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## SOCIO ECONOMIC DEVELOPMENT WITH IMPACT OF SELF-HELP GROUP

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### ABSTRACT

*The SHG method is used worldwide by governments, NGOs and others. Thousands of poor and marginalized populations in India are building their lives, their families and communities through self-help groups. The main objective of this research paper is to examine the impact of Self-Help Group on Socio Economic Development of India. Self-help groups are playing a significant role in self-employment training, infrastructural development, marketing and technology support, communication level of members, confidence among members, changes in domestic violence, frequency of interaction with outsiders, changes in saving patterns of self-help groups. members, changes in cumulative savings pattern of SHG members per month, participation in politics, achieving social harmony, achieving social justice, participation in community action, sustainable quality and accountability, equity, default and recovery in SHGs, and sustainability - economic value.*



**KEYWORDS:** *emotional competency, emotional stimuli.*

### INTRODUCTION

Savings groups or small-groups have now become a well-known concept. It has been almost two decades now. Today, self-help groups play a major role in poverty alleviation in rural areas. It is reported that self-help groups have a role in pushing the economic development of the country. Self-help groups have now developed as a movement. The self-help group consists mainly of women. Therefore, the participation of women in the economic development of the country is increasing. They also play an important role in raising the financial status of their family. About fifty percent of the total human resources in our economy are women. Therefore, the process of women empowerment has started. Yet women are subordinate to men because they are subject to many social and cultural constraints. The situation is more critical in rural and backward areas. Emphasis should be placed on women development initiatives for poverty alleviation, economic growth and life expectancy. Savings group encourages small savings among its members. A SHG is a small NGO of poor people, mostly from the same socio-economic background.

A self-help group may be registered or unregistered. It usually consists of a group of micro-entrepreneurs with a homogeneous social and economic background; All voluntarily come together to save regular small amounts, mutually agree to contribute to a common fund and meet their emergency needs on a mutual aid basis. They pool their resources to become financially stable, borrow from group members and use collective wisdom and peer pressure to ensure proper utilization of credit and timely repayment. This system eliminates the need for collateral and is closely related to solidarity loans

widely used by micro-finance institutions. Flat interest rates are used to make bookkeeping easier for the members to handle, to calculate the amount of debt collected by the group, and to make everyone in the group self-employed. Members make small regular savings contributions every few months until the group has enough capital to start lending. The funds can then be given back to the members or others in the village for any purpose. The SHG method is used worldwide by governments, NGOs and others. The poor collect their savings and keep them in banks. In return they get easy access to loans with low interest rates to start their micro unit enterprise. Thousands of poor and marginalized populations in India are building their lives, their families and communities through self-help groups. Self-help groups (SHGs)-bank linkage programs are emerging as a cost-effective mechanism for providing financial services to the "unrecognized poor", which has not only been successful in meeting the financial needs of rural poor women but also in strengthening their collective self-help capabilities. Poor, leading to their empowerment.

### Social Importance of SHG Member Empowerment:

Usually there are 10 to 20 women in a self-help group. Women save some money. It is Rs. Between 100 and 500 monthly meetings are held every month, in which formal and informal discussions are held, except for loan allocation and repayment. In these groups women share their experiences. Minutes of these meetings are documented and accounts are written. The three official positions of any self-help group are President, Secretary and Treasurer. If the Safat Group is associated with some NGOs, they participate in other social activities of those NGOs. Recently, there have been significant changes in the organizational structure of various microeconomic groups. There are thrift groups, credit management groups, income generation groups, self-help groups and mutual help groups. Sometimes the credit facility is provided by the organization promoting the self-help groups. They are called Micro Finance Institutions. All the households are living in the 'poverty line' and their income is less than Rs 40,000 per annum. National Bank for Agriculture and Rural Development will create a fund of Rs. 16 billion to help women self-help groups in economically weaker districts of the country. It specifically focuses on SC/ST.

### Impact of Self-Help Group:

- **Savings and financial decision-making:** A primary benefit of participation in a savings group is regular savings, access to formal savings institutions, and participation in the management of these savings. They save regularly, have their own bank accounts and keep deposits in these accounts. SHGs have a positive impact on members, in their ability to save their hard-earned money.
- **Access to Credit:** Participation in SHGs results in improvement in women's access to credit. This project is probably too early in its implementation to provide direct credit to women. According to some successful groups, participation in a self-help group has led to improved living standards due to economic mobility. Overall, many families were able to meet their basic needs better than before. Some NGO reports showed that women had a better record of loan repayment than men and that women were more likely to spend the income they earned on their families, which improved the health and nutrition of the poor. To improve the population and their standard of living.
- **Household decision-making:** The social impact of SHG programs has led to increased participation in decision-making processes, increased awareness of various programs and institutions, increased access to such institutions, increased spending on health and marriage programs, and change in attitudes. Male members of the family, now convinced of the concept of SHGs and encouraged women to participate in meetings, and women reported that they had savings to their name and that this boosted their confidence and self-esteem. The respect and status of women in the family has increased. Children's education has improved significantly. Especially the education of girls was very low but now members of self-help groups are sending boys to school along with girls. The cleanliness of members' homes has improved and the health of members' families has improved. Now women are getting treatment from qualified doctors even if they have to go to nearby villages. Members are now confident enough to raise social status.

- **Participation in local government:** Thanks to SHGs, women are aware of their local political bodies such as gram panchayats and have better knowledge of where to register specific types of grievances. It is an incidental fact that as part of the process of political empowerment, many women have not only been elected to Gram Panchayats but have also become role holders. In the majority of cases, women were now perceived to have some influence on decisions in village political life, and in a few cases, women's participation and influence in village political life was an important and noteworthy one. Changes However, in general, opportunities for women to participate in rural life were limited, as most village processes were still male-dominated and patriarchal. Although self-help groups create a positive impact on the rural economy by empowering women and increasing the rural income of participating households, the issue of group size has long been a concern.
- **Confidence among members:** Group formation brings out hidden talents and leadership qualities among members. Therefore, it can be concluded that after joining the self-help group, the members have improved their family status, helped the family financially and sometimes helped others as well. Now, most self-help groups think they get more respect; Not only in the village, but also our family members treated us with more respect. Villagers now invite us for social and community events. Now our families value our opinions, whereas earlier they had no use for them. They encourage us and support us in our activities." "Now they are respected in the village community and have a definite identity in the community. Family members see her as a working woman and encourage her in her work." Enhance their banking knowledge, how to perform various banking transactions, as well as dealing with government officials. They now feel confident about these things. They also feel that their social status has improved. After family members started participating in self-help groups, the attitude towards them changed. They now consider her a brave woman. The people of the village also give more respect than before. Family takes her opinion in many family decisions. Moreover, people in the society respect them.
- **Change in family violence:** The involvement of SHGs has reduced this violence in 25 percent cases, especially due to reduction in financial constraints. In most cases the members revealed that their husbands should also be involved in the self-help groups.

### SHG Movement in India:

India has adopted the Bangladesh model in a modified form. Micro-finance has emerged as a powerful tool in the new economy to eradicate poverty and empower women. With the availability of micro-finance, savings groups (SHGs) and credit management groups have also started in India. And thus the movement of savings groups has spread in India.

### CONCLUSION:

The SHG program clearly plays a central role in the lives of the poor. All the programs in different blocks seem to be very successful in reaching the poor consumers. There is evidence of an increase in household income. This is a very important indicator of influence. The standard of living has increased for program participants and food security is also greater for program consumers. Program credit is one of the main ways to overcome food insecurity, including illness, disease, emergencies and crises, where program participants transfer the source of credit from friends and lenders to SHG loans to meet these expenses. At the individual level, there is evidence that the program already attracts relatively empowered people and that some clients become empowered through program participation. The process of empowerment manifests itself in increased self-esteem. Program participation is also associated with changes in decision making at the family level. Program participants are more aware and have access to a variety of programs and organizations.

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