

A Study of Quality and Sustainability SHGs Promoted By Government Organizations

(Special reference to DRDA & MAVIM in Nashik and Jalgaon District of Maharashtra)

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Abstract:-

Poverty alleviation forms a major concern of developing nations. Microfinance is the manifestation of money related advancement that has its essential mean to mitigate the destitution. Microfinance to Self Help Groups may be considered as a basic alternative for meeting the monetary needs of those poorer areas of the general public. Everywhere throughout the world there is an acknowledgment that, it is the most ideal approach to tackle poverty and empower the deprived groups of the general public to enhance their quality of life, particularly women into Self-Help Groups.

Women's participation in the economic development is imperative for their own improvement, furthermore for upgrading of their status in the general public. The present study is embraced to find out the strengthening attained among the socially denied classes to enhance their financial condition. Subsequently the present study is mainly confined to an examination of the impact of joining self-help groups on rural women in the study area of Nashik and Jalgaon District of Maharashtra. The impact is measured in terms of the groups started income generating activities and income through this. The present research paper is an endeavour to study the role of Governmental Organisations in microfinance development for the socioeconomic improvement of destitute individuals in addition to the study of quality and sustainability of SHGs promoted by DRDA and MAVIM in Nashik and Jalgaon district.

Keywords- self help groups, microfinance, sustainability, socioeconomic improvement

Introduction:-

The overall development of a nation is nearly relies on the advancement of the rustic economy. Amid the most recent couple of decades, it has been seen that because of the endless loop of poverty, these overall development cannot be attained to. Poverty is a term with which many developing countries are enduring. In India, the vast majority of the individuals' lives in the rural areas are underneath the poverty line and finance to these indigenous people groups is considered as essential issues for the Government of India (Das and Boruah, 2013).

The financial requirement is one of the essential needs of the poorer section of the general public for socioeconomic improvement. Microfinance to Self Help Groups (SHGs) may be considered as a crucial alternative for meeting the financial needs of those poorer segments of the general public. Microfinance is the type of financial advancement that has its essential intend to allay the poverty (Barr and Michael, 2005). Governments, donors and non government organisations (NGOs) around the world reacted eagerly with arrangements and guaranteed to cooperate towards the acknowledgment of these objectives.

Income generation and employment creation of the poorer segment of the general public is directly related with the destitution assuagement of a country. In India, the government has been has been executing various income generating and poverty alleviation programmes to battle with destitution since commencement of economic planning (Sarmah, 2013).

In India, where 25.7% in rural areas, 13.7% in urban areas and 21.9% for the country as a whole is as yet living below poverty line, the financial requirement is one of the essential needs of this section for taking up of income and employment generating activities (Government of India Press Information Bureau, 2013). In such manner, Microfinance to SHGs may be considered as an imperative choice for meeting the monetary

needs of the poorer segment of the general public. SHG is a strategy through which poor needy borrower can satisfy their financial requirements for performing various employment and income generating activities.

SHGs have emerged as a mean of providing the credit to poor people so that that they have to rise up out of poverty. It is accounted that the SHGs have a role in speeding up country's economic advancement. Most of the beneficiaries of the SHGs are women. Thus, inclusion of ladies in the country's economic improvement is expanding. They are additionally assuming a vital part in raising the general status of their families. This had driven support to the methodology of women's empowerment.

Emergence of Micro-Finance

Various NGOs have stepped in to advance and bolster investment funds and credit programs among poor people. Their experience has absolutely impacted the government, promotional agencies such as NABARD and SIDBI and external donors to begin similar projects on a more extensive scale. The Government of India has stretched out arrangement backing to these group based activities, especially since the SHG development held out great promises to women.

The Government of India has been utilizing SHGs or 'savings and credit cooperatives' in the provision of micro-finance. Micro-finance has developed as an economic development approach proposed to benefit women and men from low income groups. As the field of micro-finance builds up, the focus changes from the delivery of credit services to a genuine methodology of financial intermediation, including provision of savings and other financial services requested by the poor for promoting livelihoods and income generation on a sustainable basis.

SHGs Movement in Maharashtra

The first SHG has originated from Amravati district of the state of Maharashtra. It was introduced by some mother-in-laws and daughter-in-Laws in the year 1947 with saving of only 25 paise (Sakal Daily Newspaper, 20 June 2008). Further 'International Fund for Agricultural Development' (IFAD) assisted Maharashtra Rural Credit Program (MRCP) was implemented by MAVIM during 1994-2002 . The program has been proved successful in the terms of providing an access to credit, information, and knowledge to poor rural women. Followed by MRCP, MAVIM had implemented various developmental schemes assisted by central 7 state Governments through medium of SHG's. This SHGs movement has been started since the decade 1970 in the state of Maharashtra yet, it has been fostered under the scheme of rural credit and finance during the year 1995. After that, in the year 1999, under the scheme the Suvarnajayanti Gram Swayam rojgarYojana (SGSY) for the eradication of colossal poverty, the SHGs movement had been started on large scale.

DRDA and MAVIM in the Emerging Role

In the early 1980s a District Rural Development Agency (DRDA) was established for effective implementation of antipoverty programme in rural areas at district level. It is an institution that acts as a delivery agency to support and facilitate the development process. The role of DRDA is to plan for effective implementation of anti-poverty programmes, coordinating with other agencies like governmental, non-governmental, technical and financial for successful implementation of programme. The motive behind establishing DRDA was to perform specialist role at the district level for poverty governance.

SHGs have emerged as a mean of providing poor people with the credit that they need to emerge from poverty. This change in deduction is generally reflected by the presentation of SGSY to advance self-employment among women and men and empowering them to cross the destitution line. Therefore, the DRDA has moved far from individual recipients of giving endowments by connecting bank credit to group based approach to deal with encouragement of self-help movement.

Mahila Arthik Vikas Mahamandal (MAVIM) is the state women's development cooperation of Maharashtra, established on the 24th February 1975with the obligation of bring gender justice and equality for women, investing in human capital and the capacity building of women, thus making them economically and socially empowered and enabling them to access sustainable livelihood. MAVIM nurture federation of SHGs that cover numbers of families and poor people. IFAD assisted 'Tejaswini Maharashtra Rural Women Empowerment Program' implemented from July 2007 by MAVIM. The overall objective of the Project is

“Poor women make use of choices, space, and opportunities in economic, social and political spheres for their improved well-being”. The institutional model executed under Tejaswini includes three tier association i.e. Self Help Group at member level, Village level Committee (VLC) at village level and Community Managed Resource Centre (CMRC) at cluster level anticipated to strengthen or reform existing women’s SHGs and mobilize new groups. At end of November 2014, MAVIM had form total 68936 SHGs which covers 944329 members (IFAD, 2014-15).

Literature Review:-

Das and Chaudhary (2013) have taken effort to make a comparative analysis on the quality of the SHGs in three selected development blocks. As it is evidenced that different assessment tools on quality of SHGs speak different languages about the quality or grades, hence, an effort is taken to cover twenty eight quality assessment parameters to access the quality of SHGs in the selected study area. It is observed that due to fast growing of the SHG-bank linkage programme, the quality of SHG has come under stress. Some of the factors affecting the quality of SHGs are the target oriented approach of the government in preparing group, inadequate incentive to NGO’s for nurturing their groups etc.

It was stated that quality parameters would include not just financial and physical performance of the group, but also parameters to assess economic and livelihood goal achievement, social status improvement and entitlement access facilitation. It was also mark out that rating of SHGs is not only a pre-appraisal tool but as well a self-monitoring yardstick for the SHGs themselves for self-evaluation, which is a continuous process.

Swadeshi Jagaran Foundation, (2004) conducted a research study which examined the effectiveness of Women SHGs in the promotion of micro enterprises in Rajasthan and Tamilnadu. The study included the development of social and human capital through micro enterprise development to work towards poverty alleviation. Micro enterprises in the study area are undergoing a very remarkable change in terms of their capital composition. While certain traditional industries are carried out with low technology, using low quality raw material and catering to the low-income groups of the customers, many others are facing urgent need to enhance their capital base for productivity improvement, cost reduction and innovate for effective marketing. All these are requiring additional capital investment for which the entrepreneurs need credit. It was found that fewer enterprises employing slightly improved technologies, using better quality raw materials and catering to the low income as well as the regional markets have been able to generate sizeable surpluses The study showed that SHGs are still in a state of flux and their sustainable development depends on a number of factors, which are both internal and external to the group.

Rajendran and Raya (2011) analysed the role of NGOs in sustainable rural development through microfinance. The study reported that NGOs are playing vital role in the formation of SHGs, motivating women to join the groups and linking the groups with the banks for microfinance. It is concluded that NGOs not only play an important role in linking the groups with the banks but also in the arrangement for loans and imparting training to start income generating activities. But, it played limited role in marketing the products of SHGs and release of subsidies. It is suggested that if proper marketing arrangements are not provided, the members of SHGs may lose their motivation and the sustainability of the micro enterprises may be affected in the long run.

Sarmah (2013) made a comparative study on socio-economic status of members of pre-SHG and post SHG period in the study area and discussed the changes in terms of employment level, income generation for rural poor. It was found that microfinance through SHG can play an important role on creation of self-employment and generation of income for the rural poor of the district. It was noticed that government agencies like DRDA can make a sincere effort for implementing income and employment generated programmes through SHGs to bring the rural people above BPL level. Besides, capacity building of various stakeholders is necessary to bring the momentum to the SHG movement which will provide an environment for the establishment of microenterprises among the rural people. It is found that microfinance through SHGs in the study district not only creating additional employment opportunity but also increased the annual income of the rural people.

Moreover study also discovered various problems faced by SHGs on creation of employment and generation of income through microfinance.

Das and Boruah (2013) studied the role of Micro-Finance and SHGs for the socio-economic development of poor people in Lakhimpur and Dhemaji district of Assam. From the study it has been found that after joining the SHGs the poor people particularly the women have not only increased their income but also improved their living standard by performing various economic activities independently. The result of the data analysis revealed that the SHGs have been playing an important role in social-economic development and performing their savings and credit functions with the help of Rural Financial Institutions.

Sujatha and Somu, (2013) studied the level of sustainability of SHGs and to determine whether they were close to or far from being sustainable. Various indicators can be used for sustainability study of SHGs. Considering the typical nature of the SHGs and their weak data base, the grading status of the SHGs, income generating activities and profitability through income generating activities were used in the study. The study has revealed that both men and women are empowered through SHGs and there is marginal increase in the income of the men and women SHG members after joining the SHG. It was concluded that SHGs can be a good mediator for retaining the empowerment - economically, socially and spiritually. Self-interested people and their financial difficulties of the member is the major factor influences the sustainability of SHG. It was found that there is direct relationship between duration of membership and sustainability.

Pati (2008) examined the financial sustainability of SHGs in northern region of India. It was observed that the grading and recovery status of SHGs is precarious and groups formed because of subsidy provision in SGSY scheme. The study reveals a sustainable financial operation of sample groups over a three years study period and it was found that sustainability becomes less attractive when subsidy is negotiated.

Pati (2009) attempted to explore the issue of sustainability through primary survey of SHGs along with the secondary data in the state of Meghalaya. Various indicators were used for sustainability study, it includes the grading status, profitability position, operating expenditure, coverage of operating and financial expenditure. Grading status was considered as a preliminary indication of financial and operational sustainability. It was observed that there is negative impact of subsidy on important self-sufficiency indicators. It was found that it is difficult to sustain the operation without subsidy.

Objectives of the study

The above studies have narrated the role of various organisations in delivering microfinance through SHGs and also about the quality and sustainability of SHGs. There was no study conducted earlier about the role of government organisation in microfinance development through SHGs as well as quality and sustainability of those SHGs in long run. The present study was undertaken in Nashik and Jalgaon district of Maharashtra to assess the role of Government SHPI (Self Help Group Promotion Institutions) in microfinance development through SHGs. The present study is undertaken with the following specific objectives:

1. To evaluate the role of Governmental Organisations in microfinance development by way of understanding the state of SHGs.
2. To make a comparative study of quality and sustainability of SHGs promoted by DRDA and MAVIM in Nashik and Jalgaon district.
3. To assess the impact of the micro finance availability on empowerment of women in terms of employment level and income generation for upliftment of poor.

All about the study:-

Current study is descriptive in nature. The study covered Nashik and Jalgaon districts from North Maharashtra. The study looked into quality and sustainability of SHGs, with particular reference to the DRDA and MAVIM in the context of SHG movement in Nashik and Jalgaon districts of North Maharashtra region. It includes the role of DRDA and MAVIM in the promotion of sustainable SHGs at district level.

Sustainability Indicators

Providing financial services to the millions of poor people in developing countries need mass intermediation, and that can only be achieved through sustainability. Organizational sustainability is an essential precondition for long term financial sustainability. It indicates the ability of the group to continue to function and grow without financial, managerial and other organizational support from SHPI and others on subsidised terms. In other words, financially sustainable SHGs should be in a position to absorb the costs of group formation and nurturing costs, pay market cost for borrowed funds and manage their funds judiciously without any extraneous help. SHGs sustainability depends on their outreach and impact on the poor, including their empowerment impact and their feasibility within their respective environments.

SHGs promoted by Government Agencies (DRDA & MAVIM) in Nashik and Jalgaon Districts.

1. SHGs linked with Bank for various reasons.

Table No.1- Business and Income Level of the Respondents (Nashik district)

Nashik district						
Year	Total no. of SHG formed	SHGs linked with bank for business activity	SHGs linked with bank for revolving fund	No. of SHGs started Income generating activity		
				No. of SHGs	Turnover (In Lakhs)	Avg. Turnover per SHG(Rs)
2010-11	8276	4206	5668	3890	972.50	25,000
2011-12	11535	6580	7883	9972	3818.00	38,287
2012-13	11589	7005	8043	10397	1502.44	14,450
Total	31400	17791	21594	24259	6292.94	
Average turnover per SHG of last three years					Rs. 25,941	

Source: - District Socio-Economic Report of Nashik (2011, 2012, 2013).

Table No.2- Business and Income Level of the Respondents (Jalgaon district)

Jalgaon District						
Year	Total no. of SHG formed	SHGs linked with bank for business activity	SHGs linked with bank for revolving fund	No. of SHGs started Income generating activity		
				No. of SHGs	Turnover (In Lakhs)	Avg. Turnover per SHG (Rs)
2010-11	1192	814	1249	814	731.39	89,851
2011-12	927	854	1094	854	759.67	88,954
2012-13*	-	-	-	-	-	-
Total	2119	1668	2343	1668	1491.06	
Average turnover per SHG of two years					Rs. 89,392	

Source: - District Socio-Economic Report of Jalgaon (2011, 2012, 2013).

*The information for the year 2012-13 was not included as it was not provided by the concerned department.

It is found that around 31,400 groups are formed by DRDA and MAVIM from 2010-11 to 2012-13 in Nashik district and around 2,119 SHGs in 2010-11 and 2011-12 in Jalgaon district to obtain the financial support from the government (Tables 1 & 2).

The year-wise position of the SHGs formed is summarized in Tables 1 & 2. It was found that only 56.66 % (i.e. 17,791) groups were linked with bank for main business activity in Nashik district whereas in Jalgaon district around 78.72 % (i.e. 1,668) groups were linked with bank for main business activity. It was found that

in Nashik district only 68.77 % SHGs have availed the subsidised finance where the first loan is revolving fund, whereas, in Jalgaon district 100% SHGs have availed revolving fund.

Employment Generation:

Generation of employment through microfinance is most essential for the upliftment of the poor masses. In order to raise the income level of the poorer section of the society, microfinance through SHGs plays an important role on providing additional self-employment opportunities through various economic activities. Economic development is the main purpose of formation of SHGs has attained by 24,259 and 1,668 groups in Nashik and Jalgaon district respectively by initiating income generating activity, and has achieved the turnover of Rs. 6292.94 lakh and Rs. 1491.06 lakh in the study period.

The total income of groups basically constitutes interest margin and income from business activities at a group level. Business income from income generating activity at group level is one of the most important source of cash inflows as it constitutes major part of their total income. It is found that, the microfinance received directly from bank or through government sponsored scheme by the SHG members could make positive impact on generation of income. In the study, it is found that different economic activities undertaken by members increased the additional employment opportunities. There is wide gap between a number of groups formed and groups which have been taken up economic activities.

Income Generation of Respondents

The average income per SHG in one year in Nashik and Jalgaon district is Rs. 25,941 and Rs. 89,392 respectively. In Nashik district there is high degree of variation in average turnover per SHG during the study period. Also there is wide variation in average income per SHG of Nashik and Jalgaon districts. Low return from the economic activities undertaken by the respondents is also a problem for smooth running of their family. It is found that average income generated from economic activity i.e. Rs. 25,941 is not sufficient for a family to meet their household needs.

2. SHGs Promoted by DRDA & MAVIM

Table No.3 and 4 indicate the women SHGs and working SHGs out of total number of SHGs formed.

Table No.3:- Details of Women-SHG and Working-SHG of Nashik district

Year	DRDA			MAVIM		
	Total SHG	Women SHG	Out of Total:- Working SHG	Total SHG	Women SHG	Out of Total:- working SHG
2010-11	7634	6246	7627	1988	1988	1942
2011-12	9102	7685	8782	2106	1988	1942
2012-13	9465	7783	9032	2163	1987	1943
Total	26201	21714	25441	6257	5963	5827
		82.87%	97.09%		95.30%	93.12%

Source: - District Socio-Economic Report of Nashik (2011, 2012, 2013).

Table No.4:- Details of Women-SHG and Working-SHG of Jalgaon district

Year	DRDA			MAVIM		
	Total SHG	Women SHG	Out of Total:- Working SHG	Total SHG	Women SHG	Out of Total:- Working SHG
2010-11	13054	7991	10399	2200	2111	2023
2011-12	10134	7157	10134	1958	1936	1832
2012-13	-	-	-	1248	1248	1248
Total	23188	15148	20533	5406	5295	5103
		65.33%	88.55%		97.95%	94.40%

Source: - District Socio-Economic Report of Jalgaon (2011, 2012, 2013).

In case of DRDA and MAVIM in Nashik district, out of total number of SHGs formed, majority of (i.e.82.87% and 95.30%) SHGs are women SHGs. In Jalgaon district around 65.33% and 97.95% SHGs promoted by DRDA and MAVIM are women SHGs. It means that maximum number of women SHGs are formed.

In Nashik district, around 97% and 93% SHGs are still working out of total numbers of SHGs formed by DRDA and MAVIM, respectively. But in Jalgaon district, 88.55% and 94.40% SHGs are working out of total number of SHGs promoted by DRDA and MAVIM. It means that in case of DRDA about 3-12 % SHGs are closed but in case of MAVIM only 6-7 % SHGs are closed due to some reasons. It is observed that in Jalgaon district more numbers of SHGs are closed those were promoted by DRDA.

3. Grading of SHGs:-

Table No.5- Grading of SHGs formed by DRDA and MAVIM in Nasik district

Year	Total Number of SHG Formed		Grade I SHGs				No. of Grade II SHGs			
			DRDA		MAVIM		DRDA		MAVIM	
	DRDA	MAVIM	No. of SHG	%	No. of SHG	%	No. of SHG	%	No. of SHG	%
2010-11	7634	1988	4854	63.58	1074	54.02	3411	44.68	656	33.00
2011-12	9102	2106	6180	67.90	1204	57.17	4954	54.43	522	24.79
2012-13	9465	2163	6970	73.64	1507	69.67	5582	58.98	886	40.96
Total	26201	6257	18004	68.71	3785	60.49	13947	53.23	2064	32.99

Source: - District Socio-Economic Report of Nashik (2011, 2012, 2013).

Table No.6- Grading of SHGs formed by DRDA and MAVIM in Jalgaon district

Year	Total Number of SHG Formed		Grade I SHGs				No. of Grade II SHGs			
			DRDA		MAVIM		DRDA		MAVIM	
	DRDA	MAVIM	No. of SHG	%	No. of SHG	%	No. of SHG	%	No. of SHG	%
2010-11	13054	2200	8834	67.67	1788	81.27	5719	43.81	1445	65.68
2011-12	10134	1958	9772	96.42	1599	81.66	6805	67.15	947	48.36
2012-13	-	1248	-	-	1113	89.18	-	-	1005	80.53
Total	23188	5406	18606	80.24	4500	83.24	12524	54.01	3397	62.84

Source: - District Socio-Economic Report of Jalgaon (2011, 2012, 2013).

The pace of SHGs shifting towards Grade-I, in Nashik district by DRDA and MAVIM promoted groups is 68.71% and 60.49 % respectively out of total number of SHGs formed in last three years period. While in Jalgaon district it is more than that i.e. 80. About 24% and 83.24% SHGs were passed Grade-I criteria in case of in DRDA and MAVIM groups (Table 5 & 6).

Another aspect of successful lending activities and sustainability of SHGs is, number of SHGs have successfully upgraded themselves into Grade- II status and availed schematic loan for further investment in the group activities. In Nashik district out of total SHGs promoted only 53.23% DRDA-SHGs have satisfied the grading criteria of Grade –II, while in case of MAVIM only 33 % SHGs satisfied Grade-II criteria. Whereas, in Jalgaon district the condition is slightly better as 54.01% DRDA-SHGs have passed Grade –II while in case of MAVIM 62.84% SHGs have passed Grade-II criteria. It indicates that the ratio of passing grade I and II is very poor as compared to number of SHGs formed in Nashik district. This is preliminary

indication of financial and operational sustainability. Those SHGs who have not been able to upgrade henceforth not availed project loan are non-performers. Out of them many would not survive for long period of time which is unknowingly the cause of concern for overall sustainability of SHGs. This large percentage of non-performer SHGs implies the inefficient use of the revolving fund including the subsidy amount.

4. Business activities carried by SHGs in various sector

Table Nos.7 & 8 show Business activities carried by SHGs in various sectors.

Table No.7 –Business activities carried by SHGs in various sector in Nashik district.

Year	DRDA			MAVIM		
	Primary Sector	Secondary sector	Tertiary sector	Primary Sector	Secondary sector	Tertiary sector
2010-11	0	3018	0	1325	885	326
2011-12	6125	4878	0	2383	1026	426
2012-13	6645	5208	0	1380	719	394
Total	12770	13104	0	5088	2630	1146

Source: - District Socio-Economic Report of Nashik (2011, 2012, 2013).

Table No.8 –Business activities carried by SHGs in various sector in Jalgaon district.

Year	DRDA			MAVIM		
	Primary Sector	Secondary sector	Tertiary sector	Primary Sector	Secondary sector	Tertiary sector
2010-11	782	14	18	1218	361	0
2011-12	826	7	21	702	440	0
2012-13*	-	-	-	681	448	0
Total	1608	21	39	2601	1249	0

Source: - District Socio-Economic Report of Jalgaon (2011, 2012, 2013).

* The information for the year 2012-13 was not provided by DRDA

It was observed that in Nashik district in case of DRDA large numbers of SHGs are carried out business activities in secondary sectors and then in primary sectors. Whereas, regarding SHGs promoted by MAVIM, mostly running business activities in primary sectors and then in secondary and also in tertiary sectors.

In Jalgaon district, it is observed that in case of DRDA and MAVIM, large numbers of SHGs are carried out business activities in primary sectors. In case of SHGs promoted by MAVIM, they were running business activities in secondary sectors also.

Findings

1. It is found that out of 31,400 and 2,119 SHGs are formed by DRDA and MAVIM from 2010-11 to 2012-13 in Nashik and Jalgaon districts, only 56.66 % groups were linked with bank for main business activity in Nasik district but in case of Jalgaon district, around 78.72 % groups were linked. In Nashik district, 24,259 groups and in Jalgaon district, 1,668 groups have initiated income generating activity and have achieved the total turnover of Rs. 6292.94 lakh and Rs.1491.06 lakh in last three years.
2. In case of Nashik district-DRDA out of total number of SHGs formed, 82.87% SHGs are women SHGs. But MAVIM shows that around 95 % SHGs are women SHGs and 93% SHGs are working out of total number of SHGs formed.

In Jalgaon district, DRDA position shows that out of total number of SHGs formed, 65.33% SHGs are women and about 88 % are SHGs are still working. Regarding MAVIM position, around 98% SHGs are women SHGs and 94% SHGs are working out of total number of SHGs formed.

3. In Jalgaon district, out of total number of SHGs formed in last three years period, about 80.24% SHGs of DRDA passed Grade- I criteria and in case of MAVIM it is around 83.24% . In case of Grade –II only 54.01% DRDA-SHG has satisfied the grading criteria while in case of MAVIM 62.84% SHGs satisfied Grade-II criteria.

In case of Nashik district only 68.71% SHGs of DRDA and 60.49% SHGs of MAVIM passed Grade- I criteria out of total number of SHGs formed in last three years period. Regarding Grade –II only 53.23% DRDA-SHG and 33 % SHGs of MAVIM has satisfied the grading criteria.

4. In Nashik district in case of DRDA large numbers of SHGs are carried out business activities in primary sectors but SHGs promoted by MAVIM are running business activities mostly in primary sectors and then in secondary.

In Nashik district in case of DRDA large numbers of SHGs are carried out business activities in primary sectors and in MAVIM SHGs carried out business activities mostly in primary sectors and then in secondary sector also.

Conclusions:-

There has been significant shift in poverty alleviation programmes with the development Self-help groups. Accompanying this change in perspective it is better to understand the implication of institutional arrangements (at district, state and national levels) for attaining the ends of greater service, scale and sustainability. Maharashtra is a leading state in the advancement of self-help group movement in India. The state has received backing by NABARD to SHGs in India. DRDA and MAVIM has assumed an essential part in this accomplishment.

It was found that both DRDA and MAVIM are playing important role in microfinance development. They are encouraging women to be self-dependent by providing financial support to start income generating activities. It was found that MAVIM has limited working so they should widen their working to provide support to more number of needy people. As DRDA is a supporting and facilitation organization and is playing a very effective role as a catalyst in the development process. The ratio of passing grade I and II is very poor as compared to number of SHGs formed. It was also found that the quality of groups should be improve as very less numbers of groups has satisfying grade-II criteria out of total number of groups formed.

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