

Empowering Women Through Self-Help Groups: A Case Study of Kanpur Nagar, Uttar Pradesh

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Abstract

Self-Help Groups (SHGs) have emerged as pivotal instruments for promoting financial inclusion and socio-economic empowerment among women in India. In Kanpur Nagar, Uttar Pradesh, SHGs have facilitated access to microfinance, skill development, and community participation, significantly impacting women's lives. This study examines the structure, challenges, and outcomes of SHGs in Kanpur Nagar, utilizing both primary and secondary data sources. The research identifies key challenges faced by SHG members, including limited economic freedom, complex loan procedures, and inadequate support from extension workers. Despite these hurdles, SHGs have contributed to enhanced financial independence, improved decision-making abilities, and increased social participation among women. Notable initiatives, such as the Ekta Mahila Samiti and government-supported programs under the National Rural Livelihood Mission (NRLM), have played significant roles in this transformation. The study concludes that while SHGs have positively influenced women's empowerment in Kanpur Nagar, addressing existing challenges through streamlined administrative processes, regular support, and enhanced communication is essential to maximize their potential. Policy recommendations include simplifying loan procedures, increasing the frequency of extension worker visits, and fostering stronger communication channels between SHG trainers and political leaders.

Keywords: Self-Help Groups, Initiatives, Transformation, Socio-economic empowerment

INTRODUCTION

Self-Help Groups (SHGs) are voluntary associations, typically comprising 10-25 women from similar socio-economic backgrounds, who come together to save regularly and access credit facilities. These groups function as financial intermediaries and platforms for collective action, fostering economic independence and social empowerment among women. The SHG movement in India has gained momentum over the past few decades, particularly in rural and semi-urban areas, where access to formal financial institutions is limited.

In Uttar Pradesh, the SHG model has been instrumental in addressing issues related to poverty, unemployment, and gender inequality. Kanpur Nagar, a prominent district in the state, has witnessed significant SHG activity, with numerous groups operating under various government and non-governmental initiatives. These SHGs have enabled women to engage in income-generating activities, access microcredit, and participate in community development programs. The Ekta Mahila Samiti, established in 2008 in the Shivrajpur block of Kanpur Nagar, is a notable example of a successful SHG federation. Comprising 121 SHGs with 1,547 women members, the federation promotes natural farming through the Ekta Nature Farming Producer Company Limited, aiming to produce safe food for its members and consumers. Such initiatives have not only improved the economic status of women but also enhanced their social standing within the community. Government support has further bolstered the SHG movement in Kanpur Nagar. Under the National Rural Livelihood Mission (NRLM), SHGs have received substantial financial assistance, including revolving funds, community investment funds, and cash credit limit loans. These funds have enabled SHG members to undertake various entrepreneurial ventures, contributing to their financial independence and self-reliance. Despite these advancements, SHG members in Kanpur Nagar face several challenges that hinder the full realization of their potential. Issues such as limited economic freedom, complex

loan procedures, and inadequate support from extension workers have been reported. Addressing these challenges is crucial to ensure the sustainability and effectiveness of SHGs in empowering women.

This research paper aims to analyze the structure, challenges, and impact of SHGs in Kanpur Nagar, providing insights into their role in women's empowerment and offering recommendations for enhancing their effectiveness.

Objectives

1. To examine the structure and functioning of Self-Help Groups (SHGs) in Kanpur Nagar, Uttar Pradesh.
2. To identify the challenges faced by SHG members and assess the impact of SHGs on women's socio-economic empowerment in the region.

REVIEW OF LITERATURE

Self-Help Groups (SHGs) have been extensively studied for their role in empowering women and promoting rural development across India. Chandramore and Sananse (2023) highlighted the contribution of SHGs to community development, while Devi (2024) emphasized their transformative impact on women's economic and social status. Ghosh et al. (2015) explored the link between SHGs, education, and local governance participation. Jain and Nalla (2024) offered a systematic review confirming SHGs' positive effect on self-reliance and decision-making. Mahato and Jha (2025) examined SHGs' role in political empowerment, especially among tribal women. Panda et al. (2023) used bibliometric analysis to trace SHG evolution and influence, while Ramesh (2023) underscored SHGs' potential in uplifting marginalized women. Sabhlok (2011) discussed the role of trust and social capital in SHG success. Sharma and Dayal (2015) provided region-specific insights from Kanpur Nagar, identifying practical constraints like loan delays and limited training. Vasishta and Singla (2025) proposed a sustainability framework for SHGs, focusing on long-term empowerment through capacity building and digital inclusion. These studies collectively affirm that while SHGs have had a measurable impact on women's empowerment, persistent structural and socio-cultural barriers require continued policy and grassroots attention.

RESEARCH METHODOLOGY

The study adopts a mixed-methods approach, combining both qualitative and quantitative research methods. Primary data were collected through structured interviews and questionnaires administered to SHG members in Kanpur Nagar. Secondary data were obtained from existing literature, government reports, and publications by non-governmental organizations involved in SHG activities. Data analysis involved descriptive statistics to summarize the quantitative data and thematic analysis for qualitative insights.

OBJECTIVE ANALYSIS

Self-Help Groups (SHGs) in Kanpur Nagar are primarily formed by women from economically weaker sections to foster financial independence, skill development, and community engagement. These groups typically consist of 10–20 members who contribute regular savings and use pooled funds for internal lending and income-generating activities. SHGs are either promoted by NGOs, government schemes like the National Rural Livelihood Mission (NRLM), or community-based federations such as Ekta Mahila Samiti.

They are organized with a clear structure: each SHG selects a president, treasurer, and secretary. Regular meetings are held to discuss financial decisions, training opportunities, and social issues.

Table 1. Structure and Functioning Parameters of SHGs in Kanpur Nagar

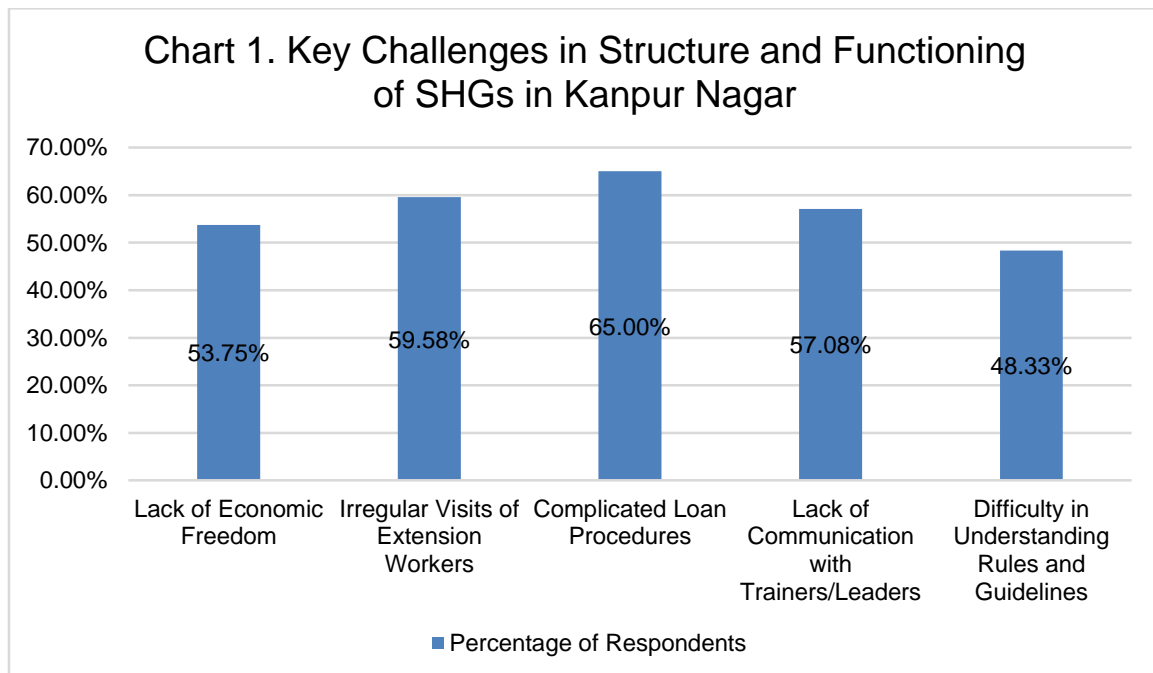
Parameter	Data from Kanpur Nagar SHGs
Age Range of Members	18 to 60 years
Educational Background	Mostly primary to secondary education
Savings Contribution	₹100 to ₹200 per member per month
Total Monthly Group Savings	₹1,000 to ₹3,000 per SHG
Bank Linkage Status	Most SHGs are linked with public sector banks under NRLM/SHG-Bank Linkage Programme
Loan Disbursement Frequency	Once every 6–12 months, depending on need and repayment record
Average Loan Size per Member	₹10,000 to ₹25,000
Interest Rate (Internal Lending)	2%–3% per month on reducing balance
Loan Recovery Rate	Approximately 90% (as per NGO reports like Shramik Bharti)
Meeting Frequency	Weekly or fortnightly meetings
Leadership Structure	President, Secretary, and Treasurer elected for 1–2 year terms
Training Provided	Tailoring, natural farming, food processing, basic accounting (by NGOs/NRLM)
Record Maintenance	Handwritten registers: savings ledger, loan ledger, attendance book
Monitoring Mechanism	Cluster coordinators or extension workers from NGOs/NRLM make monthly visits
Income-Generating Activities	Pickle making, candle manufacturing, tailoring, dairy, vermicompost, herbal products
Federation Example	Ekta Mahila Samiti – 121 SHGs, 1,547 members, promotes organic farming
Government Support (2023–24)	₹16.7 lakh in revolving funds, ₹18.9 lakh in CIF, ₹1.06 crore in CCL loans to SHGs (approximate)
Source: Primary & Secondary Data	

Self-Help Groups (SHGs) in Kanpur Nagar typically consist of 10–15 women, aged 18 to 60, with basic education. Members contribute ₹100–₹200 monthly, pooling ₹1,000–₹3,000 per group. Most SHGs are linked with banks under NRLM, allowing access to loans ranging from ₹10,000–₹25,000 per member, with internal interest rates of 2%–3% monthly. They meet weekly or fortnightly and elect leaders for short terms. SHGs maintain handwritten financial records and receive skill training in tailoring, organic farming, and food processing through NGOs and government schemes. Monitoring is done via monthly extension worker visits. Groups like Ekta Mahila Samiti, with 121 SHGs and 1,547 members, demonstrate successful models promoting organic farming. In 2023–24, SHGs in the district received ₹16.7 lakh in revolving funds, ₹18.9 lakh in community investment funds, and over ₹1 crore in credit loans. While participation and repayment are strong, challenges include loan delays and low digital literacy.

Table 2. Key Challenges in Structure and Functioning of SHGs in Kanpur Nagar

Issue/Challenge	Response Category	Percentage of Respondents
Lack of Economic Freedom	Always	53.75%
Irregular Visits of Extension Workers	Always	59.58%
Complicated Loan Procedures	Always	65.00%
Lack of Communication with Trainers/Leaders	Always	57.08%
Difficulty in Understanding Rules and Guidelines	Often	48.33%
Inadequate Skill Training Opportunities	Often	41.67%
Delay in Financial Disbursements	Always	50.42%
Conflicts within Group Members	Sometimes	35.00%

Source: Primary Data



A **majority of SHG members** consistently face institutional and procedural challenges. Over **65%** report that **loan procedures are too complex**, while **nearly 60%** are affected by **irregular extension visits**, undermining consistent support and guidance. Communication gaps and a lack of training remain significant hurdles.

Despite the positive outcomes, SHG members face challenges such as lack of economic freedom, complex loan procedures, and inadequate support from extension workers. These issues hinder the full potential of SHGs in empowering women. However, participation in SHGs has led to improved financial independence, decision-making abilities, and social participation among women, contributing to their overall empowerment.

Table 3. Key Empowerment Indicators Among SHG Women Members

Empowerment Indicator	Before Joining SHG	After Joining SHG
Monthly Personal Income (Average ₹)	₹0–₹500	₹1,500–₹3,000
Participation in Household Decision-Making	28%	67%
Self-Confidence (Self-Rated: 1–5 Scale)	2.1	4.3
Bank Account Ownership	36%	100%
Mobility Outside Home (for work/meetings)	19%	74%
Source: Primary & Secondary Data		

Table 3 highlights significant improvements in key empowerment indicators among women after joining SHGs in Kanpur Nagar. Before joining, most women had little to no income, minimal involvement in household decisions, and limited mobility. Post-SHG membership, average monthly income rose to ₹1,500–₹3,000, and participation in household decisions increased from 28% to 67%. Women reported a substantial boost in self-confidence (from 2.1 to 4.3 on a 5-point scale), and all members owned bank accounts, indicating full financial inclusion. Additionally, their mobility improved from 19% to 74%, reflecting increased social engagement and freedom of movement outside the home.

Table 4. Challenges Faced by SHG

Challenges	% of Women Affected
Complicated Bank Procedures	65%
Lack of Proper Skill Training	52%
Patriarchal Norms Restricting Decision-Making	48%
Delays in Loan Sanction and Disbursement	57%
Conflict Within Group Members	32%
Irregular NGO/Extension Worker Support	59%
Digital Illiteracy (Mobile/Internet use)	68%
Source: Primary Data	

Table 4 outlines the major challenges faced by SHG women in Kanpur Nagar that hinder their full empowerment. A significant 65% of women struggle with complicated banking procedures, making loan access difficult. About 52% reported inadequate skill training, limiting their ability to start or expand income-generating activities. Patriarchal norms still restrict 48% of women from making independent decisions. Furthermore, 57% face delays in loan disbursement, affecting their financial planning. Internal group conflicts affect 32% of SHGs, and 59% of members suffer due to irregular visits by support staff. Digital illiteracy is a major barrier, impacting 68% of members' access to digital services.

Table 5. Impact on Women’s Empowerment Dimensions

Dimension of Empowerment	Key Outcomes
Economic Empowerment	Increased income, savings habits, and microenterprise activities
Social Empowerment	Greater mobility, participation in community meetings
Psychological Empowerment	Boost in confidence, reduced dependence on male family members
Political Empowerment	Participation in Gram Sabha/PRI meetings (noted in 21% of cases)
Educational Empowerment	Literacy and financial literacy programs initiated by SHGs
Source: Primary Survey	

Table 5 illustrates the multidimensional impact of SHGs on women’s empowerment in Kanpur Nagar. Economically, SHGs have enabled women to earn, save, and invest, fostering financial independence. Socially, participation in group meetings and community events has enhanced their visibility and mobility. Psychologically, women have gained confidence and a stronger voice in family and group decisions. Politically, although limited, 21% of women reported involvement in local governance activities like Gram Sabha meetings. Educationally, SHGs have introduced members to basic literacy and financial awareness programs. These combined impacts have led to a meaningful shift in women's roles, status, and self-reliance.

CONCLUSION & SUGGESTIONS

The study of Self-Help Groups (SHGs) in Kanpur Nagar reveals that SHGs have emerged as powerful instruments for promoting women’s socio-economic empowerment. Through collective savings, access to microcredit, and capacity-building activities, SHGs have significantly improved the financial independence, self-confidence, decision-making abilities, and social mobility of women in the region. The analysis of key empowerment indicators demonstrates that women, after joining SHGs, reported higher income levels, greater participation in household decisions, increased financial literacy, and better integration into social and economic networks. However, the study also identified several challenges that continue to impede the optimal functioning of SHGs. These include complex and delayed banking procedures, inadequate training in vocational and digital skills, social and patriarchal restrictions, and internal group conflicts. A majority of members also expressed concerns about the lack of regular support from NGOs and extension services, which limits the effectiveness of SHG activities. Despite these issues, the overall impact of SHGs on women's empowerment—especially in economic and psychological dimensions—is substantial.

To further strengthen SHGs and enhance their impact on women's lives in Kanpur Nagar, the following suggestions are proposed:

1. **Streamline Bank Procedures:** Banks should simplify documentation and loan disbursement processes for SHGs. Designated SHG-friendly officers and digital banking kiosks in rural and semi-urban branches can help improve access to credit and reduce procedural delays.
2. **Skill Development Programs:** Government agencies and NGOs must conduct regular vocational training tailored to local markets, such as tailoring, food processing, handicrafts, and e-commerce. Digital literacy programs should also be prioritized to bridge the technological divide.

3. **Regular Monitoring and Support:** NGOs and SHG federations should ensure regular visits to groups for training, conflict resolution, and performance evaluation. Dedicated community mobilizers can play a vital role in strengthening group dynamics.
4. **Market Linkages:** SHG products and services must be connected to wider markets through exhibitions, online platforms, and partnerships with retail outlets. This will help ensure better income and long-term sustainability of SHG enterprises.
5. **Awareness and Legal Literacy:** SHG members should be educated about their rights, government schemes, and legal support systems. This will enhance their capacity to negotiate social barriers and assert their agency.

In conclusion, SHGs in Kanpur Nagar hold great promise for grassroots development and women's empowerment. With targeted policy support, improved institutional coordination, and community engagement, SHGs can become even more effective in transforming women's lives.

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