



IMPACT OF SELF-HELP GROUPS ON WOMEN'S EMPOWERMENT: A COMPARATIVE STUDY BETWEEN NADIA AND MURSHIDABAD DISTRICTS

Sanjib Roy ¹ & Kartick Pal ²

RESEARCH ARTICLE



Author Details:

¹ State Aided College Teacher,
Department of Political Science,
Haringhata Mahavidyalaya,
West Bengal, India;

² State Aided College Teacher,
Department of Political Science,
Haringhata Mahavidyalaya,
West Bengal, India

Corresponding Author:

Kartick Pal

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Abstract

Self-Help Groups (SHGs) have become a significant tool for women's empowerment in India, particularly in rural areas. This report examines the impact of SHGs on various dimensions of women's empowerment, focusing on the Nadia and Murshidabad districts in West Bengal. The study reveals that SHGs have significantly contributed to the economic, social, and political empowerment of women in both districts. Economic gains, mainly from improved access to microcredit, have led to higher levels of financial literacy, household decision-making authority, and social engagement. In Nadia, women-only SHGs have developed innovative operational models like the E-Shakti program for digital financial management and the SAJANI Project for grassroots leadership development. These programs promote deeper, internally motivated empowerment. However, obstacles such as limited access to resources, business connections, and ingrained gender standards persist. The study concludes with practical recommendations for improving the efficacy and durability of SHG programs for holistic women's empowerment, including integrating gender sensitization, enhancing market connections, and replicating best practices.

Keywords: *Self-Help Groups, Nadia, Murshidabad, E-Shakti, SAJANI, Women Empowerment*

1. Introduction

Indian women's empowerment is a critical aspect of social advancement, enabling them to reach their full potential, become independent, and engage fairly in society. This concept is interconnected with various aspects, including social, economic, political, educational, familial, legal, digital, and health aspects. Self-Help Groups (SHGs) are a grassroots model that mobilizes individuals, particularly those from marginalized communities, to take charge of their economic, social, and personal development. The SHG movement began with the Self-Employed Women's Association (SEWA) in 1970, which later evolved into the SHG-Bank Linkage Project (SBLP), which became the world's largest microfinance project.

SHGs are a response to structural obstacles that have long deprived marginalized groups of their agency, such as gender discrimination and severe socioeconomic inequality. Social conventions that limit employment choices and mobility, limited access to property that affects credit eligibility, low financial knowledge, and insufficient marketing networks have been obstacles that women, in particular, have had to overcome. SHGs provide microcredit and promote financial inclusion for the unbanked population, addressing ingrained structural inequalities and market failures. They are more than just a developmental program, as they address ingrained structural inequalities and market failures, ensuring that underprivileged women have a significant and long-lasting impact on their lives.

1.1 Purpose and Scope of the Comparative Study

This research compares and contrasts the "Impact of Self-Help Groups in women empowerment" in the West Bengal districts of Nadia and Murshidabad. This study's focus on comprehending the unique SHG landscapes, operational models, and observable effects on different aspects of women's empowerment in these two geographic regions defines its scope. Finding common advantages, particular difficulties, and distinctive success factors that support or impede empowerment outcomes in each district is the goal.

With 51–75% of rural households, West Bengal is a leading state in India's SHG movement, ranking first for bank loans given to SHGs and second nationally for exclusive women's SHGs. This suggests a strong program at the state level. It's crucial to understand that, in spite of this robust framework, there are notable differences in the growth and influence of SHGs both within and between states. District-level differences can be significant even in a state with high performance, such as West Bengal.

Therefore, in order to uncover these localised variations and go past the presumption of uniform impact throughout the state, comparison research between Nadia and Murshidabad is essential. The significance of local context, implementation fidelity, and particular initiatives in influencing empowerment outcomes can be demonstrated by such an analysis.

1.2 Overview of Nadia and Murshidabad Districts

To contextualize the comparative analysis, a brief socio-economic and geographical profile of both Nadia and Murshidabad districts is essential.

Nadia District: With a high cropping intensity of 285% and a highly diversified cropping pattern, Nadia is situated in the new Gangetic Alluvial Agro-climatic zone. Paddy, jute, oilseeds, legumes, wheat, vegetables, potatoes, betel vine, and flowers are among its principal agricultural products. An extensive banking network, including 301 Commercial Bank branches (including private banks), 67 Bangiya Gramin Vikas Bank branches, 23 Cooperative Banks (Nadia DCCB) branches, four Ujjivan Small Finance Bank branches, and 327 Primary Agricultural Cooperative Societies (PACS) branches, serves the district's credit needs. In order to actively promote rural development projects, NABARD keeps a dedicated District Development Office in Nadia.

Murshidabad District: Notably, this district is West Bengal's sixth largest territorially and third most populated. Its economy is mostly based on agricultural, with more over 70% of its inhabitants directly employed in this sector. The cropping intensity in Murshidabad is high, ranging from 244.5 percent in 2019–20 to 252.07% in 2023–2024. Its banking system consists of 451 PACS, 22 Murshidabad District Central Cooperative Bank branches, 74 Bangiya Gramin Vikash Bank branches, and 322 Commercial Bank branches. Murshidabad has also been named a "aspirational district" by the Central Government, which suggests more attention and focused development initiatives. NABARD maintains a District Development Office in Murshidabad, just like Nadia.

Because Nadia and Murshidabad are both heavily agrarian, the majority of livelihood activities supported by SHGs are focused on agriculture and related fields. For example, research conducted in Nadia demonstrates that the majority of SHG members work in agriculture (mostly rice) and livestock raising (particularly goat and pig farming). This shared economic foundation is further supported by the substantial credit potential evaluated for fisheries, agriculture, and animal husbandry in both districts. In addition to suggesting that issues with agricultural markets and input costs may have a substantial impact on SHG outcomes in both regions, this shared economic foundation offers an essential lens through which to compare the effects of SHGs on economic empowerment.

2. Conceptual Framework: Self-Help Groups and Women's Empowerment

Self-Help Groups (SHGs) are small, unofficial, community-based groups that usually consist of 10–20 people from comparable socioeconomic backgrounds. With a strong concentration on credit and savings, these people willingly band together to pool their resources for mutual economic support. In order to empower marginalised groups – especially women – for their economic, social, and personal growth, Self-Help Groups (SHGs) are founded on the ideas of mutual aid, self-reliance, and collective empowerment.

The operational framework of SHGs is characterised by key features:

- **Homogeneity and Group Size:** SHGs are usually composed of 10–20 members, which guarantees cohesiveness and manageability. The group's members typically come from comparable socioeconomic backgrounds, which promotes mutual respect and trust.
- **Credit and Savings:** Regular contributions to a group fund by members constitute a fundamental activity. In order to encourage financial independence and resource cycling within the group, these pooled funds are then used to offer members small loans for personal or commercial purposes at fair interest rates.
- **Collective Decision-Making:** SHGs function according to the democratic, collective decision-making concept, which guarantees that every member has a say in the group's operations and promotes a feeling of pride and dedication to shared goals.
- **Training and Capacity Building:** Participants get instruction in vital subjects like business development, financial literacy, and skill improvement. By increasing their ability to manage finances and run small businesses successfully, these programs aim to empower participants.
- **Relationship with Banks:** One important feature of the SHG model in India is its relationship with official banking establishments, which is frequently made possible by initiatives like NABARD's SHG-Bank Linkage Programme. Through this connection, SHGs can obtain larger credit facilities, improving their financial stability and stimulating local economic activity.
- **Panchasutras:** Following five fundamental guidelines, or "Panchasutras," is essential for efficient operation and bank loan eligibility. Regular meetings, consistent savings, consistent internal lending, consistent recoveries, and careful upkeep of appropriate books of accounts are a few examples. These values are essential to establishing trust, encouraging financial discipline, and improving group efficacy; they are not just administrative rules. Following these guidelines has a direct impact on SHGs' financial stability and capacity to attract outside assistance, as demonstrated by the finding that cohesion and solidarity are essential components of active SHGs, whereas inconsistencies in repayment and savings result in group passivity.

In India, Self-Help Groups (SHGs) work to expand credit availability, encourage entrepreneurship, boost marginalised groups' self-esteem, link unbanked people to financial institutions, develop skills, and raise the standard of living for low-income households. They support social cohesiveness, skill development, financial inclusion, and poverty reduction. NABARD's SHG-Bank Linkage Project, which gave SHGs access to bank financing and the ability to have savings accounts, gave the SHG movement a boost in 1992. SHGs were further promoted as a rural self-employment approach by the Swarnajayanti Gramme Swarozgar Yojana (SGSY) in 1999. In 2011, this initiative changed its name to the National Rural Livelihoods Mission (NRLM). Today, NRLM is acknowledged as the biggest initiative in the world for reducing poverty.

2.1 Dimensions of Women's Empowerment: A Multidimensional Perspective

Providing women equal rights, opportunities, independence, and dignity in all facets of their lives is the goal of the multifaceted process of women's empowerment. It does more than merely grant rights; it gives women the strength, information, and self-assurance they need to successfully exercise those rights. Historically, women's responsibilities in India have been restricted, which has prevented them from reaching their full potential. A comprehensive strategy that tackles several interrelated aspects is necessary for empowerment initiatives.

Social empowerment, which promotes self-respect and self-determination and gives women the freedom to live, express, choose, and advance as they see fit, is one of the important dimensions. In order to secure their own and their families' futures, economic empowerment gives women the ability to control resources, make money, and take part in economic decisions. Political empowerment involves women's participation in decision-making processes, cultivating leadership skills and raising awareness of their rights.

Women's access to education and knowledge is guaranteed by educational empowerment, and this forms the basis for advancement in other areas. Women's increased participation in domestic decision-making, which reflects their increasing agency and influence within the family, is a component of family empowerment. While digital empowerment gives women access to digital tools and information, legal empowerment guarantees women's protection from exploitation and crimes. Improving women's access to healthcare facilities and achieving improved health outcomes for themselves and their families are the main goals of health-related empowerment.

Since advancement in one area frequently leads to advancement in others, these dimensions are interrelated and have a reciprocal influence. The dowry system, underage marriage, domestic abuse, lack of access to education, economic instability, and poor health facilities are some of the unique issues that Indian rural women must deal with. Evaluating the economic impact is crucial, as it underpins many other forms of empowerment.

Table 1: Dimensions of Women's Empowerment and General SHG Impact

Dimension of Empowerment	Definition/Key Aspect	General Impact of SHGs	Specific Indicators/Examples of Impact
Economic Empowerment	Right to earn income, control resources, participate in economic decisions, self-reliance, independence.	Instrumental in enhancing financial access, promoting entrepreneurship, and improving economic status.	Increased income, savings, and assets; access to microcredit for income-generating activities (agriculture, handicrafts, tailoring); reduced reliance on moneylenders; improved financial literacy.
Social Empowerment	Equality, respect, security, and freedom in society; development of self-respect and self-determination.	Fosters unity, cooperation, and stronger community networks; improves self-esteem and social recognition.	Increased participation in household financial decisions; greater role in community development; collective action against social issues (domestic violence, child marriage, illiteracy); enhanced social confidence.
Political Empowerment	Participation in decision-making processes, leadership skills, awareness of rights.	Women gain leadership skills and awareness of their rights through group and community participation.	Increased participation in social and political events; ability to speak up and advocate for rights.
Educational Empowerment	Access to education and knowledge.	Indirectly supports education by improving household income and awareness.	Improved financial literacy through training; increased awareness of rights and opportunities.
Family Empowerment	Increased role in family decision-making.	Enhances women's influence and agency within the family unit.	Greater say in household financial decisions and other family matters.

Legal Empowerment	Protection from exploitation and atrocities, awareness of rights.	Raises awareness of rights and provides a collective platform for addressing injustices.	Increased awareness of legal rights; collective advocacy against exploitation.
Digital Empowerment	Access to digital knowledge.	Some initiatives promote digital literacy and use of digital tools for SHG management.	Improved financial management through digital platforms; enhanced access to information.
Health-related Empowerment	Access to health facilities and improved health outcomes.	Financial inclusion through SHGs leads to better health outcomes.	Reduced child mortality; improved maternal health; ability to combat disease through better nutrition and healthcare access.

3. Self-Help Groups and Women's Empowerment in Nadia District

The Nadia district has a lengthy history with the Self-Help Group movement, having started the Swarnajayanti Gramme Swarozgar Yojana (SGSY) in 1999, which was a precursor to the National Rural Livelihoods Mission (NRLM). The district had a significant increase in SHG formation, which peaked in 2003–2004, suggesting that these community-based organisations were prioritised early on and continuously. According to Nadia, as of March 2013, there were 20,765 SHGs overall, with 20,000 of them actively operating. The significant proportion of women-only organisations in Nadia's SHG ecosystem – 18,018 or 86.77% of all SHGs – makes it noteworthy. Comparing this number to other districts, such as Darjeeling (63.09%), it is noticeably higher. This high percentage of women-only groups suggests a deliberate and successful strategy to target women for empowerment, potentially leading to more focused and effective interventions tailored to women's specific needs and challenges. This is because the group's goals and activities naturally align with the needs of female members rather than being diluted by mixed-gender dynamics.

Nadia has also demonstrated excellent performance in terms of linkage and credit disbursement. The district showed a somewhat higher number of credit, saving, and project linkage groups than Darjeeling. By March 2013, 15,611 SHGs in Nadia had received bank loans totalling Rs. 753.37 lakh, with an outstanding loan recovery rate of 85.79%.

Strong financial discipline, mutual trust, and group cohesion are essential for SHG sustainability and ongoing access to formal financing, all of which are demonstrated by this high recovery rate. More current estimates place the loan potential of SHGs/Joint Liability Groups (JLGs) and NGO-Microfinance Institutions (MFIs) at Rs 95040.00 lakh in the District loan Plan for 2020–21. Nadia's priority sector credit potential, which was further assessed at ₹1599004 lakh for the fiscal year 2023–2024, remained heavily reliant on SHG-JLG financing.

A significant portion of Nadia's group loans (42.5%) were used for lucrative ventures like farming, petty business, and land mortgages. Compared to Darjeeling, where the rate was 28.75 percent, this one is far higher, suggesting that financial access is being converted into sustained revenue production more successfully. The remaining 57.5% of the loans were utilised for consumption, medical expenses, home maintenance, and social gatherings, among other necessities for the household. Nadia's relatively greater productive loan utilisation indicates a more successful conversion of financial access into sustainable income production, which is a fundamental goal of SHGs and a critical component of their overall success in empowering people.

3.1 Operational Models and Specific Initiatives

The SHG operational models and support systems in the Nadia district are characterised by robust institutional backing and innovative local initiatives. NABARD plays a vital role in carrying out various developmental and promotional activities and maintaining a specialised District Development Office in Nadia. NABARD provides crucial refinance support to commercial banks, cooperative banks, and regional rural banks (RRBs) for priority sector financing in order to guarantee a steady flow of credit to SHGs.

Nadia's SHG operational environment is defined by a number of important initiatives:

- **Program for SHG-Bank Linkage (SHG-BLP):** All SHGs in Nadia have direct bank connections, which makes it easier for them to obtain official financial services.
- **PACS as SHPI:** The concept of Primary Agricultural Cooperative Societies (PACS) operating as Self-Help Group Promoting Institutions (SHPIs) was first implemented in the Nadia area. With more than 225 PACS actively taking part in the SHG-BLP, this creative strategy has successfully integrated over 33,000 SHGs within cooperative credit institutions.
- **SAJANI Project:** Under the direction of NABARD and the Nadia District Central Cooperative Bank (DCCB), this innovative project aims to cultivate local leaders, or "SAJANIs," from inside the SHGs. In a locality, one SAJANI usually symbolises ten to twelve SHGs. The development of more than 1000 SAJANIs has greatly improved local leadership and group cohesion. By lowering external dependency, this goes beyond basic capacity building and proposes a purposeful approach to promote internal leadership and self-management, which are essential for the long-term viability and efficacy of SHGs.

- **Non-Financial SHG Federations:** Self-Help Groups associated with cooperative banks and Primary Agricultural Credit Societies are consolidated into non-financial federations at both block and district tiers. These federations promote diverse training and skill enhancement programs for their members. NABARD actively facilitates Livelihood Enterprise Development Programs (LEDP) and Microenterprise Development Programs (MEDP) for Self-Help Group (SHG) members in Nadia. An exemplary instance is an LEDP conducted for 150 experienced SHG members in scientific goat husbandry, who later obtained bank loans through the National Livestock Mission, achieving self-sufficiency and becoming resource providers for other entrepreneurs.
- **Financial Literacy:** NABARD implements financial literacy initiatives and village-level programs for Self-Help Groups to improve members' comprehension of financial management and services.
- **The E-Shakti Program:** The E-Shakti Program, a joint initiative of Nadia DCCB and Punjab National Bank, has effectively digitised 2,500 Self-Help Groups (SHGs). These organisations are integrated into the E-Shakti portal, with periodic financial data updates enabled through a mobile application. Nadia's implementation of E-Shakti exemplifies a proactive strategy to utilise technology for enhancing the efficiency and transparency of Self-Help Groups (SHGs). This may result in enhanced financial management and improved responsibility within SHGs, potentially augmenting their creditworthiness and overall impact by tackling issues such as insufficient financial literacy and poor record-keeping.
- **Members Welfare Fund:** An exclusive initiative administered by Nadia DCCB in collaboration with SAJANIs, this fund entails donations from SHG members to offer compensation in instances of death or disability of members or their spouses. More than 15,000 SHG members participate in this fund, illustrating a robust social security element inside the SHG system.

The collaboration between NABARD and DCCB establishes a robust framework for SHG operations, while internal group dynamics, notably strengthened by initiatives such as the SAJANI Project, improve the groups' capacity for self-management and sustainability.

3.2 Documented Effects on Women's Empowerment Across Various Dimensions

Research and field observations repeatedly demonstrate the beneficial effects of Self-Help Groups on women's empowerment in the Nadia district. In general, SHG members in Nadia exhibit greater empowerment than their non-SHG peers across multiple empowerment indices.

- **Economic empowerment:** Economic empowerment is frequently identified as the most crucial area of effect by SHG members in Nadia. Members have significantly enhanced their income by adeptly employing group credit for income-generating activities, resulting in measurable gains in earnings, savings, and assets. Nadia's greater proportion of loans allocated for productive purposes (42.5%) in contrast to districts such as Darjeeling (28.75%) indicates a more efficient conversion of microcredit into sustained revenue creation. The robust association between the judicious allocation of microcredit and measurable enhancements in economic conditions subsequently leads to additional types of empowerment. The principal economic activities for SHG members in Nadia include traditional practices such as rice cultivation and animal keeping, including goat and pig farming.
- **Social Empowerment:** Women in Nadia have attained enhanced significance in family decision-making and have taken on more prominent responsibilities as catalysts for development within their communities. The robust group cohesion and collective bargaining cultivated within SHGs have enabled women to articulate their voices and argue for their rights more successfully when necessary. Respondents acknowledge social standing as the second most important kind of empowerment, following economic condition.
- **The financial literacy:** The financial literacy of SHG members has significantly enhanced, especially among group leaders. This is ascribed to training programs that augment their understanding of bookkeeping, short-term credit management, and interest computation. Financial literacy is seen as the third most significant domain of empowerment.
- **Job outcomes:** In terms of employment, the Nadia district exhibits superior job outcomes for women following their participation in Self-Help Groups compared to Darjeeling. The emphasis on local economic assets, including rice and livestock agriculture, allows SHG members to efficiently leverage loans for income generation.

Additionally, research demonstrates that SHG members in Nadia attained superior ratings in metrics assessing personal autonomy, familial decision-making, domestic consultation, and political engagement. This illustrates a comprehensive beneficial impact of SHGs on several aspects of women's lives.

3.3 Obstacles and Determinants of Success

Nadia district demonstrates notable achievements in SHG-facilitated women's empowerment; nonetheless, it is not exempt from the common obstacles encountered by SHGs throughout India. This encompasses a continual deficiency in extensive financial literacy among certain members, constraints in obtaining substantial loans or capital essential for expanding income-generating endeavours, and challenges associated with inadequate group dynamics, such as internal disputes or uneven involvement. Furthermore, insufficient training and capacity development, excessive dependence on external assistance, restricted access to wider markets for their products, deep-rooted gender and social disparities, and overarching sustainability issues continue to be relevant. Notwithstanding Nadia's targeted initiatives, these structural difficulties persist in affecting the operating landscape of SHGs.

Nadia's SHG movement is supported by various unique success elements.

Robust Institutional Support: The active engagement and committed assistance from NABARD's District Development Office, along with the significant participation of the Nadia District Central Cooperative Bank (DCCB) and Primary Agricultural Cooperative Societies (PACS), establish a strong institutional foundation. This organised support framework is essential for the continual advancement, funding, and oversight of SHGs.

Targeted Leadership Development: The distinctive SAJANI Project, which emphasises the cultivation of local leaders from inside Self-Help Groups (SHGs), serves as a vital facilitator. The initiative enhances self-management among internal leaders, bolsters group effectiveness, and diminishes reliance on external facilitators. This localised leadership development serves as a crucial difference, fostering more resilient and autonomous groups.

E-Shakti program: The effective execution of the E-Shakti program for Self-Help Group digitisation markedly increases transparency, optimises financial management, and facilitates data collecting. This modernisation enhances efficiency and accountability inside SHGs, potentially augmenting their creditworthiness and general operational efficacy.

Productive livelihoods: The focus on productive livelihoods emphasises agriculture and related activities, such as rice farming and animal husbandry, which strategically connect with the district's primary economic assets. This enables SHG members to efficiently employ loans for income-generating activities pertinent to their local context, resulting in substantial economic enhancement.

Elevated Concentration of Women's Self-Help Groups: The deliberate emphasis on establishing a large proportion of women-exclusive Self-Help Groups (86.77%) likely yields more customised and successful empowerment initiatives that specifically cater to women's distinct needs, concerns, and goals, resulting in more pronounced empowerment outcomes.

Nadia's loan recovery percentage of 85.79% exemplifies robust financial discipline, mutual confidence, and effective group cohesion. This financial prudence is essential for the long-term viability of SHGs and guarantees their ongoing access to formal financing from banking institutions.

The success in Nadia stems from the interaction of substantial external support and the development of effective internal group dynamics. External bodies furnish the requisite framework and resources, however internally cultivated leadership and compliance with prudent financial standards guarantee the proper deployment of these resources and the sustainability of the empowering process.

4. Self-Help Groups and Women's Empowerment in Murshidabad District

The Central Government has designated Murshidabad district as an aspirational district, emphasising the establishment of Self-Help Groups as a crucial method for socio-economic advancement. Although precise historical data on the exact number of SHGs established in Murshidabad for direct comparison with Nadia's 20,765 SHGs as of 2013 is not specifically supplied, West Bengal overall exhibits a vigorous SHG framework. The state ranks second nationally for exclusive women's self-help groups and first for bank loans issued to these groups, with 51-75% coverage of rural households. This state-level performance indicates a significant prevalence of SHGs throughout all districts, including Murshidabad.

Regarding credit linkage and distribution, Murshidabad's District Credit Plan for 2020-21 anticipated a significant enhancement in credit potential, especially for SHG/Joint Liability Group (JLG) loans, propelled by robust local demand and targeted government initiatives. The entire potential for priority sector lending in Murshidabad was evaluated at ₹1,295,341.26 lakh for 2020-21, with a notable allocation of ₹106,300.00 lakh earmarked for "Others (Loans to SHGs, loans to distressed individuals for prepaying non-institutional lenders, etc.)." This signifies a considerable financial influx towards SHGs and analogous microcredit programs. Moreover, Murshidabad ranks among the top three districts in West Bengal for microfinance penetration, with roughly Rs 3,991 crore in total loans disbursed by microfinance institutions. The substantial credit volume indicates significant financial inclusion initiatives in the district.

Research on SHG members in Murshidabad demonstrates that acquired loans substantially enhance their living conditions and are efficiently employed for income-generating endeavours. Considering that more than 70% of Murshidabad's population relies on agriculture, it is logical to deduce that a significant proportion of these loans, akin to those in Nadia, would be directed towards agricultural and related businesses.

The significant microfinance penetration in Murshidabad, evidenced by the considerable amount of loans given, indicates broad financial inclusion initiatives. Nevertheless, this scale requires meticulous analysis of its genuine effect on women's empowerment. Although microfinance is essential for poverty alleviation, its efficacy may be compromised by factors such as corruption or excessive indebtedness if not governed by stringent oversight and ethical lending standards. This indicates that Murshidabad's extensive microfinance environment, although advantageous for accessibility, may also provide distinct obstacles in guaranteeing that financial access results in sustainable advantages rather than possible debt burdens or exploitation.

4.1 Operational Models and Specific Initiatives

The operational models and activities facilitating Self-Help Groups in Murshidabad district exemplify a comprehensive strategy, integrating extensive government programs with the proactive participation of non-governmental organisations (NGOs).

Government Initiatives: Murshidabad derives substantial advantages from state-level initiatives executed under the National Rural Livelihoods Mission (NRLM), referred to as “Anandadhara” in West Bengal. This program seeks to engage impoverished rural households, especially women, in Self-Help Groups (SHGs), offering them capacity training, financial inclusion, and livelihood assistance. The Department of Self Help Group and Self Employment (SHG&SE) in West Bengal provides further assistance to SHGs via targeted schemes. ‘JAAGO’ offers a nominal annual revolving fund of Rs. 5,000 to graded Self-Help Groups (SHGs) or those obtaining bank credit, with the objective of enhancing their empowerment. The West Bengal Swanirbhar Sahayak Prakalpa (WBSSP), initiated in 2012-13, provides interest subvention to self-help groups (SHGs) obtaining bank credit, capping their interest payments at 2% on loans. The West Bengal Swarojgar Corporation Limited (WBSCCL) intends to construct a zonal office in Murshidabad, reflecting a strategic objective to enhance Self-Help Group (SHG) initiatives and secure sustainable livelihoods in the area.

NGO Participation: NGOs are essential to the SHG framework in Murshidabad. They engage in the promotion and establishment of Self-Help Groups (SHGs) and facilitate their connection to financial institutions. These organisations also deliver crucial training and oversee SHG activities. Certain NGOs function as microfinance organisations, establishing and organising groups, facilitating bank connections, or serving as mediators for financial assistance. The Association of Microfinance Institutions West Bengal emphasises the historical importance of Self-Help Groups formed during the Left Front administration in the late 1990s, which facilitated economic and social development among marginalised women.

Lead Bank Scheme: Similar to other districts, Murshidabad functions under the Lead Bank Scheme, wherein a designated bank oversees financial operations and formulates the District Credit Plan. This plan delineates particular objectives for important sectors, including SHG/JLG financing, thereby providing a systematic approach to financial outreach.

Community-Based Initiatives: Self-Help Groups in Murshidabad operate as community organisations, offering a collaborative platform for members to market their products and talents while accessing resources at economical rates. These collective entities actively participate in entrepreneurship development and microfinance initiatives.

The SHG ecosystem in Murshidabad is defined by a combination of top-down governmental activities and substantial bottom-up community-driven or NGO-facilitated strategies. The proposed creation of a WBSCCL zonal office in Murshidabad indicates a deliberate initiative for enhanced engagement and assistance. The efficacy of this multi-tiered support system relies on robust coordination to prevent redundancy or competing strategies, so ensuring that the collective endeavours result in thorough and sustainable empowerment.

4.2 Documented Effects on Women’s Empowerment Across Various Dimensions

The influence of Self-Help Groups on women’s empowerment in Murshidabad district is evident across all dimensions, with economic benefits frequently acting as a primary catalyst for more extensive transformations.

- **Economic Empowerment:** Membership in Self-Help Groups in Murshidabad markedly enhances the living conditions of women by providing access to loans and facilitating participation in income-generating endeavours. Women acquire financial literacy, resulting in the establishment of bank accounts in their names and a decrease in reliance on informal moneylenders. Financial independence is essential for enhancing women’s self-esteem and confidence, since it enables them to ensure their future and significantly contribute to their families’ economic stability.
- **Social Empowerment:** Involvement in Self-Help Groups (SHGs) fosters heightened social contact and community participation among women, hence augmenting their self-esteem. Their participation in several community initiatives and societal activities expands their social networks and enhances their self-esteem. In addition to personal benefits, financial independence achieved through SHGs has been associated with enhanced involvement in household financial decisions, better access to healthcare and education, and a significant decrease in gender inequities within the community.
- **Political Empowerment:** Members of Self-Help Groups in Murshidabad actively engage in social and political activities, thereby acquiring a voice and exerting influence outside their domestic spheres. This collective involvement can foster enhanced awareness of their rights and the capacity to fight for reforms at the community level.
- **Financial Inclusion:** Self-Help Groups (SHGs) offer crucial access to credit and promote financial autonomy, especially for rural women who have historically been denied basic rights and marginalised from mainstream society. This inclusion is an essential measure for disrupting cycles of poverty and dependency.

The observed effects in Murshidabad correspond with the prevailing notion that economic empowerment is a vital gateway for women to attain greater social and political agency. The district’s SHG programs seem to be successfully utilising financial mechanisms to promote multi-dimensional empowerment, illustrating how enhanced economic agency equips women with the confidence and resources to assert themselves in social and political arenas.

4.3 Obstacles and Determinants of Success

Personal Development Organisations in Murshidabad, albeit influential, contend with a milieu characterised by both intrinsic obstacles and considerable facilitators.

Obstacles: The specific and comprehensive issues faced by Murshidabad are not as thoroughly recorded in the available sources as those for Nadia. Nonetheless, the common issues encountered by SHGs throughout India are probably relevant. This

encompasses constraints in obtaining substantial financing for firm expansion, possible deficiencies in training and capacity development, and the threat of reliance on external support organisations. The significant microfinance penetration in Murshidabad may also provide issues regarding the management of potential over-indebtedness among members and the assurance of ethical lending practices, given the emergence of corruption concerns in microfinance within other districts of West Bengal. Moreover, a “inappropriate domestic market structure” for farmers, as indicated in one study, may hinder the profitability and sustainability of agricultural and allied ventures conducted by SHG members. Persistent social barriers continue to exist due to entrenched gender inequities, despite efforts by SHGs to alleviate them.

Determinants of Success

- **Robust Microfinance Penetration:** The substantial disbursement of loans by microfinance banks in Murshidabad, totalling around Rs 3,991 crore, signifies extensive financial accessibility for women. This extensive financial inclusion is a crucial determinant of success, supplying the requisite capital for income-generating endeavours.
- **Government Emphasis and Assistance:** The classification of Murshidabad as a “aspirational district” signifies that it is the recipient of focused developmental initiatives and heightened governmental scrutiny. This position likely results in improved resource allocation, policy endorsement, and oversight for initiatives such as SHGs, with the objective of expediting socio-economic development. The area also benefits from state-level initiatives such as Anandadhara, JAAGO, and WBSSP, which guarantee ongoing government support and financial aid. The historical and continuous engagement of NGOs in promoting and enabling Self-Help Groups (SHGs) considerably enhances their establishment and efficacy. These organisations frequently offer essential grassroots mobilisation, training, and connectivity assistance.
- **Focus on Revenue-Generating Endeavours:** The emphasis on employing loans for productive, income-generating endeavours immediately enhances women’s economic independence and elevates living conditions. This pragmatic strategy guarantees that financial access results in concrete economic advantages.
- **Community-Based Approach:** Self-Help Groups in Murshidabad function as community-oriented entities, promoting collective action, skill enhancement, and market accessibility for participants. The mutual support and community-building elements fortify the groupings and augment their resilience.

The classification of Murshidabad as a “aspirational district” indicates a top-down approach to development, offering significant advantages in finance, policy backing, and administrative monitoring for SHG projects. This may distinguish its growth trajectory from other districts, potentially resulting in more effective program implementation and improved outcomes.

5. Comparative Analysis: Nadia versus Murshidabad

The comparative analysis of Self-Help Groups and their influence on women’s empowerment in Nadia and Murshidabad districts uncovers significant commonalities in operational success as well as distinct methodologies that differentiate their empowerment pathways.

Nadia and Murshidabad districts exhibit a collective dedication to using Self-Help Groups for the empowerment of women, especially via economic advancement.

- **Economic Empowerment as the Principal Outcome:** In both areas, Self-Help Groups routinely result in substantial economic empowerment. This is mostly accomplished through improved access to microcredit, which members employ for income-generating endeavours like as agriculture, animal husbandry, and small enterprises. This access results in higher income, better savings habits, and greater financial awareness for women, along with the broader recognition that economic advancement is a vital pathway to other forms of empowerment. The primary agricultural economies of Nadia and Murshidabad inherently direct SHG livelihood activities towards agriculture and related sectors. The common economic foundation indicates that the essential mechanisms of economic empowerment via SHGs – microcredit for agricultural inputs, livestock management, and small-scale trade – are likely analogous in both districts, promoting similar economic effects and challenges concerning agricultural markets.
- **Multifaceted Empowerment:** In addition to economic benefits, both districts demonstrate how financial autonomy leads to enhanced social and, to a degree, political empowerment. Women in Self-Help Groups in both Nadia and Murshidabad exhibit enhanced participation in family decision-making and increased engagement in community activities. This illustrates the ability of SHGs to promote comprehensive development.
- **Robust Government and NABARD Assistance:** Both districts benefit from the state-level “Anandadhara” (NRLM) initiative, which offers a comprehensive framework for social mobilisation, financial inclusion, and livelihood enhancement. NABARD’s substantial assistance for the SHG-Bank Linkage Programme, capacity-building initiatives (including Livelihood Enterprise Development Programs and Microenterprise Development Programs), and financial literacy programs is apparent in both regions. West Bengal’s prominent national standing in SHG bank linkages further highlights the robust enabling environment advantageous to both districts.
- **Prevalent Obstacles:** Notwithstanding their achievements, both districts are likely to encounter shared obstacles intrinsic to Self-Help Group operations in rural India. This encompasses constraints in obtaining substantial capital for enterprise expansion, challenges in forming strong market connections for products, and the enduring impact of entrenched gender

norms, which, although partially mitigated by Self-Help Groups, are not entirely eliminated through group involvement alone.

5.1 Principal Distinctions and Differentiating Elements

The Self-Help Groups (SHGs) in Nadia and Murshidabad have distinct operational models and focal areas that differentiate their impact. Nadia has a more intentional focus on women's empowerment, with exclusive women SHGs constituting 86.77% of total SHGs as of 2013. This results in tailored interventions targeting individual needs and concerns.

Nadia has implemented distinctive operational improvements, such as the PACS model, SHPI model, SAJANI Project, E-Shakti digitisation initiative, and "Members Welfare Fund." These localized improvements focus on enhancing internal organizational dynamics, fostering local leadership, and modernizing finance management.

Nadia has a greater proportion of loans allocated for productive purposes (42.5%) than other districts like Darjeeling (28.75%), suggesting a more efficient conversion of microcredit into sustainable revenue production and economic development. Murshidabad, on the other hand, has a significant microfinance penetration, with total loan disbursements amounting to around Rs 3,991 crore. This suggests an expanded scope of financial intermediation beyond conventional bank-associated SHGs.

Murshidabad's designation as an "aspirational district" indicates increased attention and resources from the central government for expedited development. This position can affect the speed and vigor of SHG program execution, potentially leading to more effective program implementation and improved outcomes.

The economic and social revolution facilitated by SHGs in Murshidabad is associated with their inception during the Left Front administration in the late 1990s. The comparison highlights two divergent routes to SHG success: Nadia's strategy prioritises cultivating robust, self-sustaining group dynamics through local innovations, highlighting quality and internal fortification, and Murshidabad's approach prioritizes extensive financial inclusion through expansive microfinance initiatives and expedited development.

6. Complex Findings Regarding Comparative Effect

Several complex conclusions about the relative effects of SHGs in Nadia and Murshidabad can be made in light of the evidence:

- **Depth vs. Breadth of Empowerment:** Nadia's particular programs, especially E-Shakti and the SAJANI Project, point to a potentially more in-depth and internally motivated empowerment process. Strengthening self-management and transparency within the groups is indicated by the focus on developing local leadership and digitizing operations. This stands in contrast to Murshidabad's seeming emphasis on expanding microfinance penetration in order to achieve widespread financial inclusion. The extent of empowerment and internal group strengthening may be more noticeable in Nadia because of its focused, creative approaches, even though Murshidabad may reach more women with financial services.
- **Converting Financial Access into Productive Use:** Nadia's higher reported loan utilization rate for productive uses suggests that microcredit is being converted into sustainable revenue generation more successfully. This implies that Nadia's SHGs are better able to direct members toward investments that provide observable financial gains, which is essential for long-term independence.
- **The function of external designation:** Murshidabad's designation as a "aspirational district" probably offers a special edge in terms of heightened government attention, resource distribution, and expedited development projects. The pace and intensity of SHG program implementation may be greatly impacted by this outside force, which could hasten the expansion of financial inclusion initiatives. However, it may also call for close supervision to guarantee quality and avoid problems like excessive debt.
- **Persistent Social Barriers:** Although both districts have seen notable advancements in economic and social empowerment, the data indicates that SHGs might not be enough on their own to completely address problems like domestic abuse or to radically change deeply rooted patriarchal norms. Although the groups' combined strength offers a forum for tackling social issues, changing societal perceptions necessitates more comprehensive, integrated interventions that might include enlisting men and raising awareness throughout the community.
- **Agrarian Linkage:** The capacity of SHGs in both districts to promote sustainable livelihoods within their predominately agricultural economies is inextricably linked to their success. This similarity suggests that future interventions should remain customized to the unique opportunities and needs of the agricultural and related industries.

6. Conclusion

The thorough examination of Self-Help Groups (SHGs) in the Nadia and Murshidabad districts of West Bengal clearly illustrates their substantial positive influence on women's empowerment. In both locations, SHGs function as essential catalysts for change by augmenting women's economic agency, which subsequently serves as a fundamental impetus for wider social and, to some extent, political empowerment. Common strengths identified encompass enhanced access to microcredit for revenue-generating endeavours, resulting in elevated income, savings, and financial literacy. Both districts receive substantial governmental and NABARD funding via various initiatives such as Anandadhara and the SHG-Bank Linkage Programme, which form the operational foundation of SHGs throughout West Bengal. The communal agrarian economies of both districts result in SHG

livelihood activities frequently focussing on agriculture and related sectors, hence producing similar economic effects and issues associated with agricultural markets.

The comparison analysis demonstrates diverse methodologies and distinguishing characteristics. The Nadia area is distinguished by its significant number of women-only self-help groups and its innovative local initiatives, like the SAJANI Project for grassroots leadership development and the effective execution of the E-Shakti digitisation program. These activities seem to cultivate a profound, intrinsically motivated empowerment, evidenced by an increased percentage of loans allocated for productive reasons and strong group dynamics. Murshidabad is notable for its extensive microfinance penetration and its classification as a “aspirational district,” indicating a comprehensive development initiative that prioritises mass financial inclusion. Although both districts demonstrate the transformative capacity of Self-Help Groups, Nadia’s emphasis on localised innovation and internal fortification enhances Murshidabad’s extensive programmatic scope. Notwithstanding these gains, obstacles such as restricted access to substantial finance, insufficient market linkages, and the persistent impact of entrenched gender stereotypes continue to exist in both situations.

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