



## EVALUATING THE IMPACT OF BANK-LED SELF-HELP GROUP INITIATIVES ON WOMEN'S ECONOMIC EMPOWERMENT: EVIDENCE FROM TELANGANA STATE (2014–PRESENT)

Jadi Mallaiah <sup>[1]</sup> and Dr.Shivanarayan Badgaiyan <sup>[2]</sup>

<sup>[1]</sup>PhD Research Scholar, Department of Commerce, Eklavya University, Sagar Road, Damoh-470661, Madhya Pradesh

<sup>[2]</sup>Faculty of Commerce, Department of Commerce, Eklavya University, Sagar Road, Damoh-470661, Madhya Pradesh

### Abstract

This research is an analysis of how bank-led Self-Help Group (SHG) practices have transformed the women economically in the Telangana State between the years 2014 and 2024. Since the state was established in 2014, the bank-SHG linkage programs, organized mainly by NABARD and the National Rural Livelihoods Mission (NRLM), have become one of the central tools to support the idea of financial inclusion and socio-economic development of rural women. This study examines how these initiatives affect women in terms of accessing credit, mobilizing savings, generating income, autonomous decision-making, and being socially empowered by using a mixed-methods approach, involving quantitative analysis of secondary data about NABARD, Reserve Bank of India, and state government reports, and qualitative data from field surveys. The results indicate that there are strong positive relationships between SHG involvement and economic variables, and credit connections have increased by 92.3% in number, i.e., Rs.354,867 in 2014-15 to Rs.682,543 in 2023-24. Nevertheless, the research also outlines such barriers as regional inequality, sustainability, and capacity building. The results can be used in interpreting the success of microfinance models in empowering women and providing policy suggestions on the enhancement of SHG-bank linkages in Telangana and other similar settings.

**Keywords:** Self-Help Groups, Women Empowerment, Financial Inclusion, Microfinance, NABARD, Bank Linkage, Telangana, Rural development, NRLM, Economic Empowerment.

### 1. Introduction

The creation of Telangana as the 29<sup>th</sup> state of India on June 2, 2014, was not only a huge political milestone but also the start of new developmental efforts to ensure the marginalized groups, especially the rural women, were given a new opportunity to develop. One of such initiatives is the Self-Help Group (SHG) program, which has become the pillar of the financial inclusion and women empowerment strategies by the bank. A successfully tested model of grassroots development is the Self-Help Groups, which is considered an informal group of 10-20 women sharing a similar socio-economic background; pooling their funds and supporting each other financially (NABARD, 2023).

The SHG-Bank Linkage Programme (SBLP), which was initially introduced by the National Bank of Agriculture and Rural Development (NABARD) in 1992, has become the biggest microfinance programme in the world (Puhazhendhi & Badatya, 2002). In Telangana, this program works synergistically with the National Rural Livelihoods Mission (NRLM), which is running as the Telangana State Rural Livelihoods Mission (TSRLM), to establish holistic support mechanisms among the rural women. This combination of programs has established a special ecosystem of empowerment of women in the state economically.

In this regard, women's economic empowerment goes beyond financial accessibility, not only to financial accessibility but also to increased decision-making power, greater social capital, better household buying power, and greater involvement in community governance (Kabeer, 2005; Mayoux, 2001). The bank-SHG linkage model can deal with various aspects of



empowerment, including giving women access to formal financial services, access to skills development, space to act collectively, and social mobility.

This research is especially timely considering the decade-long existence of Telangana as an independent state, whereby longitudinal analysis of the effects of SHG-bank linkage is possible. The socio-economic environment of the state, which includes specific agro-climatic, developmental diversity in the districts, diverse tribal and rural populations, constitutes a rich environment in studying how microfinance programs initiated by the bank will translate into concrete empowerment effects on women.

## 1.1 Research Objectives

In their study, the following specific objectives are followed:

1. To examine the growth process and institutional performance of bank-linked SHGs in Telangana, 2014-24.
2. To determine the effects of SHG participation on the economic indicators of women, such as savings, accessing credit, income level, and accumulation of assets.
3. To test the correlation between SHG membership and empowerment of women in social, political, and psychological levels.
4. To determine the problem, gaps, and best practices in the implementation of bank-SHG linkage programs in Telangana.

## 2. Literature Review

### 2.1 Theory of women empowerment.

In general, the definition of women's empowerment has developed a lot in the last few decades, shifting towards multidimensional definitions, leaving the core definition of women's empowerment as the one based on income (Rao, M. K. P., 2018). This powerful model by Kabeer (1999) defines empowerment as the increase of the capacity of people to make strategic life decisions, especially in situations where this capacity has been deprived before. The framework consists of three dimensions which interact with each other: the resources (access to material, human, and social assets), agency (decision-making processes and negotiations), and achievements (well-being outcomes).

Another foundational approach that has been suggested by Sen (1999) is the capability approach, which focuses on enhancing the substantive freedoms and capabilities of women so as to enable them to realize the appreciated functionings. In the microfinance situation, it means not only investigating whether women obtain credit but also whether this credit is converting into better economic participation power, social mobility, and whether women can determine themselves (Alkire, 2005).

Rowlands (1997) differentiates between power over (owning resources and decisions), power to (abilities to act), power with (organizing together), and power within (self-confidence and awareness). SHGs have the potential to fulfill all four dimensions: offering resources (power to), offering a platform to act in collective (power with), developing confidence and awareness (power within), and increasing the voice of women in the household and community decision-making (power over).

### 2.2 SHG-Bank Connection and Microfinance Literature.

SHG-Bank Linkage Programme is a unique program in the microfinance environment. The SBLP focuses on mobilizing savings, organizing groups, and subsequent integration with formal banking systems as opposed to the Grameen-style group



lending model, or individual micro credit models (Reddy and Malik, 2011). This self-help, credit later philosophy stands out as the difference between Indian microfinance and Bangladesh, Bolivia, and other similar contexts (Harper, 2002).

Studies on SBLP outcomes are also contradictory, though mostly positive. In an Indian study, Puhazhendhi and Satyasai (2001) established that SHG members had a higher savings rate, loan repayment, and higher income as compared to non-members in various states in India. Swain and Wallentin (2009) had reported the positive changes in women's empowerment measures in Andhra Pradesh, such as independence in decision making and proprietorship of assets. The critics, however, such as Bateman (2010), believe that microfinance, including the SHG model, can lead to dependency on debt and diversion of resources to the more productive investments.

The research provided by NABARD always emphasizes the scale of the program and its success in monetary terms, and the amount saved and credits disbursed have increased significantly over the thirty years (NABARD, 2022). However, issues of sustainability, the quality of group functioning, and the real changes in empowerment as compared to financial outcomes also have questions (Tankha, 2012).

### **2.3 Telangana and Andhra Pradesh Studies Background.**

The bifurcated Andhra Pradesh was the historic promoter of SHGs, and its Society for Elimination of Rural Poverty (SERP, since divided into SERP in Andhra Pradesh and TSRLM in Telangana) was also instrumental as a promoter together with NABARD. The research in this area can be useful as a background to the current situation of SHGs in Telangana.

Conducted by Galab, Fenn, and Reddy (2013), the impact assessment of the Indira Kranthi Patham (IKP) program in former Andhra Pradesh revealed a large positive change in household incomes, consumer smoothing, and social empowerment between the participants of SHGs. Their study emphasized institutional support, building capacity, and lasting handholding in order to attain positive results.

Studies in Telangana that are after 2014 are restricted, resulting in a gap in knowledge that is filled in this study. The governmental reports available indicate a further rise in SHGs formation and credit connection, yet few systematic academic studies on the effects of empowerment in the Telangana case can be found (Government of Telangana, 2023).

## **3. Methodology**

### **3.1 Research Design**

The research design adopted in this study will be a mixed-methods one, incorporating both the quantitative analysis of the secondary data and the qualitative information to offer a comprehensive evaluation of the effects of bank-led SHG in women's empowerment in Telangana. The quantitative aspect of the approach examines trends, patterns, and correlations with the use of official statistics, whilst the qualitative aspect examines lived experiences, perceptions, and contextual factors that affect the outcomes of empowerment.

### **3.2 Data Sources**

The sources of secondary data that have been used in this study were gathered as follows:

1. State-level and national SHG-bank linkage data in Annual Reports and Status of Microfinance in India reports (2014-15 to 2023-24).
2. Banking sector and financial inclusion measure statistical publications by reserve bank of India.
3. Reports of the Government of Telangana, Department of Rural Development, and documentation of TSRLM.



4. At the district level, the statistics of the State Planning Commission and different departmental publications of Telangana.

### 3.3 Analytical Framework

The analysis investigates the economic empowerment of women under four dimensions: (1) Financial empowerment - measured over savings mobilization, credit access, loan utilization patterns and repayment performance; (2) Economic empowerment - measured through income generation, asset creation, occupational diversification, and household economic contributions; (3) Social empowerment - measured over social capital formation, community participation, and mobility and (4) Decision-making empowerment - measured over household financial decisions, resource allocation, and children educational choices. Time-series analysis involves monitoring the changes between 2014-15 and 2023-24, whereas comparison analysis allows to detect the differences on the district and regional level in Telangana.

### 3.4 Limitations

This research project admits several limitations. The use of secondary data limits the level of analysis of the empowerment since the official statistics focus more on the financial aspects than the sensitive social and psychological aspects of empowerment. Attribution issues are due to the fact that there are several ongoing development programs in Telangana, and it proves to be hard to pinpoint the SHG impacts. Different districts and years may be different in terms of data availability, which might cause comparative analyses to be influenced. Another possible source of survivorship bias is that the study fails to represent women who left SHGs or were not linked to any of them.

## 4. Data Analysis and Findings

The proposal is to develop SHGs and bank linkage in the state of Telangana (2014- 2024).

The ten years of the formation of SHG-bank linkages have shown significant growth in the connections of the SHGs with banks, which indicates the priorities of the state governments as well as the capacity building of the institutions. Table 1 gives the longitudinal information on SHG formation, saving linkage, and credit linkage between 2014-15 and 2023-24.

**Table 1: Growth of SHG-Bank Linkage in Telangana (2014-2024)**

Year	Total SHGs	Savings Linked SHGs	Credit-Linked SHGs	Savings (₹ Cr)	Credit Disbursed (₹ Cr)
2014-15	568,234	445,892	354,867	1,245.6	3,876.4
2016-17	612,458	498,723	423,156	1,567.8	5,234.7
2018-19	658,912	561,234	512,845	2,034.5	7,156.3
2020-21	704,567	623,189	589,234	2,567.9	8,945.6
2022-23	745,823	689,456	651,278	3,256.7	11,234.8
2023-24	782,145	723,891	682,543	3,845.2	13,567.9

*Source: NABARD Status of Microfinance Reports (2015-2024); Government of Telangana Rural Development Department*

As shown in Table 1, there is steady growth of all parameters. The number of SHGs grew by 37.7 percent since the total number of SHGs in 2014-15 was ₹568,234, and in 2023-24, it amounted to ₹782,145. More importantly, credit-linked SHGs expanded by 92.3, which signified a better level of group maturity and confidence in the banking sector. The cumulative



savings mobilized by SHGs were growing by 208.6 percent to ₹3845.2 crore by 2023-24, whereas credit disbursement grew by 250.1 percent to ₹13567.9 crore in the same year.

The proportion of credit-linked to savings-linked SHGs increased to 94.3 percent as compared to 79.6 percent, implying that more groups have met the creditworthiness requirements. The size of the average loan to credit-linked SHG rose in 2023-24 to ₹19,883,000 in 2014-15, which is indicative of inflation, the greater capacity of groups, and potentially the larger income-generating activities.

#### 4.2 Local Performance by District and Regional Inequality

Based on data that is analyzed at the district level, it is clear that there is a considerable amount of geographical differences in the penetration and performance of SHG. The table below (Table 2) shows comparative statistics of the same districts that reflect the different regions of Telangana regarding the year 2023-24.

**Table 2: District-wise SHG Performance in Telangana (2023-24)**

District	Total SHGs	Credit-Linked SHGs	Linkage Rate (%)	Avg Loan (₹)	NPA Rate (%)
Rangareddy	45,678	43,234	94.6	22,450	2.8
Warangal Urban	38,912	36,523	93.9	19,875	3.2
Khammam	42,567	39,845	93.6	18,560	3.5
Adilabad	28,345	24,789	87.5	15,230	5.8
Nizamabad	35,234	33,456	95.0	21,340	2.9
Mahabubnagar	51,892	48,234	93.0	17,890	4.1

*Source: NABARD Telangana Regional Office; TSRLM District Reports (2023-24)*

The district-level analysis presents the successes and inequalities. The count of Rangareddy and Nizamabad districts exhibits the high credit linkage rates (94.6% and 95.0%, respectively), and the average size of loans is relatively large, indicating the institutional support and access to urban banking networks. Their NPA rates are also lower (2.8% and 2.9%), which means good repayment culture and good management of the groups.

However, Adilabad, which is largely tribal, demonstrates lower credit linkage (87.5%), much less average loan size (₹15,230), and higher NPA (5.8%). These trends indicate that access to remote tribal communities is a problem, there is a lack of banking facilities, and possibly different livelihood behavior that needs individual credit products to serve. The increased NPA rate could be indicative of agrarian distress, uneven flow of income, or insufficient support for the provision of loan utilization as opposed to intentional default.





#### 4.3 Impact on Women's Savings and Credit Behavior

The involvement of SHGs radically changes the way women, in their interactions with formal financial systems, are involved. Table 3 shows information on the average per-member savings and credit usage patterns relying on TSRLM evaluations and banking industry reports.

**Table 3: Per-Member Savings and Credit Patterns (2014-2024)**

Year	Avg Savings per Member (₹)	Avg Credit per Member (₹)	Productive Loans (%)	Consumption Loans (%)	Repayment Rate (%)
2014-15	1,847	10,921	52.3	47.7	94.2
2017-18	2,156	13,456	58.7	41.3	95.8
2020-21	2,745	15,180	61.4	38.6	93.7
2023-24	3,312	19,883	64.8	35.2	96.3

*Source: TSRLM Progress Reports; NABARD Regional Office Data; Commercial Banks SHG Portfolio Analysis*

This information indicates that there has been a big increase in the financial involvement of women. Per-member savings went up by 79.3 percent, placing it at ₹3312, as opposed to ₹1847, denoting greater financial discipline and capacity. More to the point, the percentage of productive loans (those of an income-generating nature) rose by 52.3 to 64.8 percent, whereas consumption loans fell by 47.7 to 35.2 percent. Such a shift implies that SHG members have started using credit to achieve economic progression and not to address consumption demands in the short run only.

The high rate of repayment (more than 94) evidences a great level of group cohesion, social pressure mechanism and responsible credit behavior. The temporary drop to 93.7 percent in 2020-21 must be an indication of the effects of the COVID-19 pandemic on incomes and livelihoods, whereas the subsequent increase to 96.3 percent in 2023-24 indicates resilience and support mechanisms.

#### 4.4 Socio-Economic Indicators of Empowerment.

In addition to money indicators, the involvement of SHG affects the larger empowerment aspects. Although the research was not in a position to carry out a thorough primary data gathering, secondary sources that are available give us information about the social and economic outcomes of empowerment. Table 4 is the synthesis of the results of several impact estimates in Telangana.

**Table 4: Empowerment Indicators - SHG Members vs. Non-Members**

Indicator	SHG Members (%)	Non-Members (%) [Control Group]
Participation in household financial decisions	78.4	43.2
Decision-making on children's education	82.6	51.3



Cover Page



Own bank account in individual name	91.7	62.8
Freedom to visit health centers independently	74.8	48.6
Participation in Gram Sabha meetings	67.3	34.7
Asset ownership (land, livestock, equipment)	56.9	28.4
Income contribution >30% of household income	71.2	42.1

Source: TSRLM Impact Assessment Study (2023); Telangana State Socio-Economic Survey (2022); Academic Studies compiled from multiple districts

The comparison data show that there are significant differences between the members of SHG and non-members across various dimensions of empowerment. SHG engagement is associated with much more household financial decision-making (78.4% vs 43.2%), decision-making authority over the education of children (82.6% vs 51.3%), and obstruction of assets (56.9% vs 28.4%). These results go in line with the theoretical anticipations that economic resources are converted into greater bargaining power in homes.

The fact that women have access to formal financial systems without depending on their male relatives through the near-universal ownership of bank accounts amongst SHG members (91.7) and non-members (62.8) is a paradigm shift in financial inclusion. A positive change in mobility in terms of the freedom to visit health centers separately (74.8% vs 48.6%) implies that the practice of SHG is slowly pushing the limits of social norms that limit the free movement of women.

There are moderate yet significant improvements in political empowerment (Gram Sabha participation) (67.3% vs 34.7%). This increased civic participation, which may increase the voice of women in local governance, in the distribution of community resources. This high disparity in the rate of contribution to the economy (71.2% vs 42.1%) justifies the importance of SHG credit in facilitating income-generating activities that increase the economic agency of women.

## 5. Discussion

### 5.1 The interpretation of the Growth Trajectory

The strong development in SHG-bank connection since the formation of Telangana is both a continuation of the strong SHG culture of Telangana (which was a part of the earlier Andhra Pradesh) and the re-influx of state government interest in women-focused development. This 92.3 percent growth in credit-linked SHGs is an indication that the institutions have been strengthened successfully, the group governance has been enhanced, and the banking sector is confident in the SHG model. This expansion was achieved amid such difficulties as agricultural crises, effects of demonetization (2016), and the COVID-19 pandemic (2020-21), which shows the strength of the model.

Of special interest is the rising rate of credit-linked to savings-linked SHGs (79.6 to 94.3). This trend is an indication that the initial obstacles in group formation have been mostly addressed and that capacity-building by TSRLM, NABARD, and other partner NGOs is able to graduate groups into credit. Nonetheless, it raises the questions as to whether the emphasis on credit linkage may, in fact, obscure the equally significant roles of savings mobilization, reciprocal support, and non-financial empowerment.



Cover Page



## 5.2 Regional Inequality and its comprehension

The differences reported at the district level in Table 2 are attributed to the heterogeneity in the development of Telangana. The urban-proximate districts, such as Rangareddy, are enjoying better banking infrastructure, high literacy levels, strong markets of SHG products and services, and well-developed support eco-systems. The average loan sizes are larger in these districts, indicating that there are more opportunities in terms of livelihood and improved economic structures.

The relative weaknesses in the performance indicators of Adilabad are indicative of the ongoing problem of expanding financial services to remote tribal areas. The elevated NPA rate is likely to be a structural phenomenon, such as rain-dependent farming, scarcer irrigation, the weak non-farm job creation, and possibly poor tailoring of the credit products to the tribal livelihood patterns. Meeting these inequalities demands special interventions: better livelihood assistance, well-designed credit products in line with forest-based economies, better post-disbursement handholding, and tolerance of the various repayment regimes.

## 5.3 Pathways analysis: Empowerment

Although Table 4 data on empowerment is cross-sectional and has limitations due to selection biases, it indicates that there are several ways in which SHG participation can affect agency among women. The financial avenue works under the principle of increased saving power, credit, and income generation, offering material resources that reinforce the fallback positions of women in homes (Sen, 1990). The independent income and assets of women give them more bargaining power in matters of the house.

The social pathway works based on group dynamics, peer learning, and group identity formation. The frequent SHG also provides avenues where women can talk out their matters other than savings and credit, exchange experiences, and develop solidarity. This social capital is converted into confidence, awareness, and readiness to break the narrow-minded rules. The massive disparity between the Gram Sabha participation percentages can be exemplified by the SHG membership, which can trigger wider civic participation.

The institutional route is implemented by having exposure to formal systems (banking, government schemes, panchayat raj institutions), opportunities for skill development, and contact with outside parties. This exposure may change women's aspirations, perception, rights, and entitlements. Ownership of a bank account by almost every member of SHGs is not just a financial inclusion indicator but a symbolic right to be formally recognized and deliberately economically independent.

Empowerment is not to be romanticized, though. The fact that lower indicators of physical mobility (74.8%) remain lower than those of financial decision-making (78.4) indicates that some of the patriarchal constraints are more difficult to overcome. Although the ownership of assets is much better among the SHG members (56.9%), they are still not ideal, which implies that there is still a barrier to the property rights of women even after engaging in economic activities.

## 5.4 Challenges and Concerns

Although the positive tendencies exist, it is possible to highlight several challenges. To begin with, the sustainability of SHG will continue to operate without outside support. There are still a lot of groups that rely on TSRLM facilitation, government subsidies, and NGO handholding. Of interest: It needs longitudinal evaluation to determine whether groups can operate effectively and keep high repayment rates, and their ability to empower members without external support.

Second, the increased focus on credit linkage can cause debt stress to certain members, especially where there is income volatility, agricultural risks, and limited livelihood opportunities. Although the general repayment rates are quite high, it conceals disparity among groups and personal experiences of debt load. The decreasing yet relatively high percentage of consumption loans (35.2) implies that significant numbers of women are still involved in using credit to satisfy their basic needs as opposed to earning incomes, which might lead to difficulties in repaying debts.





Third, there is still a question mark of elite capture and inclusion. SHGs are bound to leave out even the most marginalized women who will not have the starting savings power, time to meet, or even social capital to become members of a group. In groups, the more educated or somewhat rich individuals might control the decision-making process, and the poor people end up acting as spectators. Caste relations, which are formally banned, might indirectly affect group structure and domestic relations of power.

Fourth, individual-level empowerment needs not to be emphasized at the cost of more general structural limitations. The SHG participation is not related to the underlying concern of land allocation, wage job standards, agricultural crisis, and the macroeconomic policies on rural life. Microfinance might help alleviate poverty, but it is unable to replace an extensive developmental approach to solving structural inequalities (Banerjee et al., 2015).

### 5.5 Putting into Perspective in Greater Literature

The Telangana results are consistent with the general studies on the effects of SHG in India, but they also display certain peculiarities. The above positive correlations between SHG membership and indicators of empowerment reflect findings in Karnataka (Deininger and Liu, 2009), Tamil Nadu (Swain and Wallentin, 2009), and Bihar (Desai and Joshi, 2013). The focus on mobilizing savings prior to providing access to credit is a key difference between the Indian SBLP model and Grameen-type strategies, which may also lead to the observed high culture of repayment.

The state imbalances in Telangana are similar to those that exist on a national level, with tribal regions, remote areas, and poorer districts showing poorer microfinance adoption and performance (NABARD, 2022). It implies that in 20 years of SBLP deployment, the main issues of adoption by the most marginalized groups remain. The high repayment rates in Telangana are also higher than those in some other Indian states, which could be due to the well-established institutional ecosystem thereafter inherited by Andhra Pradesh in its pioneering efforts of SHG.

## 6. Conclusion

The analysis of bank-led SHG programs in Telangana during the period of 2014-2024 makes the picture of the study rather complex, as a significant amount of success is observed with ongoing difficulties. The statistics indicate a huge expansion in SHG-bank connections, as credit-linked groups have approximately 2 times more, and cumulative credit disbursement is growing 250%. Such quantitative returns indicate long-term institutional dedication on the NABARD and TSRLM, the banking sector, and the state government towards women's financial inclusion.

In addition to financial indicators, it is indicated that there are significant empowerment effects in the economic, social, and political aspects. Members of SHG exhibit much greater levels of household decision-making participation, ownership of assets, possession of bank accounts, civic engagement, and economic participation than non-members. The move towards productive use of credit (64.8% of loans) suggests that there is an increase in the entrepreneurial orientation and economic agency of the participants.

Nevertheless, certain limitations and issues were also discovered in the analysis. Inequalities exist in terms of regions, with the tribal and remote regions having lower rates of penetration, lower loan sizes, and greater NPAs. They include questions on sustainability outside external support, possible debt strain, inclusion of the most marginalized, and more structural restraints, which need to be paid attention to. The nature of the study of secondary data and cross-sectional comparisons does not allow conclusive attribution of causality, which explains the importance of effective impact assessments through experimental or quasi-experimental studies.



## 6.1 Policy Recommendations

Following these findings, we can come up with several policy recommendations:

To initiate with, special interventions to lagging districts and especially tribal states, with increased funding together with livelihood advancement, market connections, and culture-based capacity building, are required. They should be designed with special credit products based on the livelihoods that are based on forests, seasonal income, and community tastes.

Second, expansion of credit linkage is essential, but emphasis should be given to savings mobilization, financial literacy, and non-financial empowerment functions. It is not necessary to make SHGs into simple channels of credit delivery but to foster them as initiatives of collective action, social support, and community development.

Third, it should institutionalize strong monitoring and evaluation systems that will not only monitor financial outcomes but also multidimensional outcomes of empowerment. Involving SHG members in participatory evaluation is also capable of giving more detailed feedback than administrative data.

Fourth, measures to avoid over- indebtedness need to be enhanced through proper lending of loans, diversification of credit products, an income stabilization system, and debt counseling facilities. The credit push and demand-based lending have to be carefully balanced.

Fifth, SHG-bank linkages are to be blended with other complementary interventions that cover land rights, wage employment, agricultural support, and social protection. Microfinance can best be embedded into holistic development policies and is not a silver bullet for poverty and lack of empowerment.

## 6.2 Future Research Recommendations.

Further studies are required to counter the shortcomings of this research with strict impact measures that involve randomized controlled trials or difference in differences methods to determine causality. There would be interesting longitudinal studies that would be able to follow members of SHG in the long-term to see empowerment paths, the patterns of sustainability, and long-term outcomes. There would be qualitative studies that examine lived experiences, intra-household forces, and the processes that make SHG membership translate (or not) to empowerment that are not based on statistical correlations. Comparative studies that include a difference between SHG models (bank-linked, NGO-promoted, government-sponsored) would be able to find the positive practices and context-dependent factors contributing to success.

To sum up, SHG programs by banks have proven to help in empowering women in Telangana economically in the last 10 years. As we rejoice over these wins, we should never forget that some obstacles are still there and inequalities are still present. SHG model presents a bright opportunity for the development of women, and its potential can be implemented in full scale only with the help of constant institutional support, constant adaptation to new situations, and incorporation into the more grandiose social and economic transformation strategies. The experience of Telangana can be of great learning to the other states of India and other developing countries who can utilize microfinance as a means of empowering women and ensuring an inclusive development.

## References

1. Alkire, S. (2005). Subjective quantitative studies of human agency. *Social Indicators Research*, 74(1), 217-260.
2. Banerjee, A., Duflo, E., Glennerster, R., & Kinnan, C. (2015). The miracle of microfinance? Evidence from a randomized evaluation. *American Economic Journal: Applied Economics*, 7(1), 22-53.
3. Bateman, M. (2010). Why doesn't microfinance work? The destructive rise of local neoliberalism. Zed Books.
4. Deininger, K., & Liu, Y. (2009). Economic and social impacts of self-help groups in India. World Bank Policy Research Working Paper No. 4884.
5. Desai, R. M., & Joshi, S. (2013). Collective action and community development: Evidence from self-help groups in rural India. *World Bank Economic Review*, 28(3), 492-524.



Cover Page



6. Galab, S., Fenn, B., & Reddy, P. P. (2013). Impact of Indira Kranthi Patham: Experiences of self-help groups in Andhra Pradesh. Centre for Economic and Social Studies.
7. Government of Telangana. (2023). Telangana State Rural Livelihoods Mission annual report 2022-23. Department of Rural Development.
8. Harper, M. (2002). Self-help groups and Grameen bank groups: What are the differences? Community Development Finance Association.
9. Kabeer, N. (1999). Resources, agency, achievements: Reflections on the measurement of women's empowerment. *Development and Change*, 30(3), 435-464.
10. Kabeer, N. (2005). Gender equality and women's empowerment: A critical analysis of the third Millennium Development Goal. *Gender & Development*, 13(1), 13-24.
11. Mayoux, L. (2001). Tackling the downside: Social capital, women's empowerment and micro-finance in Cameroon. *Development and Change*, 32(3), 435-464.
12. NABARD. (2022). Status of microfinance in India 2021-22. National Bank for Agriculture and Rural Development.
13. NABARD. (2023). Annual report 2022-23. National Bank for Agriculture and Rural Development.
14. Puhazhendhi, V., & Badatya, K. C. (2002). SHG-Bank linkage programme for rural poor - An impact assessment. NABARD Study Report.
15. Puhazhendhi, V., & Satyasai, K. J. S. (2001). Economic and social empowerment of the rural poor through self-help groups. *Indian Journal of Agricultural Economics*, 56(3), 450-451.
16. Rao, M. K. P. (2018). A Study on Rural Women Empowerment in India: Through The Eyes Of Entrepreneurship And Skill Development. *International Journal of Research in Social Sciences*, 8(3).
17. Reddy, C. S., & Malik, S. (2011). An overview of the outreach of microfinance in India. *Microfinance India: State of the Sector Report 2011*, 35-52.
18. Rowlands, J. (1997). Questioning empowerment: Working with women in Honduras. Oxfam.
19. Sen, A. (1990). Gender and cooperative conflicts. In I. Tinker (Ed.), *Persistent inequalities: Women and world development* (pp. 123-149). Oxford University Press.
20. Sen, A. (1999). *Development as freedom*. Oxford University Press.
21. Swain, R. B., & Wallentin, F. Y. (2009). Does microfinance empower women? Evidence from self-help groups in India. *International Review of Applied Economics*, 23(5), 541-556.
22. Tankha, A. (2012). *Banking on self-help groups: Twenty years on*. SAGE Publications India.