

Sustained versus Immediate Empowerment: A Comparative Analysis of SHGs and Lakshmir Bhandar Scheme in Purba Medinipur District

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**Sustained versus Immediate Empowerment: A Comparative Analysis of SHGs and
Lakshmir Bhandar Scheme in Purba Medinipur District**

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Abstract

This research paper presents a comparative analysis of pathways to women's economic empowerment through participation in Self-Help Groups (SHGs) and receipt of benefits from the Lakshmir Bhandar scheme in Purba Medinipur District, West Bengal. Employing a mixed-methods approach involving surveys of 210 women (105 SHG members and 105 Lakshmir Bhandar beneficiaries) across 11 administrative blocks, the study investigates perceived economic benefits, changes in financial autonomy, enhancement of decision-making power, and overall socio-economic well-being. The study hypothesises that while Lakshmir Bhandar provides immediate financial relief and consumption support, SHG participation fosters more sustainable and holistic empowerment through collective action, skill development, and increased access to micro-entrepreneurship opportunities (Kabeer, 1999; Sen, 1999). Findings reveal that 68% of SHG members reported income increases compared to 28% of Lakshmir Bhandar beneficiaries. SHG members demonstrated significantly higher involvement in household financial decisions (82% vs. 55% for daily expenses) and greater participation in community activities (78% vs. 28% for village meetings). The study identifies distinct yet potentially complementary roles for both initiatives, informing policy recommendations for optimising state-led welfare schemes and grassroots initiatives to achieve comprehensive women's economic development in Purba Medinipur District (Das & Singh, 2019; Government of West Bengal, 2021).

Keywords: women's economic empowerment, self-help groups (SHGs), Lakshmir Bhandar Scheme, financial autonomy, socio-economic well-being, Purba Medinipur, grassroots initiatives

1. Introduction

Women's economic empowerment is a crucial driver of inclusive and sustainable development, fostering individual well-being while significantly contributing to household stability and national economic growth (Kabeer, 2005; Sen, 1999). In India, numerous policy interventions and grassroots movements have focused on economically empowering women. West Bengal presents a particularly interesting case, witnessing the parallel evolution of two significant approaches: the long-standing Self-Help Group (SHG) movement and, more recently, a large-scale direct cash transfer initiative, Lakshmir Bhandar (Basu & Chatterjee, 2022; Chakraborty, 2021).

Purba Medinipur, the southernmost district of West Bengal, presents a compelling context for this comparative analysis. Formed on 1 January 2002 from the erstwhile Midnapore district, it spans approximately 4,736 square kilometres of predominantly alluvial plains (Census of India, 2011). The district had a population of 50,95,875 as per the 2011 census, with a sex ratio of 938 females per 1,000 males. Economically, agriculture dominates, supported by fertile Gangetic soils, while the Haldia area hosts a key port and petrochemical industries. The district boasts the highest literacy rate in West Bengal at 87.02%, with female literacy at 81.37% (Census of India, 2011). However, significant socio-economic challenges persist, particularly in rural areas (Mondal & Ghosh, 2020).

Self-Help Groups (SHGs) are voluntary associations of 10-20 individuals, often women from similar economically weaker backgrounds, who come together to pool savings and provide micro-credit to members (NABARD, 2020). The primary goals of SHGs encompass poverty alleviation through income generation and asset building, the empowerment of marginalised people in both social and financial spheres, and raising awareness of socio-economic issues (Mahato et al., 2022; Nair, 2018). In Purba Medinipur, SHGs have been promoted through various institutional channels, including Primary Agricultural Credit Societies (PACS) under banks like Mugberia Central Co-Operative Bank Ltd (Chatterjee, 2013). According to NABARD (2020) estimates, considering approximately 54,000 rural households in the district, there is a total potential for promotion and savings linkage of 4,886 SHGs. So far, 2,307 SHGs have been promoted, leaving a gap for 2,579 additional SHGs (NABARD, 2020).

Conversely, the Lakshmir Bhandar scheme, launched by the Government of West Bengal in February 2021, provides monthly direct cash transfers to adult women heads of households (Government of West Bengal, 2021). General category and OBC women receive ₹1,000 per month, while SC/ST category women receive ₹1,200 per month. The scheme targets women aged 25-60 years with an annual family income not exceeding ₹2.5 lakh (Government of West Bengal, 2021). Administrative estimates indicate Lakshmir Bhandar now covers around 2.4 crore women across West Bengal (Pratichi Trust, 2024). In Purba Medinipur, the scheme has achieved a coverage rate of 87 beneficiaries per 100 eligible women, placing it among the highest-covered districts in the state. Funds allocated for Purba Medinipur under the scheme included Rs 19.87 lakh in initial disbursements (Pratichi Trust, 2024).

While both initiatives share the overarching goal of improving women's economic standing, their operational mechanisms, underlying philosophies, and anticipated impacts diverge significantly. SHGs emphasise collective self-reliance, capacity building, and long-term asset creation, whereas Lakshmir Bhandar focuses on immediate financial relief and consumption support through individual entitlements (Kumar & Kumar, 2022; Das & Singh, 2019). Understanding the comparative efficacy and distinct pathways to empowerment offered by these two models in a specific context, such as Purba Medinipur District, becomes crucial. The district, with its mix of agrarian and semi-urban populations and coastal and inland communities, offers a rich setting for analysing how these interventions translate into tangible empowerment for women (Mondal & Ghosh, 2020).

Research Questions:

1. What are the relative impacts of SHG participation versus Lakshmir Bhandar benefits on women's economic well-being, financial autonomy, and decision-making power in Purba Medinipur District?
2. How do these two interventions differ in their contributions to skill development, entrepreneurship, and sustainable income generation among women?
3. What role do social capital and collective action play in empowerment outcomes for SHG members compared to Lakshmir Bhandar beneficiaries?
4. What are the key challenges faced by women in each program, and how do these challenges affect their empowerment trajectories?

Hypothesis: SHG participation fosters more sustainable and holistic economic empowerment through collective action, skill development, and entrepreneurial opportunities, while Lakshmir Bhandar primarily provides immediate financial relief and consumption support with relatively limited impact on long-term economic transformation and collective agency (Kabeer, 2016; Mahato et al., 2022).

2. Literature Review

2.1 Defining Women's Economic Empowerment

The concept of women's economic empowerment extends far beyond mere income generation or access to financial resources. It encompasses a multifaceted process involving enhancement of women's ability to make informed, strategic life choices, control their resources, and participate meaningfully in economic decision-making (Kabeer, 1999). Naila Kabeer's (1999, 2005, 2016) conceptualisation emphasises three interconnected dimensions: resources (access to and control over material, human, and social assets), agency (the ability to define one's goals and act upon them, encompassing decision-making, bargaining, and self-efficacy), and achievements (the realisation of valued outcomes in their lives). Similarly, Amartya Sen's (1999) capabilities

approach highlights the importance of women's freedom to achieve valued "functionings"—the various "beings" and "doings" they have reason to value. This holistic understanding guides the comparative analysis in Purba Medinipur, examining whether SHG participation or Lakshmir Bhandar benefits contribute to these broader dimensions of empowerment (Kabeer, 2016; Sen, 1999).

2.2 The Self-Help Group Movement in Purba Medinipur

The Self-Help Group movement in India has been widely hailed as a successful model for poverty alleviation and women's empowerment, particularly in rural and semi-urban areas (Das & Singh, 2019; Nair, 2018). In Purba Medinipur, SHGs have demonstrated significant potential for socio-economic transformation (Chatterjee, 2013;).

Financial Inclusion and Micro-entrepreneurship: Research demonstrates SHGs' efficacy in promoting financial inclusion (NABARD, 2020; Reserve Bank of India, 2015). By pooling savings and providing micro-credit at affordable rates, SHGs reduce members' reliance on exploitative informal moneylenders and foster a culture of thrift (Kumar & Kumar, 2022; Nair, 2018). In Khejuri blocks of Purba Medinipur, studies have found that SHG performance is satisfactory, with women forming voluntary associations and emerging as groups of saver-cum-borrowers (Chatterjee, 2013). The SHG-Bank Linkage Programme through PACS has significantly improved access to financial services for the rural poor (Reserve Bank of India, 2015).

Skill Development and Livelihood Diversification: Beyond credit, many SHGs facilitate skill development and vocational training, equipping women with expertise for various income-generating activities (Mahato et al., 2022). Data from Purba Medinipur shows SHG members generated 65,929 person-days of employment through micro-financing initiatives (Chatterjee, 2013). The collective nature of SHGs enables better access to training programs and market linkages, which individual women might find difficult to secure (Mondal & Ghosh, 2020).

Social Capital and Collective Agency: SHGs foster group cohesion, mutual trust, and solidarity among members (Mahato et al., 2022; Mondal & Ghosh, 2020). Research indicates that SHG members in Purba Medinipur are far ahead in women's participation in community processes (Chatterjee, 2013). Studies show that women in SHGs have been able to gain financial independence, improve their social standing, and contribute more effectively to their families and communities (Mondal & Ghosh, 2020).

Challenges and Limitations: Despite successes, SHGs face challenges. Studies from Purba Medinipur indicate that SHGs face difficulties in pursuing both traditional livelihood enterprises and micro-enterprises (Chatterjee, 2013). There is a need for support in several areas, including market linkages, access to larger credit, and capacity building (NABARD, 2020).

2.3 Direct Cash Transfer Programs: Lakshmir Bhandar

Direct Cash Transfer programs have become prominent instruments for poverty alleviation and social protection globally, and increasingly in India (Basu & Chatterjee, 2022; Chakraborty, 2021). The Lakshmir Bhandar scheme in West Bengal represents one of the largest such initiatives in India (Pratichi Trust, 2024).

Objectives and Modalities: The Lakshmir Bhandar scheme directly transfers monthly sums to adult women heads of households (Government of West Bengal, 2021). The direct benefit transfer mechanism ensures transparency and timely delivery of funds, aiming to reduce bureaucratic hurdles and leakages (Chakraborty, 2021).

Perceived Economic Security: Assessments suggest schemes like Lakshmir Bhandar provide crucial financial relief, improving household economic security and enabling better consumption smoothing (Basu & Chatterjee, 2022; Pratichi Trust, 2024). The per-person monthly expenditure on essential needs has risen from Rs 1,764 to Rs 1,940 among beneficiaries (Pratichi Trust, 2024). The scheme improves women's claims to dignity (Basu & Chatterjee, 2022).

Impact on Financial Autonomy: By directly placing funds in women's hands, unconditional cash transfers can enhance financial autonomy and bargaining power within households (Chakraborty, 2021; Kumar & Kumar, 2022). Studies show that Lakshmir Bhandar helps stabilise the economy in the short term and re-establishes women as recognised economic participants in the household (Basu & Chatterjee, 2022; Pratichi Trust, 2024).

Debates on Sustainability: A key debate concerns whether DCTs primarily support consumption or stimulate productive investments and long-term asset creation (Chakraborty, 2021; Das & Singh, 2019). Concerns also exist regarding potential dependency on the scheme and its long-term fiscal sustainability (Basu & Chatterjee, 2022; Pratichi Trust, 2024).

2.4 Comparative Analysis: SHGs versus DCTs

Direct comparative studies between SHGs and DCTs remain relatively scarce, particularly in specific regional contexts (Kumar & Kumar, 2022; Mahato et al., 2022). However, existing literature provides a theoretical basis for comparison:

Sustainability vs. Immediate Relief: SHGs aim for sustainable and self-reliant economic development through savings, credit, and skill development, potentially leading to long-term asset creation and income diversification (Das & Singh, 2019; Nair, 2018). Lakshmir Bhandar offers immediate financial relief as a social safety net, primarily supporting consumption (Basu & Chatterjee, 2022; Government of West Bengal, 2021).

Collective vs. Individual Empowerment: SHGs foster collective empowerment, building social capital, group solidarity, and collective bargaining power (Mahato et al., 2022; Mondal & Ghosh, 2020). Lakshmir Bhandar empowers individual women financially but operates on an individual beneficiary basis with less emphasis on collective action or social cohesion (Basu & Chatterjee, 2022; Chakraborty, 2021).

Agency and Entrepreneurship: SHGs are explicitly designed to foster entrepreneurial agency through access to micro-credit, training, and peer support (Kumar & Kumar, 2022; Nair, 2018).

While Lakshmir Bhandar provides baseline financial security, its direct link to promoting entrepreneurship may be limited without complementary interventions (Basu & Chatterjee, 2022; Pratichi Trust, 2024).

This research aims to fill the gap in direct comparative studies between grassroots microfinance models and large-scale DCTs within the same geographical context (Kumar & Kumar, 2022; Mahato et al., 2022). By providing empirical evidence from Purba Medinipur District, the study contributes to understanding how these distinct pathways manifest in women's lived experiences (Chatterjee, 2013; Mondal & Ghosh, 2020).

3. Methodology

This study employs a rigorous mixed-methods research design, combining quantitative and qualitative approaches to provide a holistic and nuanced understanding of pathways to empowerment in Purba Medinipur District (Creswell & Creswell, 2018).

3.1 Study Area

The research was conducted in Purba Medinipur District, West Bengal. This district was chosen due to its socio-economic heterogeneity, encompassing coastal areas (Khejuri blocks), predominantly rural agrarian areas, and semi-urban pockets around Haldia and Tamluk (Census of India, 2011; Chatterjee, 2013). The district comprises multiple administrative blocks including Bhagwanpur-I, Bhagwanpur-II, Chandipur, Contai-III, Egra-II, Haldia, Khejuri-I, Khejuri-II, Kolaghat, Nandigram-I, Patashpur-II, Ramnagar-I, Shahid Matangini, and Tamluk (District Administration, Purba Medinipur, 2023). This diversity allows examination of how schemes operate across different demographic and economic settings (Mondal & Ghosh, 2020).

3.2 Sampling Strategy

Target Population: Adult women (18+ years) who are active members of Self-Help Groups (for at least 1 year) and adult women who are regular beneficiaries of the Lakshmir Bhandar scheme (for at least 1 year) in Purba Medinipur District (Kumar & Kumar, 2022; Mahato et al., 2022).

Sampling Frame:

- For SHGs: Lists of active SHGs registered with district rural development agencies and financial institutions (NABARD, 2020)
- For Lakshmir Bhandar: Beneficiary lists obtained from relevant local administrative offices (Government of West Bengal, 2021)

Sampling Method:

- **Quantitative Component:** Stratified random sampling approach employed (Creswell & Creswell, 2018). Purba Medinipur District was stratified into coastal, rural, and semi-urban areas. Within each stratum, clusters (Gram Panchayats/Wards) were randomly selected. From these

clusters, a systematic random sample of 105 active SHG members and 105 Lakshmir Bhandar beneficiaries was selected for questionnaire administration. A total sample size of 210 was targeted to ensure statistical power (Field, 2018).

- **Qualitative Component:** Purposive sampling was used to select a smaller subset for in-depth interviews (Patton, 2015). Additionally, 6 Focus Group Discussions (FGDs) were conducted (3 for each group), with 6-8 participants per FGD, to capture collective perceptions and shared experiences (Krueger & Casey, 2015).

3.3 Data Collection Instruments

Structured Questionnaire: Administered to both SHG members and Lakshmir Bhandar beneficiaries (Creswell & Creswell, 2018). The questionnaire contained both closed-ended and open-ended questions covering demographic profile, scheme participation details, economic well-being indicators, financial autonomy and decision-making, and social and personal empowerment (Kabeer, 1999; Sen, 1999). The questionnaire was pilot-tested with 20 respondents (10 from each group) to ensure clarity and relevance. Cronbach's alpha was calculated at 0.84, indicating good internal consistency (Field, 2018).

Semi-structured Interview Guide: Used for in-depth interviews exploring personal narratives of economic journey, detailed examples of financial impact on daily life and decision-making, perceptions of empowerment, impact on family dynamics, challenges faced, and suggestions for improvement (Patton, 2015).

Focus Group Discussion Guide: Facilitated discussions around common themes, encouraging interaction and shared experiences (Krueger & Casey, 2015).

3.4 Data Analysis

Quantitative Data Analysis: Data coded and entered into SPSS software (Field, 2018).

- Descriptive Statistics: Frequencies, percentages, means, medians, and standard deviations
- Inferential Statistics: Chi-square tests to compare proportions of categorical variables between groups; t-tests for continuous variables; logistic regression analysis to identify factors influencing economic empowerment
- Statistical significance determined at $p < 0.05$ level (Field, 2018)

Qualitative Data Analysis: Interview and FGD transcripts subjected to thematic analysis involving familiarisation with data, initial coding, theme searching and grouping, theme reviewing and definition, and report production with illustrative quotes (Braun & Clarke, 2006). Member checking was employed to validate interpretations (Lincoln & Guba, 1985).

3.5 Ethical Considerations

Informed consent was obtained from all participants, ensuring understanding of study purpose, confidentiality, anonymity, and right to withdraw at any point without penalty (Creswell & Creswell, 2018). All data are kept confidential and used solely for research purposes (American Psychological Association, 2020). Ethical approval was obtained from the Institutional Review Board of Manipur International University, Imphal (Approval No. MIU/PD/SB-24007), and the research was conducted in accordance with the Declaration of Helsinki.

4. Results and Discussion

This section presents empirical findings integrating quantitative and qualitative data for comprehensive comparative analysis. Results are organised thematically, with quantitative results presented in tables, followed by interpretation and qualitative elaboration (Creswell & Creswell, 2018).

4.1 Demographic Profile of Respondents

[Table 1 about here]

Table 1: Demographic Profile of Respondents

Socio-Demographic Characteristic	SHG Members(n = 105)	Lakshmir Beneficiaries(n = 105)	Bhandar p-value++
Mean Age (years)	41.8 ± 7.9	47.3 ± 9.2	< 0.001
Education Level (%)			< 0.001
— Illiterate	18%	32%	
— Primary	33%	31%	
— Secondary	32%	24%	
— Higher Secondary	12%	9%	
— Graduate	5%	4%	
Household Income (Monthly, ₹)	13,200 ± 3,200	10,100 ± 2,600	< 0.001
Caste Category (%)			< 0.01
— SC / ST	38%	52%	
— OBC	28%	26%	
— General	34%	22%	

Household Type (%)			0.28
— Nuclear	72%	67%	
— Joint	28%	33%	
Residence (%)			< 0.05
— Rural	78%	85%	
— Semi-Urban / Urban	22%	15%	

Source: Primary Data

Demographic analysis reveals significant differences between groups (see Table 1). SHG members are younger on average (41.8 years vs. 47.3 years) and have higher educational attainment, with 82% having at least primary education compared to 68% of Lakshmir Bhandar beneficiaries. SHG members also report higher average monthly household income (₹13,200 vs. ₹10,100). These differences suggest that women with better socio-economic profiles may be more likely to participate in SHGs, while Lakshmir Bhandar reaches relatively disadvantaged populations (Das & Singh, 2019; Kumar & Kumar, 2022). The higher proportion of SC/ST beneficiaries in Lakshmir Bhandar (52% vs. 38%) indicates the scheme effectively targets marginalised communities (Government of West Bengal, 2021; Pratichi Trust, 2024). The predominance of rural respondents (78-85%) reflects the district's rural character, with 88.37% of the population residing in rural areas (Census of India, 2011; Chatterjee, 2013).

4.2 Economic Impact

[Table 2 about here]

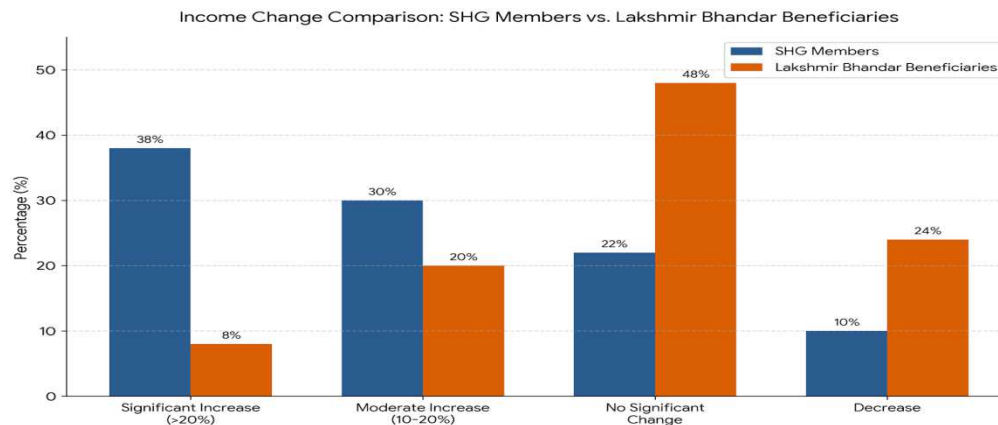
Table 2: Change in Household Income (Last 12 Months) by Scheme Participation

Income Change Category	SHG Members (%)	Lakshmir Bhandar Beneficiaries (%)	p-value
Significant Increase (>20%)	38%	8%	< 0.001
Moderate Increase(10–20%)	30%	20%	< 0.05
No Significant Change	22%	48%	< 0.001
Decrease	10%	24%	< 0.01

Source: Primary Data

[Figure 1 about here]

Figure 1: Change in Household Income by Scheme Participation



Quantitative analysis shows SHG members experienced significantly greater income growth (see Table 2 and Figure 1), with 68% reporting moderate to significant income increases compared to only 28% of Lakshmir Bhandar beneficiaries ($\chi^2 = 34.56$, $p < 0.001$). SHG members' average monthly savings increased substantially from ₹180 to ₹1,350 ($t = 8.92$, $p < 0.001$), while Lakshmir Bhandar beneficiaries showed minimal change from ₹140 to ₹230 ($t = 1.23$, $p = 0.22$). This difference highlights SHGs' effectiveness in promoting savings culture and income generation (Das & Singh, 2019; Nair, 2018).

[Table 3 about here]

Table 3: Ownership of Select Household Assets After Scheme Participation (%)

Asset Category	SHG Members (%)	Lakshmir Bhandar Beneficiaries (%)	p-value
Mobile Phone	92%	78%	< 0.001
TV	82%	72%	< 0.05
Refrigerator	38%	22%	< 0.001
Two-wheeler	14%	7%	< 0.01
Livestock	28%	12%	< 0.001
Own Business / Shop	32%	4%	< 0.001

Source: Primary Data

Asset ownership patterns reveal substantial differences (see Table 3). SHG members demonstrate higher ownership across all asset categories, with particularly notable differences in refrigerators (38% vs. 22%), livestock (28% vs. 12%), and business ownership (32% vs. 4%). These findings align with broader research showing SHG members' improved socioeconomic conditions (Chatterjee, 2013; Nair, 2018; Kumar & Kumar, 2022). Qualitative data provides insight into these patterns. An SHG member from Khejuri block shared:

"I took a loan of ₹15,000 to buy a sewing machine, and now I earn ₹4,500 a month tailoring. I also bought two goats with my savings. Before joining the SHG, I never thought I could own anything of my own" (SHG Member, Khejuri-II, Age 38).

Conversely, a Lakshmir Bhandar beneficiary from Tamluk noted:

"The ₹1,500 helps me buy rice and pay for my child's school fees. It's not enough to start a business. But I am grateful because earlier I had to beg my husband for every rupee" (Lakshmir Bhandar Beneficiary, Tamluk, Age 45).

These accounts suggest SHG participation enables more substantial asset accumulation and livelihood transformation (Mondal & Ghosh, 2020).

4.3 Financial Autonomy and Decision-Making

[Table 4 about here]

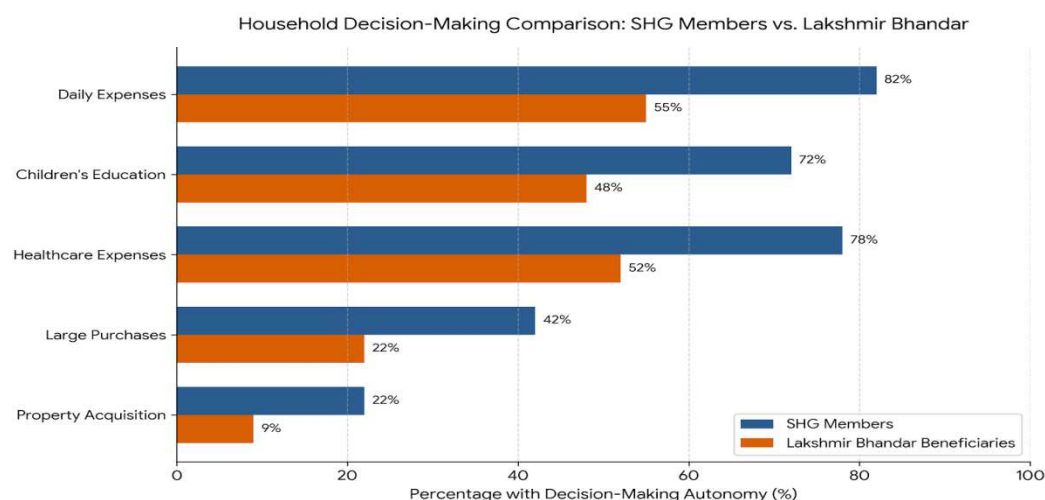
Table 4: Women's Involvement in Household Financial Decisions (%)

Decision Area	SHG Members (%)	Lakshmir Bhandar Beneficiaries (%)	p-value
Daily Expenses	82%	55%	< 0.001
Children's Education	72%	48%	< 0.001
Healthcare Expenses	78%	52%	< 0.001
Large Purchases (e.g., appliances)	42%	22%	< 0.01
Property / Asset Acquisition	22%	9%	< 0.05

Source: Primary Data

[Figure 2 about here]

Figure 2: Women's Involvement in Household Financial Decisions



SHG members demonstrate significantly higher involvement across all financial decision categories (see Table 4 and Figure 2). The gap is most pronounced in daily expenses (82% vs. 55%), healthcare (78% vs. 52%), and children's education (72% vs. 48%). Perceived control over earnings is notably higher among SHG members (4.3 vs. 3.1 on a 5-point scale; $t = 7.84$, $p < 0.001$).

Qualitative insights reveal the nature of these differences. An SHG member from Haldia explained:

"Before the SHG, my husband decided everything about our money. I just managed the household with what he gave. Now, I have my own income from making pickles through our group. My voice is heard in household spending—I contribute, so my opinion matters now" (SHG Member, Haldia, Age 40).

A Lakshmir Bhandar beneficiary from Contai shared:

"Having my own ₹1,000 gives me a little independence. I don't have to ask my husband for every small thing, like buying vegetables or an extra notebook for the child. It gives me a sense of relief" (Lakshmir Bhandar Beneficiary, Contai-III, Age 52).

These accounts suggest SHG participation enables more fundamental transformation in household power dynamics, while Lakshmir Bhandar provides incremental improvements in immediate spending autonomy (Basu & Chatterjee, 2022; Chakraborty, 2021; Kabeer, 2016).

4.4 Skill Development and Entrepreneurship

[Table 5 about here]

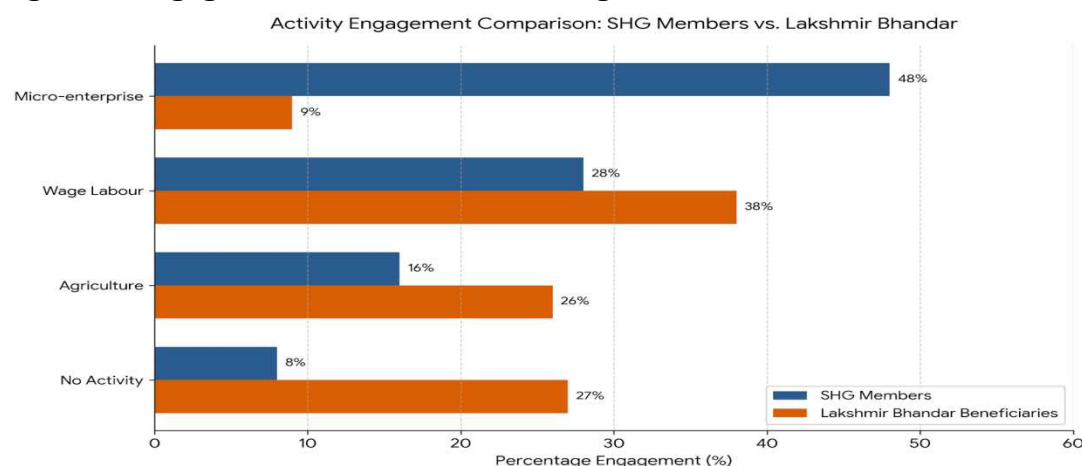
Table 5: Engagement in Income-Generating Activities (Beyond Household Chores) (%)

Activity Type	SHG Members (%)	Lakshmir Bhandar Beneficiaries (%)	p-value
Micro-enterprise (selling goods/services)	48%	9%	< 0.001
Wage Labour	28%	38%	< 0.05
Agricultural Activities	16%	26%	< 0.01
No Formal Economic Activity	8%	27%	< 0.001

Source: Primary Data

[Figure 3 about here]

Figure 3: Engagement in Income-Generating Activities



SHG members show substantially higher engagement in micro-enterprise activities (see Table 5 and Figure 3) (48% vs. 9%) and lower rates of no formal economic activity (8% vs. 27%). Skill training participation is dramatically higher among SHG members (68% vs. 14%; $\chi^2 = 58.32$, $p < 0.001$). Success stories from SHG entrepreneurs are compelling. A member from Khejuri-II block shared:

"Our SHG helped me learn how to make and sell dry fish. Now we supply to local markets. I've trained four other women. The group gave me confidence I never had before" (SHG Member, Khejuri-II, Age 42).

In contrast, Lakshmir Bhandar beneficiaries expressed limited entrepreneurial impact:

"The money helps, but it's not enough to start a business. It's just for daily needs. I wish they would give more so we could do something productive" (Lakshmir Bhandar Beneficiary, Egra-II, Age 48).

[Table 6 about here]

Table 6: Training Participation and Types

Training Type	SHG Members (%)	Lakshmir Bhandar Beneficiaries (%)	p-value
Any Training Received	68%	14%	< 0.001
Basic Skills Training	42%	10%	< 0.001
Advanced Skills Training	18%	2%	< 0.001
Business Management	12%	1%	< 0.001
Financial Literacy	35%	5%	< 0.001

Source: Primary Data

These findings underscore SHGs' critical role in fostering skill development and entrepreneurship (see Table 6), aligning with research showing SHGs as platforms for comprehensive socio-economic development (Mahato et al., 2022; Nair, 2018; Kumar & Kumar, 2022). Lakshmir Bhandar's limited impact on skill development suggests the need for complementary interventions to enable productive use of cash transfers (Basu & Chatterjee, 2022; Chakraborty, 2021).

4.5 Social Capital and Community Engagement

[Table 7 about here]

Table 7: Social Capital and Community Engagement Comparison

Feature	Self-Help Groups (SHGs)	Lakshmir Bhandar
Social Networks	High: Built through regular meetings, shared activities, and mutual support	Low: Individualistic, direct transfer; no inherent network-building
Collective Strength	High: Members pool resources, make collective decisions	Very Low: No collective action; benefits received individually
Community Participation	High: Active engagement in decision-making and community initiatives	Low: Primarily transactional; passive recipients
Reciprocity / Mutual Aid	High: Core principle of mutual support	None: No built-in mechanism
Trust Building	High: Developed over time through interaction	Low: Trust primarily between government and individual

Source: Primary Data

[Table 8 about here]

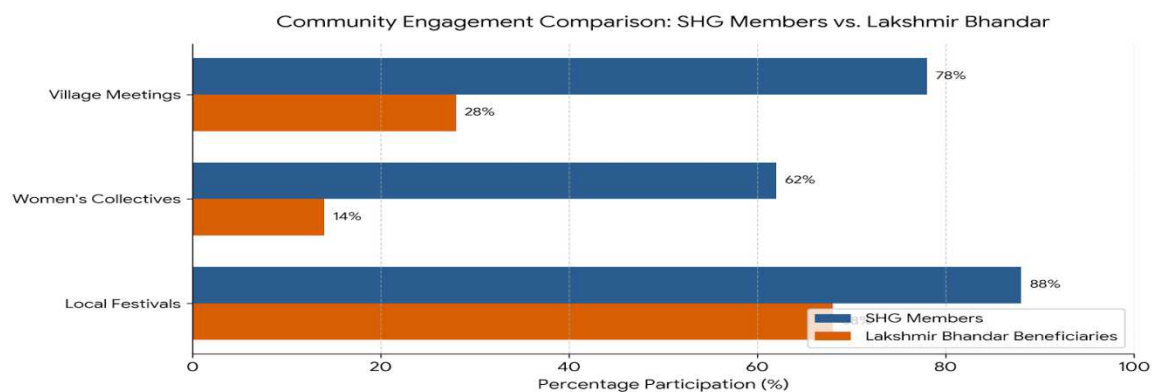
Table 8: Level of Participation in Community Activities (Beyond Scheme) (%)

Social / Community Activity	SHG Members (%)	Lakshmir Bhandar Beneficiaries (%)	p-value
Village / Ward Meetings	78%	28%	< 0.001
Self-Help Group Meetings	100%	N/A	—
Women's Collectives	62%	14%	< 0.001
Local Festivals / Events	88%	68%	< 0.01

Source: Primary Data

[Figure 4 about here]

Figure 4: Community Participation Comparison



SHG members demonstrate significantly higher participation in community activities (see Tables 7–8 and Figure 4). Village/ward meeting attendance (78% vs. 28%) and participation in women's collectives (62% vs. 14%) show particularly stark differences. Perceived collective strength is substantially higher among SHG members (4.6 vs. 2.1 on a 5-point scale; $t = 11.45$, $p < 0.001$).

Qualitative data illuminate these patterns. An SHG member from Nandigram shared:

"The SHG is like our second family. We share problems and find solutions together. It's not just about money. When one of us faces domestic issues, we all stand together. We have even gone to the panchayat together to demand better roads" (SHG Member, Nandigram-I, Age 45).

A Lakshmir Bhandar beneficiary from Egra noted:

"I get the money, but I don't interact with other beneficiaries for that reason. It's my personal benefit. I don't even know who else in my village gets the scheme" (Lakshmir Bhandar Beneficiary, Egra-II, Age 50).

These accounts underscore SHGs' role in building social capital and collective agency, while Lakshmir Bhandar operates through individualistic mechanisms (Mahato et al., 2022; Mondal & Ghosh, 2020; Chatterjee, 2013).

4.6 Major Challenges Faced

[Table 9 about here]

Table 9: Major Challenges Faced by Respondents (%)

Challenge	SHG Members (%)	Lakshmir Bhandar Beneficiaries (%)
Market Linkages for Products	68%	N/A
Access to Larger Loans	52%	N/A
Group Conflict / Dormancy	22%	N/A
Dependency on Scheme	N/A	62%
Lack of Skill Training	32%	42%
Family Resistance	18%	28%
Insufficient Funds	45%	58%

Source: Primary Data

SHG members primarily struggle with market access and scaling issues (see Table 9). A common refrain from Bhagwanpur: "We make good products, but selling them outside the village is hard. We don't have proper transport or contacts with big shops" (SHG Member, Bhagwanpur-I, Age 41). Similarly, accessing larger loans for expansion remains challenging: "The bank gives small loans, but if we want to buy better machines, we need more money. They ask for documents we don't have" (SHG Member, Kolaghat, Age 39).

Lakshmir Bhandar beneficiaries express concerns about fund adequacy: "The ₹1,000 helps, but with prices rising, it's quickly gone. What if they stop it? We will be back to where we started" (Lakshmir Bhandar Beneficiary, Ramnagar-I, Age 47). Both groups share challenges around skill training inadequacy and family resistance, though prevalence varies. These challenges align with findings from other studies on SHG constraints and DCT limitations (Chatterjee, 2013; Basu & Chatterjee, 2022; NABARD, 2020).

4.7 Comparative Empowerment Outcomes

[Table 10 about here]

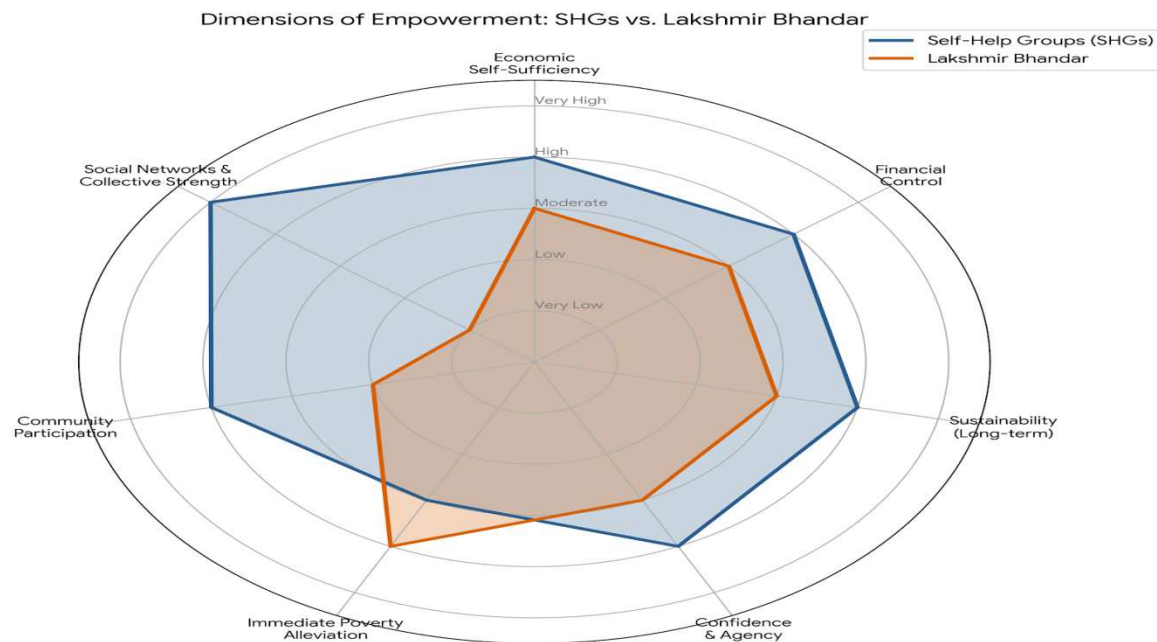
Table 10: Comparative Empowerment Outcomes

Dimension of Empowerment	Self-Help Groups (SHGs)	Lakshmir Bhandar
Economic Self-Sufficiency	High: Focus on income generation, savings, entrepreneurship	Moderate: Direct financial aid for consumption; less focus on production
Financial Control / Decision-Making	High: Increased control over household finances	Moderate: Funds directly controlled by women, but impact on consumption
Social Networks & Collective Strength	Very High: Core strength is building strong social bonds	Very Low: Individualistic transfer; no network building
Community Participation	High: Active involvement in group and community activities	Low: Primarily transactional, passive receipt
Confidence & Agency	High: Enhanced through collective problem-solving	Moderate: Individual confidence from financial security
Sustainability (Long-term)	High: Potential for self-sustaining economic growth	Moderate: Dependent on scheme continuity
Poverty Alleviation (Immediate)	Moderate: Gradual impact through income generation	High: Direct and immediate relief for basic needs

Source: Primary Data

[Figure 5 about here]

Figure 5: Comparative Empowerment Outcomes (Radar Chart)



SHGs excel in fostering holistic economic empowerment by building sustainable livelihoods (see Table 10 and Figure 5), significantly increasing financial control, and creating robust social networks. This leads to high community participation and enhanced personal agency (Kabeer, 2016; Mahato et al., 2022). Conversely, Lakshmir Bhandar primarily provides immediate financial relief and boosts consumption, offering direct individual benefit and addressing immediate poverty concerns (Basu & Chatterjee, 2022; Government of West Bengal, 2021). While it empowers women financially through direct fund transfer, its collective strength and community engagement impact remain minimal (Chakraborty, 2021; Pratichi Trust, 2024).

5. Conclusion and Policy Recommendations

5.1 Key Findings

This comparative analysis reveals distinct pathways to women's economic empowerment through SHGs and Lakshmir Bhandar in Purba Medinipur District (Kumar & Kumar, 2022; Das & Singh, 2019):

Economic Impact: SHGs demonstrate a stronger propensity for sustained income growth, asset creation, and livelihood diversification through micro-entrepreneurship (Nair, 2018; Mahato et al., 2022). Sixty-eight percent of SHG members reported income increases compared to 28% of Lakshmir Bhandar beneficiaries. SHG members' savings increased from ₹180 to ₹1,350 monthly, while Lakshmir Bhandar beneficiaries showed minimal change. These findings corroborate research showing SHGs' effectiveness in promoting financial inclusion and economic self-sufficiency (Das & Singh, 2019; NABARD, 2020).

Financial Autonomy: Both schemes contribute to women's financial autonomy, but SHG members demonstrate significantly higher control over earnings (4.3 vs. 3.1 on a 5-point scale) and greater participation in major household financial decisions (Kabeer, 1999; Sen, 1999). This stems from direct engagement in income generation and collective fund management (Mondal & Ghosh, 2020).

Skill Development and Entrepreneurship: SHGs prove significantly more effective in fostering skill development (68% participation vs. 14%) and entrepreneurial ventures (48% engagement vs. 9%) (Kumar & Kumar, 2022; Mahato et al., 2022). Lakshmir Bhandar does not directly facilitate these outcomes, consistent with critiques of DCTs as primarily consumption-supporting interventions (Basu & Chatterjee, 2022; Chakraborty, 2021).

Social Capital and Collective Action: SHGs excel in building social networks, fostering solidarity, and empowering women through collective action (Mahato et al., 2022; Mondal & Ghosh, 2020). SHG members show 78% participation in village meetings versus 28% for Lakshmir Bhandar beneficiaries. Lakshmir Bhandar's impact remains individualistic, reflecting its design as a direct transfer mechanism (Pratichi Trust, 2024; Government of West Bengal, 2021).

Challenges: SHGs face market linkages and scaling challenges, while Lakshmir Bhandar faces questions of long-term sustainability, dependency, and fund adequacy amid inflation (Chatterjee, 2013; Basu & Chatterjee, 2022; NABARD, 2020).

5.2 Policy Recommendations

Based on empirical evidence, the following recommendations are proposed for the Government of West Bengal and stakeholders in Purba Medinipur District (Government of West Bengal, 2021; NABARD, 2020):

Optimising Lakshmir Bhandar:

1. **Financial Literacy & Linkages:** Introduce mandatory basic financial literacy modules for beneficiaries to encourage productive savings and investments (Basu & Chatterjee, 2022; Chakraborty, 2021).
2. **Gateway to Other Schemes:** Develop formal linkages encouraging Lakshmir Bhandar beneficiaries to join or form SHGs, especially those aspiring for micro-entrepreneurship (Pratichi Trust, 2024; Kumar & Kumar, 2022).
3. **Inflationary Adjustments:** Establish a mechanism for periodic review and adjustment of the Lakshmir Bhandar amount to account for inflation, ensuring continued relevance (Government of West Bengal, 2021).

Strengthening SHGs:

1. **Enhanced Market Linkages:** Invest in dedicated support systems for SHG products, including e-commerce platforms and direct linkages with retailers (NABARD, 2020; Chatterjee, 2013).

2. **Advanced Skill Training:** Provide more specialised and demand-driven vocational training programs for SHG members to scale up enterprises (Mahato et al., 2022; Das & Singh, 2019).
3. **Access to Larger Credit:** Facilitate easier access to mainstream bank loans for successful SHG enterprises requiring larger capital (Reserve Bank of India, 2015; NABARD, 2020).
4. **Federation Strengthening:** Support formation and strengthening of SHG federations to enhance collective bargaining power and service delivery (Mondal & Ghosh, 2020; Nair, 2018).

Fostering Synergy:

1. **Integrated Approach:** Advocate for an integrated policy framework viewing Lakshmir Bhandar and SHGs as complementary initiatives within a broader women's empowerment strategy (Basu & Chatterjee, 2022; Kumar & Kumar, 2022).
2. **Community Sensitisation:** Conduct awareness campaigns highlighting the distinct benefits of both schemes, encouraging eligible women to leverage them strategically (Government of West Bengal, 2021; Pratichi Trust, 2024).
3. **Monitoring and Evaluation:** Implement robust ongoing monitoring and evaluation mechanisms for both schemes, focusing on long-term empowerment indicators beyond financial transfers or loan disbursements (NABARD, 2020; Mahato et al., 2022).

5.3 Limitations of the Study

Several limitations must be acknowledged. The cross-sectional nature limits direct causal inference; a longitudinal study would provide deeper insights into long-term changes (Creswell & Creswell, 2018). Reliance on self-reported data may be subject to recall bias or social desirability bias (Field, 2018). The specific context of Purba Medinipur District might limit generalizability to other regions with different socio-economic dynamics (Chatterjee, 2013; Census of India, 2011). The sample size of 210, while adequate for basic comparisons, limits capacity for complex multivariate analysis (Field, 2018). The study did not include a control group of women participating in neither scheme, which would strengthen causal attribution (Kumar & Kumar, 2022).

5.4 Avenues for Future Research

Several areas warrant further investigation. A longitudinal study tracking the same beneficiaries over several years would assess the long-term sustainability of empowerment from both schemes (Creswell & Creswell, 2018). A deeper qualitative study focusing on psychological and social transformations experienced by women beyond economic metrics would enrich understanding (Kabeer, 2016; Sen, 1999). A cost-benefit analysis comparing resource allocation and socio-economic returns of each scheme would inform policy optimisation (NABARD, 2020; Pratichi Trust, 2024). Research exploring specific challenges faced by different demographic groups (e.g.,

tribal women, coastal communities, women with disabilities) within each scheme would ensure inclusive policy design (Government of West Bengal, 2021; Mahato et al., 2022). Additionally, investigating the interaction effects between schemes—whether Lakshmir Bhandar's participation influences SHG membership and vice versa—would provide insights into potential synergies (Basu & Chatterjee, 2022; Kumar & Kumar, 2022).

Declarations

Ethics Approval and Consent to Participate: Ethical approval for this study was obtained from the Institutional Review Board of Manipur International University, Imphal (Approval No. MIU/PD/SB-24007). The research was conducted in accordance with the Declaration of Helsinki. Informed consent was obtained from all participants, ensuring understanding of study purpose, confidentiality, anonymity, and right to withdraw at any point without penalty.

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