerment of women are two major economic agenda in our nation over the last few decades. A number of initiatives were taken by the Central Government and Reserve Bank of India to bring the marginal and weaker section of our society under the umbrella of banking sector. Formation of Regional Rural banks (RRBs) is one of such initiatives, the major objective of which was to provide financial assistance and literacy to the people of rural and remote areas. Again, the development of the nation can't be successfully achieved without the development and empowerment of women. A number of initiatives were taken by Central and state governments, NABARD, different financial institutions and NGOs etc. for empowerment of women. One of such initiatives was formation of SHGs which is now a strong weapon of women empowerment and financial independence. In this paper an attempt is made to observe the role of RRBs in respect of financial attachment and assistance towards exclusive women SHGs in our country during the study period. The study reveals that the RRBs have played a pivotal role towards economic development of exclusive women SHGs during the study period. The number of women SHGs linked with savings account of RRBs, the amount invested in savings account and the loan disbursed to them have been increased at a rapid pace during the study period and this growth is observed in major portion of our country which is definitely a good sign for our economy.

Keywords: *Financial Inclusion, Empowerment of Women, Exclusive Women SHGs, RRBs, NABARD.*

Introduction

Rural market and financial inclusion are one of the key issues of our economy for last few decades as still now more than 65% of our population lives in rural areas and it contributes nearly 30% of our GDP. Banking sector is playing a major role in development of rural economy since independence and a number of measures have been taken by the Central Government and Reserve Bank of India (RBI) for inclusion of common people in this sector. One of the most important initiatives was nationalization of 14 major commercial banks in 1969 and 6 more major commercial banks in 1980. The main objective of this initiative was to promote rapid growth in agriculture, small industries and exports, to encourage new promoters and to develop all backward areas. But commercial banks failed to reach major portion of people of underdeveloped and backward remote areas. To overcome this drawback, the Regional Rural Banks (RRBs) were established on the recommendations of Narsimha Committee on rural credit in 1976 to develop the rural economy by providing financial assistance to small and marginal farmers, agricultural labours, artisans and small entrepreneurs to develop agriculture, trade, commerce, industry and other productive activities in rural areas. The committee opined that RRBs would be much better option to meet financial needs of the rural areas than commercial and cooperative banks to develop the rural economy by providing financial assistance to agriculture, trade, commerce, industry and other productive activities in rural areas, particularly to small and marginal farmers, agricultural labours, artisans and small entrepreneurs.



As on 31st March, 2020, there were 45 RRBs functioning in 685 districts of 26 states and 3 Union Territories. These RRBs were sponsored by 15 commercial banks and operating through a network of 21850 branches. Total business of RRBs stood at Rs 7.77 lakh crore at the end of financial year 2019-20 and 26 RRBs earned total profit of Rs 2203 crore while 19 RRBs suffered a total loss of Rs 4409 crore during the same period.

Economic as well as national development depends on the development of women folk to a great extent. A number of initiatives have been taken in our country for women development and their empowerment since independence. One of the major initiatives in this aspect is formation of Self-Help Groups (SHGs). In 1985, Mysore Resettlement and Area Development Agency (MYRADA) first started SHGs in southern states in our country.

SHGs are small groups of 15 to 20 people, mostly women, formed for the purpose of imparting micro credit and encouraging micro-entrepreneurship and habit of thrift. Over time several agencies like National Bank for Agriculture and Rural Development (NABARD), Reserve Bank of India (RBI), different commercial banks (both public and private sector) cooperative banks, Regional Rural Banks (RRBs), leading Non-Government Organisations (NGOs) as well as multi-lateral agencies like International Fund for Agricultural Development (IFAD) helped in the growth of SHGs.

At the end of 31st March, 2020, 102.43 lakh SHGs were linked with savings bank account of commercial banks (both public and private sector), RRBs and cooperative banks throughout the country and total amount of savings were Rs 26152.05 crore, out of which 88.32 lakh SHGs were exclusive women SHGs and total amount of their savings were Rs 23320.55 crore. An amount of Rs 77659.35 crore were disbursed as loan to 31.46 lakh SHGs on the same date by the above-mentioned financial institutions, out of which Rs 73297.56 crore were disbursed to exclusive women SHGs. Total amount of outstanding loan of 56.77 lakh SHGs were Rs 108075.07 crore out of which Rs 100620.71 crore were of 51.12 lakh exclusive women SHGs on the same day. This statistic clearly indicates that SHGs are playing a pivotal role in rural economy of our country and women SHGs are in the dominating position.

Review of Literature

B. M. Kher (2013) in his paper “The Role of Rural Banks in the Development of Rural Socio-Economy” opined that the management of banks should take initiatives to provide sufficient loan to non-priority sector along with agricultural sector. The gap between short term loan for crop and the term loans for agriculture and allied activities need to be minimized. The banks should encourage the agricultural sector by providing larger amount of term loans.

G. Lodha and L. V. Trivedi (2015) in their paper entitled “NABARD: A Financial Inclusion Through Regional Rural Banks (RRB’s)” concluded that RRBs serve the backward section of the society, the rural poor and people belonging to the lower income group. The spread of financial inclusion in India through RRBs is more than significant.

M. B. Tagariya and P. C. Panchal (2016) in their paper entitled “A conceptual Study on the role of Regional Rural Banks in India” opined that commercial viability of RRBs has been under question due to its limited business flexibility, smaller size and high risk in loans and advances. These banks need to improve lack of transparency in their operation which leads to unequal relationship with banker and customer.



S. Puskar, B. K. Yadav and K. Mishra (2017) in their paper entitled “An Analytical Study of Promotion of Self Help Groups in India by active role of Microfinance (RRBs)” opined that the development of microfinancing by way of RRBs particularly via SHGs can be assessed by using looking at the records relating increased development by diverse parameters such as the wide variety of SHGs getting a mortgage, depositing their savings, tariff banking mortgage of SHGs, loan disbursed to MFIs and many other over a time period.

R. Kumar and H. Singh (2018) in their paper entitled “Role of Commercial Banks in Financing of Self Help Groups in India” concluded that commercial banks, RRBs, cooperative banks and other large lenders have played an important role in providing refinance facilities to SHGs in India. They observed that private sector banks have highest growth in savings of SHGs, loan disbursement and outstanding loan of SHGs in India.

Present scenario of exclusive women SHGs linked with RRBs in India

At the end of 31st March, 2020, 32.62 lakh SHGs were linked with savings bank account of RRBs and total amount of savings were Rs 7811.27 crore, out of which 28.46 lakh SHGs were exclusive women SHGs (87.25% of total SHGs) and total amount of their savings were Rs 7174.82 crore (91.85% of total SHGs). An amount of Rs 23543.81 crore were disbursed as loan to 10.50 lakh exclusive women SHGs on the same date. Total amount of outstanding loan of 17.38 lakh exclusive women SHGs on the same date were Rs 29272.86 crore. The amount of Gross NPA reached to Rs 1080.63 crore which is 3.69% of total outstanding loan as on 31st March, 2020.

Objectives of the study

The objectives of the present study are to observe:

1. The number of exclusive women SHGs linked with savings account of RRBs in India and the trend of their savings,
2. The amount of loan disbursed by the RRBs to the exclusive women SHGs and the trend of outstanding loan and
3. The trend of amount of NPA and its percentage on total outstanding loan during the study period.

Research Methodology

The present paper is done on the basis of secondary data only. A report entitled ‘Status of Microfinance in India’ is published by NABARD every year. The data relating to various financial aspects of exclusive women SHGs linked with RRBs have been used in this paper, is collected mainly from the said report. In the present paper the period from financial year 2014-15 to 2019-20 is considered as study period and the data of the same period has been used for presentation and analysis purpose.

Simple statistical tools have been used for analysis of data. It is to be further mentioned that no detailed state wise data relating to amount of Gross NPA and its percentage on total outstanding loan of exclusive women SHGs was available for the financial year 2014-15 and 2015-16.



Presentation of Data and its Analysis

Table 1: Overall Position of SHGs linked with RRBs during the Study Period

	31 st March, 2015	31 st March, 2016	31 st March, 2017	31 st March, 2018	31 st March, 2019	31 st March, 2020	Increase/Decrease	% Change
No of Total SHG having SB A/C	2161315	2256811	2586318	2807744	3078473	3261879	1100564	50.92
No. of Exclusive Women SHG having SB A/C	1813079	1963790	2196793	2393930	2665229	2845997	1032918	56.97
% of Women SHG over total SHG	83.89	87.02	84.94	85.26	86.58	87.25	3.36	4.01
Savings Amount credited by Total SHG (Rs Lakh)	234657.37	248428.13	363176.15	580735.2	769201.27	781127.17	546469.8	232.88
Amount of Savings of Exclusive Women SHG (Rs Lakh)	202163.96	224941.9	324379.42	538187.37	715518.76	717481.87	515317.91	254.90
% of Amount of Savings of Women SHG over total SHG	86.15	90.55	89.32	92.67	93.02	91.85	5.70	6.62
Amount of Loan Disbursed to exclusive women SHGs during the year (Rs Lakh)	749595.76	900746.18	1112462.02	1486279.61	1864274.77	2354380.58	1604784.82	214.09
Amount of Loan Outstanding by exclusive women SHGs (Rs Lakh)	1301322.15	1525307.68	1789548.96	2182290.47	2520707.21	2927285.93	1625963.78	124.95
Amount of Gross NPA of exclusive women SHGs (Rs Lakh)	86548.91	82692.09	78443.03	100864.8	97958.57	108063.24	29620.21	24.86
% of Gross NPA on Total Outstanding Loan	6.65	5.42	4.38	4.62	3.89	3.69	-2.96	-44.49

(Data Source: Status of Microfinance in India 2014-15 to 2019-20)

The above table represents the overall position of Self-Help Groups (SHGs) under Regional Rural Banks (RRBs) of India during the study period. The above table shows that 32,61,879 SHGs were linked through Savings Bank (SB) account in RRBs as on 31st March, 2020 which has been increased by nearly 51% during the study period. Out of the total SHGs linked with SB account, 28,45,997 were exclusive women SHGs which is more than 87% of the total SHGs and has been increased by nearly 57% during the study period. Total amount credited in SB account by the SHGs as on 31st March, 2020 was Rs 7,811.27 crore and the same in case of exclusive women SHGs was Rs 7,174.81 crore. Total amount of loan disbursed to exclusive women SHGs under RRBs as on 31st March, 2020 was Rs 23,543.80 crore which has been increased by more than 230% during the study period and the amount of outstanding loan as on the same date was Rs 29,272.86 crore which is increased by nearly 125% during the same period. Amount of gross NPA as on 31st March, 2020 was Rs 1,080.63 crore which is 3.69% of total outstanding loan by exclusive women SHGs under RRBs of India. Now, we will try to observe the financial position of SHGs under RRBs in details during the study period.



Table 2: Number of Exclusive Women SHGs Linked with Savings Account under RRBs and its share on total SHGs:

States and UTs	31 st March, 2015		31 st March, 2016		31 st March, 2017		31 st March, 2018		31 st March, 2019		31 st March, 2020		Inc/Dec	% Change
	Exclusive Women SHGs	% on Total SHGs	Exclusive Women SHGs	% on Total SHGs	Exclusive Women SHGs	% on Total SHGs	Exclusive Women SHGs	% on Total SHGs	Exclusive Women SHGs	% on Total SHGs	Exclusive Women SHGs	% on Total SHGs		
Haryana	13922	81.83	13583	79.75	14006	81.49	15612	85.74	15544	87.66	19182	89.77	5260	37.78
Himachal Pradesh	8736	94.27	9263	96.00	9555	96.12	10764	95.48	9656	100.00	10657	100.00	1921	21.99
Jammu & Kashmir	0	--	3550	90.40	3465	96.01	4283	96.10	1769	90.44	2706	93.44	2706	--
Punjab	6108	88.00	7417	93.11	8139	89.92	9324	90.15	10032	86.21	11943	93.17	5835	95.53
Rajasthan	55617	86.09	72308	88.31	74211	81.06	95880	90.34	103851	90.93	127018	91.93	71401	128.38
Assam	146923	76.44	168677	76.30	134605	56.98	138773	53.86	144014	53.70	158671	55.78	11748	8.00
Arunachal Pradesh	1121	80.13	1496	100.00	1672	100.00	2073	100.00	2767	100.00	3376	100.00	2255	201.16
Manipur	6473	100.00	7129	100.00	7644	100.00	9378	100.00	11389	100.00	2005	100.00	-4468	-69.03
Meghalaya	2098	52.00	2223	53.00	2283	53.01	2472	46.92	4633	38.65	6046	34.36	3948	188.18
Mizoram	3812	56.19	4083	55.73	4384	56.36	4580	53.39	7323	70.16	8119	70.90	4307	112.99
Nagaland	0	--	801	100.00	825	97.52	1025	99.81	1181	98.25	1475	100.00	1475	--
Tripura	0	--	29285	100.00	20631	70.22	20875	65.88	21567	65.50	22670	65.39	22670	--
Bihar	72197	80.87	105144	84.53	254306	97.15	340709	97.86	430473	98.30	418920	98.26	346723	480.25
Jharkhand	23215	71.06	25378	69.02	52058	73.76	40729	69.30	81986	82.05	95850	92.67	72635	312.88
Odisha	168565	98.62	181740	98.53	114168	98.69	171686	97.33	188546	94.79	210134	96.91	41569	24.66
West Bengal	172210	94.56	198516	95.72	237617	87.81	243790	96.31	272273	97.95	285204	95.93	112994	65.61
Chhattisgarh	81060	87.35	86052	87.75	87727	87.81	92275	91.68	101298	92.28	105396	92.51	24336	30.02
Madhya Pradesh	48257	35.74	63130	64.42	63104	62.87	68115	62.09	103676	69.05	114748	67.70	66491	137.79
Uttar Pradesh	153962	58.24	137296	58.77	155290	62.71	165325	64.59	169244	64.68	197646	69.67	43684	28.37
Uttarakhand	13560	66.42	14816	65.28	16292	65.80	4566	22.27	6392	27.42	8284	31.73	-5276	-38.91
Gujarat	48272	93.82	48025	93.64	47528	93.82	30101	54.20	53557	93.49	57233	95.30	8961	18.56
Maharashtra	99889	86.61	91996	88.12	104495	93.23	109756	94.50	116578	93.34	124854	88.70	24965	24.99
Andhra Pradesh	256758	100.00	270560	100.00	204866	99.78	191245	99.26	197273	99.52	218758	99.51	-38000	-14.80
Karnataka	123785	95.45	129083	93.59	199478	90.37	208975	91.66	188139	94.73	194937	96.93	71152	57.48
Kerala	48765	95.00	51810	95.02	51153	89.94	52902	86.69	46358	71.07	48989	72.09	224	0.46
Puducherry	3657	98.39	3817	96.36	4309	98.36	4722	98.77	5516	85.40	6695	98.94	3038	83.07
Tamil Nadu	72210	96.48	42114	99.10	53042	94.94	78446	92.61	91185	95.90	90765	97.00	18555	25.70
Telangana	181907	100.00	194498	100.00	269940	100.00	275549	100.00	279009	100.00	293716	100.00	111809	61.46
Total	1813079	83.89	1963790	87.02	2196793	84.94	2393930	85.26	2665229	86.58	2845997	87.25	1032918	56.97

(Data Source: Status of Microfinance in India 2014-15 to 2019-20)

The above table represents the number of exclusive women SHGs linked with SB account under RRBs and its share on total SHGs. From the table it is found that 28,45,997 exclusive women SHGs were linked with SB account under RRBs as on 31st March, 2020 which was 87.25% of the total SHGs and it has been increased by nearly 57% during the study period. In states like Himachal Pradesh, Arunachal Pradesh, Manipur, Nagaland and Telangana, all SHGs are exclusive women SHGs and in states & UTs



like Jammu & Kashmir, Punjab, Rajasthan, Bihar, Jharkhand, West Bengal, Chhattisgarh, Gujarat, Andhra Pradesh, Karnataka, Puducherry and Tamil Nadu, more than 90% SHGs are exclusive women SHGs which are linked with SB account under RRBs. The lowest share of exclusive women SHG is found in Uttarakhand (32%) followed by Meghalaya (34%) and Assam (56%).

Table 3: Amount Credited to Savings Account of Exclusive Women SHGs under RRBs: (Rs in Lakhs)

States and UTs	31st March, 2015	31st March, 2016	31st March, 2017	31st March, 2018	31st March, 2019	31st March, 2020	Increase/ Decrease	% Change
Haryana	1348.2	1249	924.03	1198.66	1421.7	2163.48	815.28	60.47
Himachal Pradesh	702	712	1526	2177.58	1612	1895	1193	169.94
Jammu & Kashmir	0	1248.03	1466.17	1705.01	425.83	548	548	--
Punjab	427	593.84	655.13	768.94	597.37	879.15	452.15	105.89
Rajasthan	3799.08	6432.54	9399.19	10144.12	11082.67	11648.14	7849.06	206.60
Assam	3719.29	4246.3	3264.58	7867.87	10514.84	14711.44	10992.15	295.54
Arunachal Pradesh	90.61	101.25	144.69	0	356.96	541.89	451.28	498.05
Manipur	77.68	133.07	153.12	187.31	268.6	63.01	-14.67	-18.89
Meghalaya	281.83	307.08	314.68	378.54	636.49	1294.28	1012.45	359.24
Mizoram	195.46	295.33	344.18	450.63	1182.46	1748.8	1553.34	794.71
Nagaland	0	0.45	65.26	88.78	138.57	327.46	327.46	--
Tripura	0	3235	4332.51	2641.2	2809.72	3277.01	3277.01	--
Bihar	11504.67	13988.37	32305.69	51931.9	78121.09	39283.24	27778.57	241.45
Jharkhand	1712.4	2198.16	5406	5986	9903.99	3927	2214.6	129.33
Odisha	17210.63	17041.85	26975.37	40072.8	51517.82	53467.94	36257.31	210.67
West Bengal	32604.11	47470.33	62346.05	86650.65	114929.27	128744.85	96140.74	294.87
Chhattisgarh	7037	7749	7457	7796.23	8247.13	8535.66	1498.66	21.30
Madhya Pradesh	9632.23	2825.06	3088.39	6289.2	15926.22	18088.67	8456.44	87.79
Uttar Pradesh	7305.42	6978.68	8888.43	9851.36	9615.55	10675.58	3370.16	46.13
Uttarakhand	1533.85	1082.32	1394.68	851.96	1301.12	1892.77	358.92	23.40
Gujarat	4209.97	4347.34	5000.09	3100.01	6729.03	7131.94	2921.97	69.41
Maharashtra	13510.89	4637.42	8992.11	9743.58	12292.7	14720.86	1209.97	8.96
Andhra Pradesh	40487.61	49869.79	74118.1	89091.44	142202.71	145714.92	105227.3	259.90
Karnataka	11485.56	14476.69	13563.17	13477	14553.16	16715.04	5229.48	45.53
Kerala	6932	7172	9039	8454	10000.59	9529.17	2597.17	37.47
Puducherry	398.51	548.37	496.57	525.55	873.78	1051.67	653.16	163.90
Tamil Nadu	5225.08	4368.17	7078.68	7383.25	8800.71	7868.02	2642.94	50.58
Telangana	20732.88	21634.46	35640.55	169373.8	199456.58	211036.88	190304.00	917.89
Total	202163.96	224941.9	324379.42	538187.37	715518.66	717481.87	515317.9	254.90

(Data Source: Status of Microfinance in India 2014-15 to 2019-20)

The above table represents the amount credited to SB account of exclusive women SHGs under RRBs during the study period. The table reveals that a total amount of Rs 7,174.82 crore were credited to the



said accounts as on 31st March, 2020 which has been increased by more than 250% during the study period. Highest increment in monetary terms was observed in Telangana (Rs 1,903.04 crore) followed by Andhra Pradesh (Rs 1,052.27 crore) and West Bengal (Rs 961.41 crore). Telangana registered highest growth in percentage term also (918%) during the study period followed by Mizoram (Rs 795%) and Arunachal Pradesh (498%). A negative growth was observed in Manipur (Rs 14.97 Lakhs, 19%) during the same period.

Table 4: Amount of Loan Disbursed to Exclusive Women SHGs by RRBs: (Rs in Lakhs)

States and UTs	31st March, 2015	31st March, 2016	31st March, 2017	31st March, 2018	31st March, 2019	31st March, 2020	Increase/ Decrease	% Change
Haryana	439	1049	910.5	1651.9	2103.95	3331.18	2892.18	658.81
Himachal Pradesh	738	983	873	497	1261	1953	1215	164.63
Jammu & Kashmir	0	958.34	973.9	1082.2	2083.88	2681.36	2681.36	--
Punjab	610.1	602.37	354.51	408.53	344.75	489.83	-120.27	-19.71
Rajasthan	2383.78	2639.26	8697.44	6238.4	8507.88	16391.44	14007.66	587.62
Assam	5585	8711.34	10735.34	18243.77	10383.76	24750.39	19165.39	343.16
Arunachal Pradesh	14.7	11	21.1	0	28.1	156.5	141.8	964.63
Manipur	110.84	220.33	180.73	269.63	596.89	863.39	752.55	678.95
Meghalaya	24.56	49.36	33.05	170.47	0	2716.64	2692.08	10961.24
Mizoram	155	27.55	140.48	560.89	1026.37	1683.02	1528.02	985.82
Nagaland	0	1.49	39.7	57.6	181.8	85	85	--
Tripura	0	2967	100.73	113.27	1688.97	4952.26	4952.26	--
Bihar	27404.5	36045.57	95641.8	139040.24	181474	286963	259558.5	947.14
Jharkhand	844.79	1884.99	4492	16258	8418	19714	18869.21	2233.60
Odisha	53571.15	34708.21	25318.69	64411	80273.26	76602.18	23031.03	42.99
West Bengal	66887.19	69897.65	54248.49	259809.93	312962.83	503392.46	436505.3	652.60
Chhattisgarh	4579	1532	5601	5925.33	15164.09	23575.58	18996.58	414.86
Madhya Pradesh	2895.1	4190.58	10551.37	5246.29	6602.03	11196.81	8301.71	286.75
Uttar Pradesh	7658.11	4767.96	3986.61	3878.53	4604.84	10342.88	2684.77	35.06
Uttarakhand	411.61	555.65	176.31	618.08	1132.75	1130.32	718.71	174.61
Gujarat	3866.48	4446.4	10474.59	4948.97	5045.65	18731.92	14865.44	384.47
Maharashtra	10638.71	8273.78	8973.16	19736.7	13363.22	26929.97	16291.26	153.13
Andhra Pradesh	194308.64	304992.55	276602.41	266901.17	479609.38	532438.39	338129.8	174.02
Karnataka	66885.71	61065.44	80253.98	106409.35	106749.59	157916.89	91031.18	136.10
Kerala	20902	20035	18191	26490	30801.37	41906.79	21004.79	100.49
Puducherry	1023.68	826.97	1806.94	2222.86	2762.95	3145.6	2121.92	207.28
Tamil Nadu	55515.3	67295.11	48563.37	52911.23	54694.12	58863	3347.7	6.03
Telangana	222142.81	262008.28	444519.82	482178.27	532409.34	521476.78	299334.00	134.75
Total	749595.76	900746.18	1112462.02	1486279.61	1864274.77	2354380.58	1604784.82	214.09

(Data Source: Status of Microfinance in India 2014-15 to 2019-20)



The above table represents the amount of loan disbursed to exclusive women SHGs under RRBs during the study period. The table reveals that Rs 23,543.81 crore has been disbursed as loan as on 31st March, 2020 by RRBs which has been increased by more than 210% during the study period. Highest increment of loan disbursement in monetary terms was observed in West Bengal (4,365.05 crore) followed by Andhra Pradesh (Rs 3,381.30 crore) and Telangana (Rs 2,993.34 crore). Meghalaya registered highest growth in loan disbursement to exclusive women SHGs in percentage term (10,961%) during the study period followed by Jharkhand (Rs 2,234%) and Arunachal Pradesh (965%). A negative growth was observed in Punjab (Rs 120.27 Lakhs, 19.71%) during the same period.

Table 5: Amount of Loan outstanding to Exclusive Women SHGs under RRBs: (Rs in Lakhs)

States and UTs	31st March, 2015	31st March, 2016	31st March, 2017	31st March, 2018	31st March, 2019	31st March, 2020	Increase/ Decrease	% Change
Haryana	5165	5369	5417.87	6209.62	6478.28	6143.93	978.93	18.95
Himachal Pradesh	2067	2204	3137	1710	3103.03	4131	2064	99.85
Jammu & Kashmir	0	913.25	852.9	1028.9	1932.15	2875.12	2875.12	--
Punjab	1726.11	1991.3	2190.15	1310.55	1061.96	1371.24	-354.87	-20.56
Rajasthan	9102.17	8402.49	7507.59	8356.14	10820	12825.92	3723.75	40.91
Assam	21907	26271.64	28640.31	38098.88	24050.82	32690.03	10783.03	49.22
Arunachal Pradesh	105.3	60	65.82	0	20.55	165.6	60.3	57.26
Manipur	246.92	517.28	546.49	626.21	928.82	1278.95	1032.03	417.96
Meghalaya	394.6	353.61	310.78	155.17	0	2098.89	1704.29	431.90
Mizoram	402	115.52	226.31	685.09	968.05	2136.75	1734.75	431.53
Nagaland	0	2.32	261.62	298.35	333.19	402.95	402.95	--
Tripura	0	6709	4889.64	4489.64	4693.67	9963.47	9963.47	--
Bihar	34664.12	43901.43	89758.46	180211.46	260020.31	337353.57	302689.45	873.21
Jharkhand	4649.49	5322.93	11487	11849	15546.91	26923	22273.51	479.05
Odisha	74743.52	80582.19	87624.14	101649.45	112093.44	136699.85	61956.33	82.89
West Bengal	121999.11	169430.81	219092.24	289725.5	380062.67	432541.84	310542.73	254.55
Chhattisgarh	8598	16117	16331	22083.79	18377.33	23150.31	14552.31	169.25
Madhya Pradesh	7969.12	19299.42	13192.13	13991.57	18000.56	22776.6	14807.48	185.81
Uttar Pradesh	35857.48	36477.42	37262.75	37809.16	33221.39	37186.37	1328.89	3.71
Uttarakhand	2366.1	2064.3	1115.49	520.72	906.92	1515.99	-850.11	-35.93
Gujarat	4695.18	5465	5693.92	19525.27	6038	5054.55	359.37	7.65
Maharashtra	23972.09	24772.26	30412.84	33522.63	27388.39	34125.46	10153.37	42.35
Andhra Pradesh	447285.75	481640.18	393774.56	426903.33	530452.76	626288.29	179002.54	40.02
Karnataka	93950.67	124732.48	135834.73	177392.74	188398	199116.59	105165.92	111.94
Kerala	21290	23556	22189	29105	36210.13	50395.96	29105.96	136.71
Puducherry	1496.35	1516.05	2186.47	3397.17	3621.75	3974.06	2477.71	165.58
Tamil Nadu	40923.07	52759.47	41065.24	50183.03	57797.8	65630.88	24707.81	60.38



Telangana	335746	384761.33	628482.51	721452.1	778180.33	848468.76	512722.76	152.71
Total	1301322.15	1525307.68	1789548.96	2182290.47	2520707.21	2927285.93	1625963.78	124.95

(Data Source: Status of Microfinance in India 2014-15 to 2019-20)

The above table reveals the amount of outstanding loan of exclusive women SHGs under RRBs during the study period. The table states that total loan outstanding as on 31st March, 2020 amounted to Rs 29,272.86 crore which has been increased by nearly 125% during the study period. Highest increment of outstanding loan in monetary terms was observed in Telangana (5,127.23 crore) followed by West Bengal (Rs 3,105.43 crore) and Bihar (Rs 3,026.89 crore). Bihar registered highest growth in loan outstanding of exclusive women SHGs in percentage term (873%) during the study period followed by Meghalaya (Rs 432%) and Mizoram (431%). A negative growth was observed in Punjab (Rs 354.87 Lakhs, 20.56%) during the same period.

Table 6: Amount of Gross NPA and its percentage on total Outstanding Loan to Exclusive Women SHGs under RRBs: (Rs in Lakhs)

States and UTs	31st March, 2017		31st March, 2018		31st March, 2019		31st March, 2020		Increase/ Decrease of Gross NPA	% Change of Gross NPA
	Gross NPA	% of NPA on Outstanding Loan	Gross NPA	% of NPA on Outstanding Loan	Gross NPA	% of NPA on Outstanding Loan	Gross NPA	% of NPA on Outstanding Loan		
Haryana	398	7.35	589.81	9.50	3775.26	58.28	3544.14	57.69	3146.14	790.49
Himachal Pradesh	221	7.04	269	15.73	263.87	8.50	278	6.73	57	25.79
Jammu & Kashmir	29.27	3.43	40.25	3.91	38.8	2.01	58.55	2.04	29.28	100.03
Punjab	101.74	4.65	110.87	8.46	220.06	20.72	191.07	13.93	89.33	87.80
Rajasthan	3025.64	40.30	2558.94	30.62	2840.56	26.25	2284.74	17.81	-740.9	-24.49
Assam	2316.83	8.09	5490.65	14.41	5229.09	21.74	4873.28	14.91	2556.45	110.34
Arunachal Pradesh	22.81	34.66	0	--	6.64	32.31	0	0.00	-22.81	-100.00
Manipur	60.55	11.08	140.37	22.42	156.54	16.85	169.06	13.22	108.51	179.21
Meghalaya	42.53	13.68	2.65	1.71	0	--	11.35	0.54	-31.18	-73.31
Mizoram	22.95	10.14	26.85	3.92	37.12	3.83	46.62	2.18	23.67	103.14
Nagaland	16.96	6.48	20.36	6.82	16.54	4.96	16.2	4.02	-0.76	-4.48
Tripura	2319.24	47.43	2306.73	51.38	2136.57	45.52	2553.09	25.62	233.85	10.08
Bihar	9088.75	10.13	12255.42	6.80	10074.47	3.87	12526.83	3.71	3438.08	37.83
Jharkhand	1926	16.77	1454	12.27	1926.32	12.39	459	1.70	-1467.00	-76.17
Odisha	6274.46	7.16	10650.39	10.48	12504.28	11.16	15607.89	11.42	9333.43	148.75
West Bengal	6974.82	3.18	9684.33	3.34	7845.07	2.06	10654.19	2.46	3679.37	52.75
Chhattisgarh	889	5.44	1888.26	8.55	1889.54	10.28	812.31	3.51	-76.69	-8.63
Madhya Pradesh	1905.1	14.44	1755.48	12.55	2533.55	14.07	3459.58	15.19	1554.48	81.60
Uttar Pradesh	10471.5	28.10	11555.89	30.56	12712.6	38.27	10828.35	29.12	356.85	3.41
Uttarakhand	207.18	18.57	8.54	1.64	7.36	0.81	56.3	3.71	-150.88	-72.83
Gujarat	588.79	10.34	2800.67	14.34	588.52	9.75	1219.35	24.12	630.56	107.09
Maharashtra	5197.23	17.09	3872.09	11.55	4762.74	17.39	4388.59	12.86	-808.64	-15.56



Andhra Pradesh	10016.07	2.54	9689.9	2.27	7387.74	1.39	5238.56	0.84	-4777.51	-47.70
Karnataka	6122.7	4.51	8401.17	4.74	9391.89	4.99	16513.29	8.29	10390.59	169.71
Kerala	751	3.38	791	2.72	391.34	1.08	531.46	1.05	-219.54	-29.23
Puducherry	118.67	5.43	188.63	5.55	272	7.51	348.4	8.77	229.73	193.59
Tamil Nadu	2091.36	5.09	3606.45	7.19	3726.26	6.45	3058.44	4.66	967.08	46.24
Telangana	7242.88	1.15	10706.1	1.48	7223.84	0.93	8334.6	0.98	1091.72	15.07
Total	78443.03	4.38	100864.8	4.62	97958.57	3.89	108063.24	3.69	29620.21	37.76

(Data Source: Status of Microfinance in India 2016-17 to 2019-20)

The above table represents the amount of Gross NPA and its percentage on total outstanding loan to exclusive women SHGs under RRBs during the study period. From the table it is found that amount of Gross NPA as on 31st March, 2020 was Rs 1,080.63 crore which was 3.69% of total outstanding loan. The gross NPA was increased by Rs 296.20 crore (37.76%) during the study period. The study further reveals that the highest growth in amount of gross NPA in monetary terms during the study period was registered in Karnataka (Rs 103.91 crore) followed by Odisha (Rs 93.33 crore) and Bihar (Rs 34.38 crore). Again, highest growth in amount of gross NPA in percentage terms was observed in Haryana (790%) followed by Puducherry (194%) and Karnataka (170%) during the same period. On the other hand, a negative growth in amount of gross NPA was observed in Andhra Pradesh (Rs 47.78 crore, 47.70%) followed by Jharkhand (Rs 14.67 crore, 76.17%) and Maharashtra (Rs 8.09 crore, 15.56%). The table further depicts that highest percentage of NPA on outstanding loan as on 31st March, 2020 was observed in Haryana (57.69%) followed by Uttar Pradesh (29.12%) and Tripura (25.62%) and lowest percentage of NPA was observed in Arunachal Pradesh (0.00%) followed by Meghalaya (0.54%) and Andhra Pradesh (0.84%) on the same date.

Major Findings

The progress of financial inclusion through SHGs linked with RRBs during the study period is quite satisfactory. The number of SHGs linked with savings account and loan disbursement to these groups has been increased significantly during the study period. Some of the states where financial performance of SHGs linked with RRBs are quite satisfactory during the study period are Andhra Pradesh, Telangana, West Bengal, Bihar, Jharkhand, Madhya Pradesh, Maharashtra and Karnataka. In Andhra Pradesh, though number of SHGs linked with Savings account of RRBs has been reduced by nearly 15%, amount credited to said account by the members of the existing groups have been increased by 260% and amount of loan disbursement to these groups has been increased by 174%. The states of North- East region like Arunachal Pradesh, Meghalaya, Manipur, Mizoram and Tripura have registered high growth in terms of number of groups linked with and amount deposited in savings account and amount of loan disbursement.

The overall percentage of NPA on outstanding loan is also lower than nationalised commercial and cooperative banks at the end of the study period.

But in some major states like Uttar Pradesh, Maharashtra and Gujarat, the growth in number of women SHGs linked with savings account with RRBs, the amount credited to these accounts and amount of loan disbursed to them are not satisfactory. The percentage of NPA on outstanding loan is also much higher in these states compared to the national NPA percentage of SHGs lined with RRBs.



Conclusion

The RRBs are playing a vital role towards financial inclusion and women empowerment along with other financial institutions and agencies throughout the country. The financial performance of RRBs in respect of amount credited to savings account and loan disbursement towards exclusive women SHGs are better than private sector banks and cooperative banks at the end of the study period. The total amount credited in savings account of RRBs by 28.46 lakhs exclusive women SHGs were Rs 7175 crore where 6.70 lakh women SHGs have deposited Rs 2078 crore in private sector banks and 6.70 lakh women SHGs have deposited Rs 2424 crore in cooperative banks. Again, RRBs have disbursed Rs 23544 crore as loan to 10.50 lakh exclusive women SHGs where private sector banks have disbursed loan of Rs 5362 crore to 2.05 lakh women SHGs and cooperative banks have disbursed Rs 4707 crore as loan to 2.38 lakh women SHGs at the end of the study period. Percentage of NPA on outstanding loan of RRBs disbursed to women SHGs are also lower (3.69%) than nationalised banks (4.75%) and cooperative banks (5.84%) during the same period. These data clearly depict that financial performance of RRBs in respect of women SHGs are quite satisfactory during the study period. But at the same time, it should also to be noted that these improvements need to be established in every state and UTs. Unfortunately, in some states these financial performances are not up to satisfactory level. Real empowerment of women will only be achieved when this growth will be observed in every single state and Union Territories.

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