



# **Self-Help Groups and Women Empowerment: A Comparative Empirical Study in Gaya District, Bihar**

**Tapan Kumar**

Research Scholar, P.G. Department of Commerce, Magadh University, Bodh-Gaya, Gaya, Bihar

**Dr. Zofail Hassan**

Assistant Professor, Department of Commerce, Mirza Ghalib College, Gaya, Bihar

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## **ABSTRACT**

Self-Help Groups (SHGs) have emerged as an important mechanism for promoting women empowerment and rural development in India. The present study examines the socio-economic impact of SHGs on rural women in selected blocks of Gaya District. The study is based on a comparative empirical analysis conducted in five randomly selected blocks, namely Bodh Gaya, Belaganj, Sherghati, Tikari, and Wazirganj. A multistage random sampling method was adopted, and 116 SHG women members were selected as respondents. The study analyses economic empowerment, social participation, financial inclusion, savings habits, income improvement, and decision-making capacity of women after joining SHGs. The findings reveal that SHGs significantly contributed to improving the socio-economic condition of rural women. The study also identifies variations in empowerment levels among the selected blocks. The research concludes that SHGs are an effective instrument for sustainable rural development and women empowerment in Bihar.



## 1. Introduction

Women empowerment has emerged as one of the central themes of rural development and inclusive growth in India. Despite significant economic progress and policy interventions, rural women continue to face multiple socio-economic challenges such as poverty, unemployment, financial dependency, illiteracy, lack of access to productive resources, and limited participation in household and community decision-making processes. In rural societies, traditional patriarchal structures often restrict women's mobility, economic independence, and social participation. Therefore, empowering women through sustainable livelihood opportunities and institutional support mechanisms has become an important priority for policymakers and development practitioners.

In this context, Self-Help Groups (SHGs) have emerged as one of the most effective community-based approaches for promoting women empowerment and rural development in India. SHGs are small informal groups, generally consisting of 10 to 20 women from similar socio-economic backgrounds, who voluntarily come together for savings, credit activities, mutual support, and income-generating initiatives. The SHG model promotes collective action, financial discipline, social solidarity, and self-reliance among rural women.

The SHG movement in India gained considerable momentum after the introduction of the SHG–Bank Linkage Programme by the National Bank for Agriculture and Rural Development (NABARD) in the early 1990s. Later, government programmes such as Swarnajayanti Gram Swarozgar Yojana (SGSY) and the National Rural Livelihood Mission (NRLM) further strengthened the SHG movement by providing institutional credit, skill development, entrepreneurship support, and livelihood opportunities for rural women. These initiatives aimed not only at poverty reduction but also at promoting women's participation in economic and social development processes.

SHGs have contributed significantly towards financial inclusion by encouraging savings habits, improving access to formal banking institutions, and reducing dependence on informal moneylenders. Through microfinance activities and collective entrepreneurship, women members gain opportunities for income generation, small business development, livestock



rearing, agricultural activities, and other livelihood programmes. Apart from economic benefits, SHGs also improve women's self-confidence, leadership qualities, awareness regarding education and health, and participation in social and political activities.

Women empowerment is a multidimensional concept that includes economic, social, political, educational, and psychological dimensions. Economic empowerment refers to women's ability to earn income, control financial resources, and contribute to household expenditure. Social empowerment includes increased mobility, participation in community affairs, awareness regarding rights, and freedom in decision-making. SHGs play an important role in strengthening all these dimensions by providing women with a collective platform for mutual cooperation and self-development.

In rural India, SHGs are increasingly recognised as instruments for achieving sustainable development and gender equality. The activities of SHGs are closely associated with several Sustainable Development Goals (SDGs), particularly poverty reduction, gender equality, decent work, financial inclusion, and inclusive economic growth. Consequently, SHGs are now considered not only financial institutions but also social institutions promoting community mobilisation and grassroots development.

Bihar is one of the economically backward states of India where rural poverty, unemployment, and gender inequality remain major developmental challenges. In recent years, the state has witnessed rapid expansion of SHGs under the implementation of the Bihar Rural Livelihoods Promotion Society (JEEViKA) and NRLM programmes. SHGs in Bihar have helped rural women improve savings behaviour, access institutional credit, and participate in livelihood activities.

Among the districts of Bihar, Gaya District holds special significance due to its large rural population, socio-economic diversity, and increasing SHG participation. The district consists of 24 blocks where SHGs are actively functioning at block, Panchayat, and village levels. Women in the district are involved in various SHG activities including savings, microcredit, agriculture, livestock management, tailoring, handicrafts, and small-scale enterprises. However, the level of women empowerment and SHG effectiveness differs across blocks and Panchayats due to variations in literacy, infrastructure, economic conditions, awareness, and institutional support.



Although several studies have examined the role of SHGs in women empowerment in India, comparatively fewer empirical studies have focused specifically on block-level comparative analysis in Gaya District. Most studies emphasise general empowerment outcomes without analysing regional variations in SHG performance and socio-economic impacts. Therefore, there is a need for a comparative empirical investigation to understand how SHGs influence women empowerment across different rural areas of Gaya District.

The present study entitled “Self-Help Groups and Women Empowerment: A Comparative Empirical Study in Gaya District, Bihar” attempts to examine the socio-economic impact of SHGs on rural women in selected blocks of Gaya District. The study focuses on analysing the role of SHGs in improving income generation, savings habits, financial inclusion, decision-making participation, leadership quality, and social awareness among women members. The research also compares empowerment outcomes across selected blocks to identify differences in SHG effectiveness and rural development patterns.

The study is expected to contribute significantly to the existing literature on women empowerment and rural development by providing block-level empirical evidence from Bihar. It may also help policymakers, development agencies, researchers, and SHG-promoting institutions in designing more effective programmes for strengthening women empowerment and sustainable rural livelihoods.

## **2. Review of Literature**

The role of Self-Help Groups (SHGs) in promoting women empowerment, financial inclusion, and rural development has been widely discussed in recent academic literature. Researchers have emphasised that SHGs not only improve women’s economic conditions but also strengthen their social participation, decision-making capacity, and livelihood security. The following studies provide important insights into the relationship between SHGs and women empowerment, particularly in the context of rural India and Bihar. Muhammad Yunus emphasised that microfinance and group-based lending systems play a crucial role in poverty reduction and women empowerment.



Kumar (2025), in the study titled “Empowering Rural Women Through SHGs: Evidence from Bihar”, examined the contribution of Self-Help Groups towards the socio-economic empowerment of rural women in Bihar. The study found that SHG participation significantly improved women’s savings behaviour, financial awareness, and decision-making power within households. The research highlighted that SHGs enhanced women’s confidence and participation in community development activities. The study concluded that SHGs are effective instruments for promoting sustainable rural livelihoods and reducing economic dependency among women.

Kumari and Soni (2025), in their article “Gender Dynamics and Control Over Agricultural Microcredit: Evidence from Self-Help Groups in Bihar, India”, analysed the gender dimensions associated with agricultural microcredit utilisation among SHG women members. The study revealed that women participating in SHGs experienced greater control over agricultural credit and household financial decisions. The authors observed that SHG membership strengthened women’s bargaining power within families and encouraged their involvement in agricultural and entrepreneurial activities. However, the study also noted that traditional patriarchal norms still limited women’s independent financial decision-making in some rural households.

Kumar (2025), in the mixed-methods study “Impact of Self-Help Groups on Women’s Empowerment in Rural Bihar, India”, examined the economic, social, and psychological impacts of SHGs on women members. The study adopted both quantitative and qualitative approaches to evaluate empowerment outcomes. The findings indicated that SHGs positively influenced income generation, savings habits, leadership qualities, and social awareness among rural women. Women members reported increased confidence, greater participation in community meetings, and improved access to financial services after joining SHGs. The study concluded that SHGs contribute significantly towards multidimensional empowerment of rural women in Bihar.

Tulika and Ram (2025), in their research titled “Linking Social Capital and Sustainable Livelihood: The Mediating Effect of Financial Literacy and Moderating Role of Market Access”, emphasised the importance of social capital and financial literacy in strengthening rural livelihoods through SHGs.



The study argued that financial literacy acts as a mediating factor in improving livelihood outcomes among SHG members. The authors found that access to markets and institutional support significantly enhanced the effectiveness of SHG-based economic activities. The research highlighted that women associated with SHGs developed stronger social networks, entrepreneurial skills, and livelihood sustainability.

Kumar (2025), in the study “Poverty, Family Economy, and Women: An Analysis of Research Trends”, analysed the broader relationship between poverty, household economy, and women empowerment in rural India. The study observed that women’s participation in income-generating activities and collective institutions such as SHGs positively influenced family economic stability. The research also emphasised that financial inclusion and livelihood opportunities are essential for reducing rural poverty and strengthening women’s socio-economic status.

Sahay, Upadhyay, Prakash, and Sahu (2025), in their study “Bridging the Gender Digital Divide Through Microfinance Institutions in Bihar”, examined the role of microfinance institutions and SHGs in improving digital financial inclusion among rural women. The study found that SHGs and microfinance programmes significantly increased women’s awareness regarding digital banking, online transactions, and financial technologies. The authors argued that digital literacy and access to financial technology are becoming increasingly important dimensions of women empowerment in rural areas. The study further highlighted that SHGs can serve as effective platforms for promoting digital inclusion among economically marginalised women.

Survase and Panda (2026), in the article “Financial Inclusion and Rural Economic Empowerment: Evidence from Self-Help Groups in Maharashtra, India”, explored the relationship between SHGs and rural economic empowerment. The study concluded that SHGs improved women’s access to institutional credit, increased savings habits, and promoted entrepreneurial activities. The authors observed that financial inclusion through SHGs contributed significantly to poverty reduction and economic self-reliance among rural women. Although the study focused on Maharashtra, its findings are highly relevant for understanding SHG-based empowerment in other rural regions of India, including Bihar.



Kumar and Patnaik, in the study “Empowering Rural Women Through the Rural Livelihood Project ‘JEEViKA’: An Empirical Study of Tekari and Mainatad Blocks of Bihar”, examined the role of the JEEViKA programme in promoting women empowerment through SHGs. The study reported that participation in JEEViKA-led SHGs improved women’s income levels, savings behaviour, leadership qualities, and awareness regarding government welfare schemes. The authors found that women associated with SHGs became more active in social and economic activities and experienced increased self-confidence and mobility. The study also highlighted that institutional support and training programmes under JEEViKA played an important role in strengthening women empowerment outcomes.

The review of literature clearly indicates that SHGs have emerged as important instruments for promoting women empowerment, financial inclusion, and sustainable rural development in India. Most studies have emphasised the positive impact of SHGs on income generation, savings habits, decision-making participation, leadership development, and livelihood security among rural women. The literature also highlights the growing importance of financial literacy, digital inclusion, and market accessibility in improving the effectiveness of SHGs.

However, despite the growing body of literature on SHGs and women empowerment, limited studies have comparatively analysed block-level differences in empowerment outcomes within Gaya District. Most existing studies focus either on general empowerment indicators or on broader state-level analyses. Therefore, the present study attempts to fill this research gap by conducting a comparative empirical analysis of selected blocks and Panchayats in Gaya District to examine the socio-economic impact of SHGs on rural women.

### **3. Objectives of the Study**

- To examine the socio-economic impact of Self-Help Groups on rural women in Gaya District.
- To analyse the role of SHGs in promoting women empowerment and financial inclusion.
- To compare the level of empowerment among SHG women members in selected blocks of Gaya District.



#### **4. Hypotheses of the Study**

**H<sub>0</sub>** There is no significant relationship between SHG participation and women empowerment.

**H<sub>1</sub>** There is a significant relationship between SHG participation and women empowerment.

#### **5. Research Methodology**

The study is based on both primary and secondary data. A descriptive and comparative research design was adopted.

##### **5.1 Study Area**

The study was conducted in Gaya District, which consists of 24 administrative blocks. The district has a large rural population where SHGs operate actively under NRLM and other rural development programmes.

##### **5.2 Sampling Design**

A multistage random sampling technique was used for selecting respondents.

##### **Selection of Blocks**

Out of the 24 blocks of Gaya District, five blocks were selected randomly:

- Bodh Gaya
- Belaganj
- Sherghati
- Tikari
- Wazirganj

##### **Selection of Panchayats**

Three Panchayats were selected randomly from each block. A total of 15 Panchayats were included in the study.

**Table: Selected Blocks and Panchayats**

Block	Selected Panchayats
Bodh Gaya	Atiya, Bakraur, Mocharim
Belaganj	Agandha, Belaganj, Panari
Sherghati	Bar, Cherki, Kachauri
Tikari	Ammakuan, Mau, Shiv Nagar
Wazirganj	Amethi, Karjara, Tarawan

### 5.3 Sample Size

A total of 116 SHG women members were selected randomly as respondents.

**Table: Block-wise Distribution of Respondents**

Selected Block	Number of Respondents
Bodh Gaya	24
Belaganj	23
Sherghati	22
Tikari	24
Wazirganj	23
Total	116

### 5.4 Sources of Data

#### Primary Data

Structured questionnaire      Personal interview      Observation

#### Secondary Data

Government reports      NRLM records      Journals and books      Research articles



## 5.5 Statistical Tools Used

Percentage analysis

Comparative analysis Mean analysis

Chi-square test

## 6. Data Analysis and Interpretation

### 6.1 Demographic Profile of Respondents

**Table 1: Age-wise Distribution of Respondents**

Age Group	Frequency	Percentage (%)
18–30 Years	32	27.58
31–40 Years	46	39.65
41–50 Years	25	21.55
Above 50 Years	13	11.22
Total	116	100.00

Interpretation: The majority of respondents belonged to the age group of 31–40 years, indicating active participation of middle-aged women in SHGs.

### 6.2 Educational Status of Respondents

**Table 2: Educational Status of Respondents**

Education Level	Frequency	Percentage (%)
Illiterate	18	15.52
Primary	37	31.89
Secondary	41	35.34
Graduate and Above	20	17.25
Total	116	100.00



Interpretation: The study shows that most SHG women members had secondary-level education, indicating increasing educational awareness among rural women.

### 6.3 Income Before and After Joining SHGs

**Table 3: Monthly Income of Respondents Before and After Joining SHGs**

Income Level	Before Joining SHG	After Joining SHG
Below ₹3,000	54	19
₹3,000–₹6,000	41	48
₹6,000–₹9,000	16	33
Above ₹9,000	5	16
Total	116	116

Interpretation: The findings clearly show improvement in women’s income after joining SHGs. The number of respondents in lower income categories decreased significantly, while higher income categories increased, demonstrating the positive economic impact of SHG participation.

### 6.4 Economic Empowerment Analysis

The study found that SHGs improved the following dimensions of economic empowerment among rural women:

- Savings habits
- Access to credit
- Income generation
- Financial independence
- Entrepreneurial activities

Women members reported increased confidence in handling financial matters and participating in economic decisions.



## 6.5 Social Empowerment Analysis

SHGs also enhanced the following dimensions of social empowerment:

- Participation in household decision-making
- Leadership quality
- Social awareness
- Community participation

Women became more active in village meetings, educational activities, and social programmes.

## 6.6 Financial Inclusion Analysis

The study revealed that SHGs promoted the following aspects of financial inclusion:

- Banking habits
- Loan accessibility
- Awareness regarding government schemes
- Financial literacy

Women members became connected with formal banking institutions through SHG activities.

## 7. Chi-Square Test Analysis

The Chi-Square Test was applied to examine the relationship between SHG participation and women empowerment. The formula used is:

$$\chi^2 = \sum [(O - E)^2 / E]$$

Where O = Observed frequency and E = Expected frequency.

The calculated Chi-Square value indicated a significant relationship between SHG participation and women empowerment variables such as income improvement, savings behaviour, and decision-making capacity. Therefore, the null hypothesis ( $H_0$ ) was rejected and the alternative hypothesis ( $H_1$ ) was accepted. This confirms that SHGs significantly contribute to socio-economic empowerment among rural women in Gaya District.



## 8. Comparative Findings

The comparative analysis of five selected blocks of Gaya District — Bodh Gaya, Belaganj, Sherghati, Tikari, and Wazirganj — reveals significant variations in the socio-economic impact of Self-Help Groups (SHGs) on rural women. These differences are shaped by a complex interplay of factors including educational levels, availability of institutional support, quality of SHG leadership, proximity to urban centres, and access to government programmes and markets. The block-wise comparison presented in this section provides a comprehensive picture of how SHGs contribute to women empowerment across diverse rural settings within Gaya District.

### 8.1 Block-wise Composite Empowerment Overview

**Table 4: Block-wise Comparative Empowerment Performance of SHG Women Members**

Empowerment Dimension	Bodh Gaya	Belaganj	Sherghati	Tikari	Wazirganj
Income improvement	High	Moderate	Moderate	Very High	Moderate
Savings behaviour	Very High	Moderate	Moderate	High	Moderate
Access to credit	High	Moderate	Low–Moderate	High	Moderate
Decision-making	Moderate	Moderate	High	High	Low–Moderate
Social participation	Moderate	Moderate	Very High	High	Moderate
Financial literacy	High	Low–Moderate	Moderate	High	Low–Moderate
Leadership quality	Moderate	Moderate	High	Very High	Moderate
Overall empowerment level	High	Moderate	High	Very High	Moderate

The table above reflects the multi-dimensional nature of women empowerment and highlights that no single block excels uniformly across all indicators. Tikari and Bodh Gaya emerge as the strongest performers, whereas Wazirganj and Belaganj show relatively moderate outcomes requiring targeted policy attention.



## **8.2 Tikari Block: Highest Overall Empowerment**

Tikari block recorded the highest overall empowerment level among the five selected blocks of Gaya District. SHG women members in Tikari demonstrated exceptional improvement in income generation, leadership development, and household decision-making participation. The block's comparatively better infrastructure, stronger Panchayat institutions, and active implementation of the JEEViKA programme have contributed significantly to SHG effectiveness.

Women in Tikari were found to be actively involved in diverse income-generating activities including tailoring, goat rearing, vegetable cultivation, and small-scale trade. A notable proportion of respondents reported that their monthly household income increased by more than 50 per cent after joining SHGs. Financial discipline was also found to be strong, with regular savings and timely loan repayment being widely practised. Leadership development was particularly prominent in Tikari, with several SHG members having been elected to Gram Panchayat positions, reflecting a direct political empowerment outcome of SHG participation.

**Key factors for Tikari's strong performance:** Strong block-level JEEViKA coordination, high SHG meeting regularity, active involvement in livelihood missions, better road connectivity, and access to nearby markets in Gaya town.

## **8.3 Bodh Gaya Block: Strong Financial Inclusion and Savings**

Bodh Gaya block demonstrated the highest level of financial inclusion and savings behaviour among all selected blocks. Given its proximity to the international tourist destination of Bodh Gaya town, women SHG members in this block have greater exposure to commercial activities, banking services, and entrepreneurial opportunities compared to women in more remote blocks.

Women members in Bodh Gaya reported high rates of bank account ownership and regular savings through SHG meetings. Several groups had successfully availed of institutional credit from banks under the SHG–Bank Linkage Programme and had utilised loans for productive purposes such as establishing small shops, purchasing livestock, and investing in agriculture. Awareness regarding government welfare schemes was also notably higher among respondents in this block.



**Key factors for Bodh Gaya's performance:** Proximity to urban markets and banking infrastructure, tourism-related economic activity, high SHG–Bank Linkage Programme coverage, and greater exposure to external institutions and NGOs.

#### **8.4 Sherghati Block: High Social Participation and Decision-Making**

Sherghati block stood out as the strongest performer in social empowerment dimensions, particularly in women's social participation, decision-making capacity, and community leadership. Women SHG members in Sherghati were found to be more actively engaged in village-level meetings, Panchayat discussions, and community welfare activities compared to respondents from other blocks.

The relatively higher literacy rate among women in certain Panchayats of Sherghati has contributed to greater awareness regarding rights, education, and health. SHG meetings in Sherghati were reportedly more regular and better attended, with women discussing not only financial matters but also issues related to children's education, healthcare, and social welfare. This broader agenda of SHG discussions has helped foster a stronger sense of collective identity and social agency among women members.

In terms of economic empowerment, Sherghati showed moderate progress, with income improvement and credit access somewhat limited due to the block's relative geographic isolation and weaker market connectivity. Nevertheless, the strong social empowerment outcomes of Sherghati indicate that SHGs are functioning effectively as social mobilisation platforms in this block, even where purely economic impacts are constrained.

**Key factors for Sherghati's social empowerment:** Higher female literacy in select Panchayats, regular SHG meeting culture, active block-level SHG federations, awareness programmes on health and education, and strong community leadership.

#### **8.5 Belaganj and Wazirganj Blocks: Moderate Empowerment with Growth Potential**

Belaganj and Wazirganj blocks both recorded moderate overall empowerment levels, indicating that SHGs are operational and contributing positively to women's lives, though the depth and breadth of impact remain below the levels observed in Tikari, Bodh Gaya, and Sherghati. Several interrelated factors explain the moderate outcomes in these blocks.



In Belaganj, limited awareness of financial products and services, lower educational levels in rural Panchayats, and weaker SHG federation structures have constrained the full potential of SHG activities. Women members in Belaganj showed good savings habits at the group level but faced difficulties in accessing larger institutional credit for entrepreneurial activities. Decision-making participation was also moderate, with women reporting partial improvement in household decision-making authority.

In Wazirganj, geographic remoteness, inadequate road connectivity, and limited access to markets emerged as key structural barriers to SHG effectiveness. Women's participation in economic activities was constrained by mobility restrictions and a relative lack of profitable livelihood opportunities in the immediate area. Financial literacy levels were notably lower in Wazirganj compared to other blocks, pointing to the need for more intensive training and capacity-building interventions in this area.

**Common challenges in Belaganj and Wazirganj:** Lower educational attainment among women, limited market access, weaker institutional support at the block level, inadequate financial literacy, and traditional gender norms that restrict women's economic and social mobility.

## 8.6 Key Determinants of Variation in SHG Effectiveness

**Table 5: Block-wise Comparative Analysis of Key Determinants**

Determinant Factor	Bodh Gaya	Belaganj	Sherghati	Tikari	Wazirganj
Female literacy rate	Moderate	Low	Moderate–High	Moderate	Low
Market accessibility	High	Moderate	Low	High	Low
Banking infrastructure	High	Moderate	Low–Moderate	Moderate–High	Low
JEEViKA programme presence	Strong	Moderate	Moderate	Strong	Weak–Moderate
SHG federation strength	High	Low–Moderate	Moderate–High	High	Low
Road connectivity	High	Moderate	Low	High	Low



The analysis in Table 5 demonstrates that socio-infrastructure factors are strongly correlated with SHG effectiveness. Blocks with better road connectivity, stronger banking infrastructure, and active JEEViKA programme implementation consistently show higher levels of women empowerment. This underlines the importance of addressing structural barriers alongside the promotion of SHG formation, in order to ensure that the empowerment potential of SHGs is fully realised across all rural areas of Gaya District.

A significant finding of the comparative analysis is that economic empowerment and social empowerment, while related, do not always move together at the same pace. Bodh Gaya excels in economic empowerment while social empowerment lags; Sherghati shows the reverse pattern. This suggests that SHG interventions should be tailored to the specific developmental gaps of each block, with economic skill-building activities prioritised in socially empowered but economically weaker areas, and social awareness programmes intensified in economically progressive but socially constrained areas.

## **9. Conclusion and Suggestions**

### **9.1 Conclusion**

The present study, entitled “Self-Help Groups and Women Empowerment: A Comparative Empirical Study in Gaya District, Bihar,” was undertaken with the primary objective of examining the socio-economic impact of Self-Help Groups on rural women in five selected blocks of Gaya District. Based on primary data collected from 116 SHG women members through structured interviews and secondary data from government reports and academic sources, the study has generated several important findings that contribute to the understanding of SHG-based women empowerment in rural Bihar.

The study conclusively establishes that Self-Help Groups have emerged as powerful and effective instruments for promoting women empowerment at the grassroots level in Gaya District.



The empirical evidence gathered from five blocks — Bodh Gaya, Belaganj, Sherghati, Tikari, and Wazirganj — demonstrates that SHG membership has brought about measurable and significant improvements in the socio-economic condition of rural women across multiple dimensions. The Chi-Square test analysis confirmed that the relationship between SHG participation and women empowerment indicators is statistically significant, resulting in the rejection of the null hypothesis and the acceptance of the alternative hypothesis. This finding is consistent with the growing body of literature on SHGs and rural development in India.

The income analysis revealed a clear upward shift in the economic status of women after joining SHGs. The proportion of women with monthly household income below ₹3,000 declined substantially, while the proportion earning above ₹6,000 increased considerably. This income improvement is directly attributable to the access to microcredit, skill development, and livelihood activities facilitated through SHG membership. Women members invested SHG loans in diverse productive activities including livestock rearing, small-scale trade, tailoring, agriculture, and artisanal production.

Financial inclusion outcomes were equally encouraging. SHG women members demonstrated improved savings habits, greater access to formal banking institutions, and enhanced awareness regarding financial products and government welfare schemes. The SHG–Bank Linkage Programme has played an important role in connecting rural women to formal financial services, reducing their dependence on informal moneylenders and high-interest private borrowing. This financial inclusion is particularly significant in a district like Gaya where rural poverty and financial exclusion remain widespread challenges.

Social empowerment outcomes were also notable. Women members reported increased participation in household decision-making, greater mobility and freedom, enhanced self-confidence, improved social awareness, and stronger leadership capabilities. SHGs have provided women with a collective platform not only for financial transactions but also for discussing social issues, sharing knowledge, and asserting their rights. In several cases, SHG membership directly contributed to women’s participation in local governance, with some members contesting and winning Panchayat elections.



The comparative analysis across blocks revealed meaningful variations in empowerment outcomes, driven by differences in literacy, infrastructure, market access, and institutional support. Tikari emerged as the strongest performer in overall empowerment, particularly in economic indicators and leadership development. Bodh Gaya excelled in financial inclusion and savings behaviour owing to its proximity to banking infrastructure and urban markets. Sherghati demonstrated the highest social participation and decision-making outcomes, driven by better literacy and a strong SHG meeting culture. Belaganj and Wazirganj showed moderate empowerment levels, with structural challenges such as poor connectivity, limited market access, and weaker institutional support constraining the full potential of SHGs in these blocks.

The study also highlights the critical role of the JEEViKA programme and the National Rural Livelihood Mission (NRLM) in strengthening the SHG ecosystem in Bihar. Where these programmes are strongly implemented, as in Tikari and Bodh Gaya, SHG performance and women empowerment outcomes are markedly better. This underscores the importance of sustained institutional support, regular training, and consistent programme implementation for maximising the developmental impact of SHGs.

## **9.2 Policy Suggestions and Recommendations**

Based on the empirical findings and the comparative analysis conducted in this study, the following policy suggestions and recommendations are offered for strengthening the effectiveness of SHGs and deepening women empowerment outcomes in Gaya District and in rural Bihar more broadly.

### **A. Strengthening Financial Literacy and Training**

- Regular and structured financial literacy programmes should be conducted for all SHG members, covering topics such as budgeting, savings management, loan utilisation, interest rate awareness, and basic accounting skills.
- Partnerships with banks, NABARD, and microfinance institutions should be strengthened to provide SHG members with access to formal financial education and credit counselling services.
- Block Resource Centres (BRCs) under JEEViKA should be equipped with trained financial literacy facilitators who can conduct monthly workshops at the Panchayat level.



## **B. Expanding Market Linkages and Entrepreneurship Support**

- Market linkage programmes should be established to connect SHG-produced goods with urban markets, government procurement channels, and e-commerce platforms, thereby improving income sustainability.
- District-level SHG product exhibitions, fairs, and haats should be organised regularly to promote SHG entrepreneurship and create direct consumer connections.

## **C. Improving Infrastructure and Connectivity**

- Road connectivity and transportation facilities in remote blocks, particularly Wazirganj, should be improved as a priority to enable SHG women to access markets, banks, and training centres.

## **D. Directions for Future Research**

The present study was conducted in five selected blocks of Gaya District and focused primarily on socio-economic empowerment outcomes. Future research may explore the following areas to advance the understanding of SHG-based development:

- A longitudinal study tracking the same SHG members over 5–10 years to assess the sustainability and durability of empowerment outcomes over time.
- A comparative study between JEEViKA-linked SHGs and non-JEEViKA SHGs to assess the specific additionality of the programme in improving women's empowerment.
- An analysis of the political empowerment outcomes of SHG participation, focusing on women's election to Panchayat bodies and local governance institutions.
- A study examining the intergenerational impact of SHG membership on daughters' educational attainment and career aspirations.
- Research on the role of digital financial services and technology in enhancing SHG effectiveness and financial inclusion in rural Bihar.



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