Journal of Integrated Sciences and Agriculture (JISA)
ISSN: _____
Journal Homepage: http://journals.ageconfrontiers.com/jisa
Vol. 1(1) Open Access

Review Article

Microfinance and Women's Empowerment in Pakistan, India, and Bangladesh: Research Priorities and Gaps

Dua[1, *], Ayesha Sonia[2] & Amina Iqbal[1]

[1] Institute of Agricultural & Resource Economics, University of Agriculture, Faisalabad, Pakistan
[2] Institute of Surface-Earth System Science, Tianjin University, Tianjin 300072, China
** Corresponding author: duad9851@gmail.com*

ARTICLE INFO
Keywords
- Microfinance
- Microcredit
- Women's empowerment
- Women's economic empowerment
- Financial literacy
- Pakistan
- India
- Bangladesh

Article History
Received: 14 August 2026
Revised: 05 October 2026
Accepted: 13 October 2026
Available online: 03 November 2026
License
CC BY 4.0 – Open Access
DOI
10.66529/jisa.2026.1.1.127

ABSTRACT
This systematic mapping review examines research on microfinance and women's empowerment in Pakistan, India, and Bangladesh, covering 41 studies published between 2015 and 2025. It maps the principal empowerment dimensions studied, compares themes and methods across the three countries, and identifies priorities for further research. The literature addresses three broad dimensions: economic outcomes, decision-making autonomy, and social outcomes. Income generation and poverty alleviation receive substantial attention, while financial literacy, psychological well-being, mental health, and Islamic or interest-free microfinance receive comparatively limited or inconsistent attention. Studies from Pakistan frequently examine economic participation and Islamic microfinance; studies from Bangladesh examine household decision-making and women's control over loan use; and studies from India often examine self-help groups, entrepreneurship, and decision-making. The findings are heterogeneous, and access to microfinance should not be assumed to cause empowerment in every setting: outcomes depend on women's control over loan proceeds, household and community power relations, institutional practices, and complementary services. Priorities include more comparable outcome measures, stronger research designs, and greater attention to psychological empowerment, financial literacy, and interest-free finance. Findings should be read in light of the review's restricted database coverage, English-language inclusion criterion, and full-text availability requirements.

Citation: *Dua, Sonia, A., & Iqbal, A. (2026). Microfinance and women's empowerment in Pakistan, India, and Bangladesh: Research priorities and gaps.* ***J. Integ. Sci. Agric.*** *1(1): 1-13. https://doi.org/10.66529/jisa.2026.1.1.127*

1. Introduction

South Asia occupies a significant position on the global scale, constituting almost one-fifth of the world's population (Goretti et al., 2019). Countries within this region face deeply entrenched poverty and gender inequality that persist across social, economic, and political spheres. Women in Pakistan, India, and Bangladesh continue to face gender disparities in access to formal financial services, although the extent of these disparities varies across countries (Demirgüç-Kunt et al., 2022).

Microfinance, the provision of small-scale financial products and services to low-income individuals, particularly women, has emerged over the past three decades as a widely promoted instrument for poverty alleviation and women's empowerment in the region.

This study conducts a systematic mapping of research on microfinance and women's empowerment in Pakistan, India, and Bangladesh. Although the three countries share some historical and socioeconomic challenges, their microfinance systems differ. India has a substantial self-help group (SHG) bank-linkage model alongside commercial microfinance institutions. Pakistan's sector includes conventional and Islamic or interest-free microfinance models, including Akhuwat. Bangladesh

© 2026 The Authors. Published under CC BY 4.0. |

has a long history of group-based microfinance through institutions such as Grameen Bank, BRAC, and ASA. These institutional differences provide a useful basis for comparing the research focus and reported outcomes across the three countries.

Microfinance refers to the provision of small loans, savings, insurance, and other financial services to poor people who cannot access conventional banks (Demirgüç-Kunt et al., 2022). Its main purpose is to help women start or grow small businesses, earn money, save, and improve their living conditions. This can make women more financially secure and give them more say in family and community decisions. However, the empirical evidence on whether microfinance delivers substantive empowerment outcomes is mixed. While many studies document significant improvements in women's income, decision-making power, and social status, others report null or even negative effects, including increased debt burdens, marital conflict, and the perpetuation of male control over loan use.

Recent studies have added evidence on the relationship between microfinance and women's empowerment, but findings remain inconsistent. Bandara (2024) reviewed 38 studies on women's microfinance in South Asia, covering economic gains, decision-making, mobility, education, assets, food security, health, nutrition, and other social outcomes. Chakraborty and Abraham (2025) compared evidence from Kerala, India, and Chittagong, Bangladesh, and reported differences in the relative prominence of economic, psychological, and social empowerment. The present review focuses specifically on research concerning Pakistan, India, and Bangladesh and maps the distribution of studies across economic outcomes, decision-making autonomy, and social outcomes. It also highlights areas in which evidence appears limited or inconsistent, including psychological well-being, financial literacy, and Islamic or interest-free microfinance.

This systematic mapping review addresses the following research questions:

1. What are the key dimensions of women's empowerment examined in microfinance studies in Pakistan, India and Bangladesh?
2. How do findings differ across these countries in terms of economic impact, decision-making autonomy and social outcomes?
3. What are the research gaps and policy recommendations for improving microfinance programs for women's empowerment in Pakistan, India and Bangladesh?

The review maps how microfinance and women's empowerment have been studied in the three countries, compares the principal themes and findings, and identifies research priorities. It does not assume that associations reported in individual studies establish causal effects.

2. Theoretical Framework

The review uses Kabeer's (1999) Empowerment Framework as its principal analytical lens. The framework conceptualizes empowerment through resources, agency, and achievements. Applied to microfinance, resources include access to finance and related services; agency concerns women's ability to make meaningful choices and exercise control over resources; and achievements concern resulting economic, social, and personal outcomes. This framework helps distinguish access to a loan from women's actual control over its use and from any subsequent changes in well-being or decision-making.

Two complementary perspectives help interpret differences across settings. Social Capital Theory (Coleman, 1988; Putnam, 1993) draws attention to the networks, trust, information, and collective action that may develop through group-based models such as self-help groups in India and solidarity groups in Bangladesh. Household bargaining perspectives help explain why access to financial resources does not necessarily translate into greater agency when intra-household power relations constrain women's choices. Evidence discussed in the reviewed literature, including Shohel et al. (2023), illustrates that women may be named borrowers while other household members control loan allocation or use. These perspectives complement, rather than replace, Kabeer's framework.

The framework also directs attention to structural gender relations. Gender norms, unpaid care responsibilities, institutional practices, and unequal control over assets can shape whether microfinance expands women's choices or adds financial obligations without substantive empowerment. These contextual factors are therefore considered when interpreting the country-level findings. The review does not treat any theoretical perspective as proof of an intervention effect; instead, the frameworks guide the classification and interpretation of the mapped evidence.

© 2026 The Authors. Published under CC BY 4.0. |

Household bargaining perspectives are particularly relevant to decision-making autonomy. They suggest that control over resources and the availability of alternatives can affect a person's bargaining position. Accordingly, the review distinguishes women's formal access to credit from their control over loan proceeds and their participation in household decisions.

3. Methodology

This study uses a systematic mapping review to describe how research on microfinance and women's empowerment in Pakistan, India, and Bangladesh is distributed across countries, methods, and empowerment themes. The purpose is to map the available evidence and identify research gaps rather than to estimate a pooled effect or make a single causal claim. The review reports its selection stages using a PRISMA 2020-style flow diagram.

The review process comprised database searching, deduplication, title and abstract screening, full-text assessment, data extraction, and thematic coding.

3.1. Information Sources and Search Strategy

Searches were conducted in ScienceDirect and Google Scholar. These sources were selected because they index literature relevant to social sciences, economics, development studies, gender studies, and related fields. The two-source strategy was also feasible within the resources available for this review; however, it may have missed studies indexed in specialist databases. Searches were limited to English-language publications dated 2015–2025, an inclusive calendar-year period of 11 years rather than a rolling ten-year window.

The search strategy combined three groups of concepts: (1) microfinance terms ("microfinance" OR "microloan" OR "microcredit"); (2) empowerment terms ("women's empowerment" OR "women's economic empowerment"); and (3) country terms ("Pakistan" OR "Bangladesh" OR "India"). The concepts were combined using AND operators. Searches were run in title, abstract, keyword, or full-text fields where the database interface permitted.

3.2. Screening

Studies were eligible if they (1) examined microfinance or microcredit in at least one of the three countries; (2) addressed at least one dimension of women's empowerment relevant to the research questions; (3) were published in English during 2015–2025; and (4) provided sufficient information to extract study design, sample or context, empowerment dimensions, and key findings. Duplicate records, conference abstracts, studies outside the three countries, and studies that did not address women's empowerment were excluded. Reports whose full text could not be obtained were not assessed for eligibility and are recorded separately as not retrieved.

3.3. Eligibility and Quality Assessment

The selection process was organized using the PRISMA 2020 framework. At full-text assessment, the review considered whether each study stated clear objectives, used a design appropriate to those objectives, described sampling or case selection, explained data collection and analysis, and presented evidence supporting its conclusions. Peer-reviewed publication status was recorded but was not treated as a substitute for methodological assessment. Studies were excluded when they did not address the review questions or did not provide enough information for meaningful extraction. Quality was therefore assessed through a structured qualitative appraisal of each study's objectives, design, and reporting, rather than a validated numerical risk-of-bias score; this appraisal, and the specific criteria used, should be understood accordingly when interpreting the mapped evidence.

3.4. Data Extraction and Mapping

An Excel spreadsheet was used to record 41 included studies by country, study design, sample or study context, empowerment dimension, empirical method, and principal findings. These fields supported descriptive mapping of the topics and approaches represented in literature. Ayesha Sonia was responsible for methodology, PRISMA screening, and study selection; Dua was responsible for literature searching and data curation.

3.5. Coding Procedure

The coding framework covered country focus, empowerment dimension, research methodology, sample size or time horizon, empirical model, and key findings. Studies could address more than one empowerment dimension; consequently, counts across dimensions may overlap and should not be summed as if each study belonged to only one category. The coding was used to describe the literature rather than to rank the effectiveness of interventions across countries.

© 2026 The Authors. Published under CC BY 4.0. |

For interpretation, findings were grouped under three broad dimensions: (1) economic outcomes, including income, poverty, entrepreneurship, savings, and assets; (2) decision-making autonomy, including intra-household bargaining, control over loan use, legal awareness, and financial literacy; and (3) social outcomes, including mobility, confidence, social networks, gender-based violence, mental health, and psychological well-being. The labels "mostly studied," "partially studied," and "mostly neglected" used in Section 5 are qualitative summaries of the coded study counts by sub-indicator and country, rather than outputs of a fixed numerical threshold; the underlying counts are reported alongside Figure 2.

The following variables were extracted and coded:

- Country focus: Pakistan, India, and Bangladesh.
- Empowerment dimension: economic outcomes, decision-making autonomy, and social outcomes.
- Research methodology: quantitative, qualitative, or mixed methods.
- Sample size or time horizon, where reported.
- Empirical model or analytical approach, where reported.
- Principal findings and reported limitations.

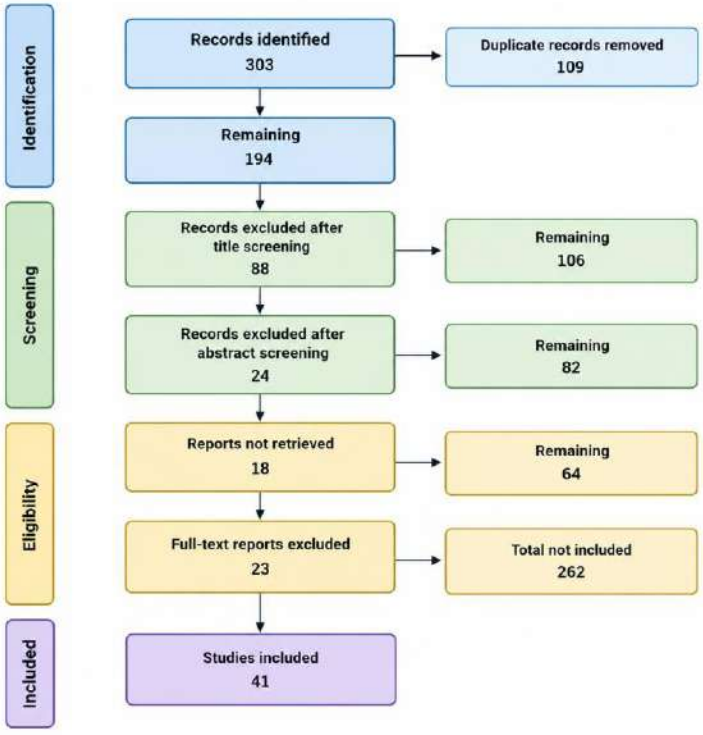

Figure 1. PRISMA 2020-style flow diagram for the systematic mapping review.

Table 1. Characteristics of the studies included in the review.

Reference	Design	Sample / time horizon	Dimension	Model	Findings
Pakistan					
Shafique & Siddique (2020)	I	290	Economic impact	Linear regression analysis	Significant impact of microfinance on poverty alleviation and women's empowerment in rural areas of Pakistan.
Muhammad & Alam (2025)	III	450 / 36 months	Economic impact	Multiple regression model (OLS)	Reported improvements in women's income, assets, savings, and household decision-making power.
Asad et al. (2020)	I	500	Decision-making and economic impact	PLS-SEM	Associated with improved women's empowerment via improved income and decision-making power; vulnerability moderates the relationship.
Khan et al. (2025)	I	400	Economic impact	Multinomial logit and probit model	Longer loan duration improves women's economic status; loan size and purpose show weaker effects,

© 2026 The Authors. Published under CC BY 4.0. |

Reference	Design	Sample / time horizon	Dimension	Model	Findings
					while proper loan structure and support increase microcredit success.
Fyiaz & Nazir (2025)	I	500	Social and economic impact	Regression analysis	Empowers women economically, socially, and personally.
Khan et al. (2021)	I	10 CEOs/managers	Social and economic impact	Qualitative approach	Akhuwat Islamic microfinance enables women to start businesses, increase income, and gain decision-making power.
Arshad et al. (2021)	III	264	Social impact (family cohesion)	Moderated hierarchical multiple regression	Associated with improved women's economic participation but, in some cases, with marital conflict.
Khan et al. (2022a)	I	325	Economic impact	PLS-SEM	Significantly improves women's entrepreneurship; corporate social responsibility enhances the effectiveness of microfinance services.
Amjad (2024)	I	115	Economic and social impact	Correlation and regression analysis	Significantly improves women's business participation and growth.
Ahmed & Khoso (2020)	I	846	Economic impact	PLS-SEM	Positive association with women's empowerment and self-employment in rural and urban areas of Sindh.
Shah & Butt (2021)	I	21	Economic and social impact	Qualitative approach	Mixed effects: positively linked with empowerment for some participants, while others reported increased poverty rather than empowerment.
Madhani et al. (2022)	I	32	Economic and social impact	Qualitative approach	Improved women's perceived mental health by reducing stress about basic needs and lowering financial tension.
Niaz & Iqbal (2019)	I	370	Economic impact	OLS and propensity score matching	Positive impact on women's empowerment, poverty alleviation, and social status through higher income.
Adnan et al. (2015)	I	1,000	Decision-making and economic impact	ANOVA	Improves empowerment by increasing decision-making power, mobility, income contribution, and well-being.
Naeem et al. (2015)	I	80	Economic impact	Comparative analysis and OLS regression	Positive impact on women's microenterprises via increased sales, income, assets, and creditworthiness.
Ul-Hameed et al. (2018)	I	300	Social impact	Smart PLS (SEM)	Non-financial services such as training and social capital significantly enhance empowerment; vulnerability moderates this relationship.
Khan et al. (2019)	I	772	Social and economic impact	Smart PLS	Improves women's financial condition and social status.
Bangladesh					
Islam (2021)	I	389	Economic and social impact	Logit regression model	Islamic microfinance improves women's empowerment, increases income/savings/living standards, and shifted families from agriculture to small business.
Akhter & Cheng (2020)	I	428 / 2017	Economic and social impact	Propensity score matching	Enhances empowerment via improved decision-making, legal awareness, and mobility; improves economic control, income, saving, and property.
Rahman & Bhuiyan (2022)	III	80 / 2013	Economic and social impact	Descriptive statistical analysis	BRAC programme positively affects rural women's empowerment, increasing economic autonomy and domestic decision-making power.
Moriom (2025)	I	41	Economic and decision-making	Qualitative approach	Microcredit from two local NGOs in Cumilla improved confidence, household respect, and decision-making, though most loans were spent on domestic needs.
Pomi (2021)	III	100	Decision-making and economic impact	Chi-square test and ANOVA	Significantly empowers women; borrowers experienced enhanced decision-making, improved income, and reduced vulnerability.
Rahman (2022)	I	46	Social and economic impact	Qualitative approach	Boosts income, savings, and skills; reduces domestic violence; enhances decision-making power, morale, and self-reliance.
Shohel et al. (2023)	III	331	Social impact	Qualitative approach	MFIs define empowerment as financial participation, mobility, and household decisions, but men control most loans due to patriarchal norms.

© 2026 The Authors. Published under CC BY 4.0. |

Reference	Design	Sample / time horizon	Dimension	Model	Findings
Hossain et al. (2016)	III	406 / 2011–12	Economic impact	Regression analysis (single-level and multinomial logistic)	Loans above Tk. 15,000 and low-risk investment improve empowerment, but loan size alone is not sufficient; sustainable empowerment requires poverty reduction and proper loan use.
Akhter et al. (2018)	I	324 / 2016	Economic and decision-making	SPSS and logistic regression	Increases women's economic independence and strengthens their role in family and social decision-making.
Tabassum & Singh (2018)	I	113	Economic and decision-making	SEM using AMOS and SPSS	Decision-making power and family income both have an effect on empowerment.
Debnath et al. (2019)	I	180 / 2018	Decision-making	Descriptive statistical analysis and econometric model	Helps women improve decision-making power and legal awareness.
Ali et al. (2015)	I	400 / 2011	Socio-economic impact	SPSS	No significant effect of microfinance on household income, education, employment, health, or sanitation; only housing status improved.
India					
Sengupta (2024)	II	1 district, 2014–15	Social impact (change in gender-role perception)	Qualitative analysis	Empowerment through solidarity, leadership, and challenging patriarchy is relevant beyond West Bengal.
Dulhunty (2025)	II	34 groups, 29 interviews	Social impact	Qualitative analysis	Associated with increased intimate-partner violence due to initial male backlash, but women's bargaining power grows over time, reducing violence in the longer term.
Bansal & Singh (2020)	II	117	Social and economic impact	Not specified	Enhanced women's entrepreneurship and decision-making, and reduced the gender gap.
R. Patel & N. Patel (2020)	II	512 SHGs, 2019	Decision-making	Paired-sample t-test	Significantly improves women's economic and social decision-making power; empowerment remains limited in health and major financial decisions.
Khan et al. (2022b)	III	370	Economic impact	Quasi-experiment	Weakest impact on social empowerment, while impact was stronger on economic and psychological empowerment.
Pandhare et al. (2024)	III	150	Socio-economic impact	Correlation analysis and case studies	Transformative effects on women's empowerment and gender equality across socio-economic contexts.
Adarsh et al. (2024)	II	150	Socio-economic impact	Paired t-test, quasi-experiment	Empowerment through increased income, investment level, sales, and decision-making power.
Borthakur & Boruah (2023)	II	85	Socio-economic impact	Not used	Increased income, self-worth, and an enhanced role in family affairs in rural Assam.
Akula & Singh (2022)	II	346	Economic impact	Partial least squares structural equation modelling	Positively influences women's entrepreneurship by enhancing economic security.
Nasir & Farooqi (2016)	II	120	Social and economic impact	Multiple linear regression model	Improves income and reduces poverty; enhances savings, confidence, and skills through training, enabling new economic activities.
Sinha et al. (2019)	II	800	Decision-making	Multivariate probit model	Reported a significant negative effect on women's economic empowerment.
Gangadhar & Malyadri (2015)	II	215	Decision-making	Paired-sample t-test	Microcredit associated with improved household economic decision-making, legal awareness, mobility, economic security, and participation in family decisions.

Abbreviations: I = quantitative; II = qualitative; III = mixed methods; QA = qualitative analysis/approach; OLS = ordinary least squares; PLS-SEM = partial least squares structural equation modelling; SEM = structural equation modelling; PSM = propensity score matching. Where two reference-list entries beginning "Khan" fall in the same year, (2022a) denotes Khan, Anjum, Baig, Afzal, & Asghar (2022) and (2022b) denotes Khan, Bhat, & Sangmi (2022); see the Reference list.

© 2026 The Authors. Published under CC BY 4.0. |

4. Results

The review includes 41 studies. The findings are organized into three dimensions: economic outcomes (Section 4.1), decision-making autonomy (Section 4.2), and social outcomes (Section 4.3). Because individual studies may address multiple outcomes, dimension-specific counts may overlap.

4.1. Microfinance and Economic Outcomes

The reviewed studies report mixed economic outcomes associated with microfinance for women in Pakistan, Bangladesh, and India. Outcomes examined include income, poverty, assets, entrepreneurship, small-business activity, savings, and expenditure. Many studies report improvements in selected economic indicators, but the magnitude and consistency of findings vary by population, loan size, programme design, local context, and research method. Given the heterogeneity of the evidence, these findings should not be interpreted as establishing a uniform causal effect.

In Pakistan, 15 of the 17 studies summarised in Table 1 examine an economic-impact dimension, either alone or jointly with decision-making or social outcomes; several report associations between microfinance participation and improvements in income, assets, entrepreneurship, or poverty-related indicators. Shafique and Siddique (2020) examined microfinance and poverty alleviation, while Ahmed and Khoso (2020) reported positive associations with women's empowerment and self-employment among clients in Sindh. Khan et al. (2022a) examined women's entrepreneurship in South Punjab. Other studies also report constraints, including household conflict and role tension, suggesting that economic participation does not necessarily remove social barriers or ensure that women control the benefits.

In Bangladesh, Islam (2021) reported positive economic and empowerment-related outcomes associated with Islamic microfinance among rural women. Hossain et al. (2016) examined loan size and investment risk and reported that outcomes depended on how loans were used and on continued institutional support. These findings indicate that programme design and women's control over loan proceeds are important contextual considerations.

In India, studies by Adarsh et al. (2024) and Borthakur and Boruah (2023) reported improvements in selected income, investment, or household decision-making indicators. Akula and Singh (2022) examined the relationship between microfinance and women's entrepreneurship and reported that women's economic security and prior work experience were relevant to the relationship. These results vary by setting and outcome and should not be generalized to all programmes or participants.

4.2. Microfinance and Decision-Making Autonomy

Decision-making autonomy is examined through women's participation in household financial decisions, control over loan proceeds, expenditure, savings, investment, and other household matters. The evidence is mixed: access to microfinance does not necessarily mean that women control the borrowed funds or gain greater influence over household decisions.

In Pakistan, several studies report improvements in selected decision-making indicators, while also identifying constraints associated with household vulnerability and patriarchal norms. Asad et al. (2020) reported a positive relationship between microfinance and decision-making, with vulnerability moderating the relationship. Adnan et al. (2015) also reported improvements in decision-making, mobility, and income contribution. These findings should be interpreted in the context of each study's design and measures.

In Bangladesh, Akhter and Cheng (2020) reported improvements in decision-making and legal awareness among rural women. Akhter et al. (2018) also examined women's economic independence and participation in family and social decisions. However, qualitative evidence, including Shohel et al. (2023), indicates that household members may retain control over loan use even when women are the named borrowers. Thus, access to credit and effective control over credit should be distinguished.

In India, R. Patel and N. Patel (2020) reported that participation in self-help groups was associated with improvements in some economic and social decision-making indicators. Their findings also suggest that women's influence may remain limited in areas such as health and major financial decisions. The reviewed evidence therefore supports a multidimensional assessment of agency rather than reliance on a single decision-making indicator.

4.3. Microfinance and Social Outcomes

The reviewed literature also considers social and psychological dimensions of women's empowerment, including participation, mobility, self-confidence, social networks, gender relations, intimate partner violence, and mental health. These outcomes are less consistently measured than economic indicators, limiting comparison across studies and countries.

© 2026 The Authors. Published under CC BY 4.0. |

In Pakistan, Shah and Butt (2021) reported mixed experiences among rural women receiving microcredit. Some participants described positive outcomes, while others reported that participation did not improve their circumstances and could coincide with greater financial strain. Madhani et al. (2022) explored women's experiences of microfinance in Karachi and described perceived mental-health benefits associated with reduced financial stress. These findings are context-specific and do not establish that microfinance reliably improves mental health or reduces violence.

In Bangladesh, Rahman (2022) reported improvements in self-reliance and morale alongside economic outcomes in the setting studied. Shohel et al. (2023), however, documented a gap between institutional claims of empowerment and women's actual control over loan use in some households. The contrast highlights the importance of examining women's agency and household power relations rather than treating borrowing itself as evidence of empowerment.

In India, the reviewed studies describe social solidarity, leadership, and changes in gender-role perceptions associated with self-help groups and other microfinance arrangements. Other research reports that changes in women's bargaining position may occur alongside household tension or male backlash. These findings suggest that social outcomes can be uneven and may differ over time and across local contexts.

5. Research Priorities and Gaps

Figure 2 presents the key dimensions of microfinance and women's empowerment examined across studies in Pakistan, India, and Bangladesh. The analysis classifies research areas using a colour-coded system: green represents "mostly studied," yellow represents "partially studied," and red represents "mostly neglected," assigned from the number of coded studies addressing each sub-indicator in Table 1 relative to the other sub-indicators within the same country (more studies coded to a sub-indicator place it toward "mostly studied"; few or none place it toward "mostly neglected").

The categorization helps identify gaps in existing literature. The findings show that economic impact through income generation and poverty alleviation was largely studied, while psychological well-being and Islamic microfinance outcomes remain significantly underexplored in these countries.

The mapping indicates that efforts to boost income and reduce poverty are extensively explored in the reviewed studies. By comparison, financial literacy, psychological factors, and certain Islamic or interest-free microfinance topics are under-researched within this review. It is important to note that the absence of these themes from the mapped evidence does not mean that they have received no empirical attention elsewhere; it indicates only that comparatively few studies meeting this review's inclusion criteria addressed them.

The decision-making autonomy dimension of intra-household bargaining power was largely investigated in Pakistan and Bangladesh, while women's financial literacy remains mostly neglected across all three countries. In social outcomes, gender-based violence reduction was moderately studied in Bangladesh and India, while mental health and psychological well-being were rarely evaluated in any of the three countries. Within the economic-impact dimension, income generation and poverty alleviation were the only sub-indicator moderately-to-extensively studied across all three countries. Islamic microfinance outcomes received partial attention only in Pakistan and Bangladesh and were neglected in the Indian studies reviewed.

Dimensions	Sub-indicators	Pakistan	Bangladesh	India
Economic impact	Income generation & poverty alleviation			
	Entrepreneurship & business growth			
	Saving & asset accumulation			
	Islamic / interest-free microfinance			
Decision-making autonomy	Intra-household bargaining power			
	Loan utilization & control by women			
	Women's legal awareness			
	Women's financial literacy			
Social outcomes	Mobility & self-confidence			
	Gender-based violence reduction			
	Mental health & psychological well-being			
	Social network & collective agency			

Figure 2. Research priorities and gaps in microfinance and women's empowerment studies.

© 2026 The Authors. Published under CC BY 4.0. |

5.1. Comparative Analysis of the Three Countries

Table 2 presents a comparison of the literature on microfinance and women's empowerment in Pakistan, Bangladesh, and India. The similarities and differences in terms of the themes explored, methodologies used, identified outcomes, constraints, and research gaps are evident. The microfinance literature in Pakistan is dominated by quantitative studies, which have focused mainly on income, assets, entrepreneurship, and economic-empowerment outcomes, with a few examining the association with decision-making in the household. The key constraints identified were intra-household conflict, patriarchal values, and the differential distribution of benefits. Literature on microfinance and psychological well-being, financial literacy, and comparative analysis of Islamic microfinance is lacking.

In Bangladesh, the literature includes quantitative, qualitative, and mixed-methods studies that examine rural women and NGO-based programmes. The studies report positive findings for income and savings, living standards, legal awareness, mobility, and decision-making in specific cases. At the same time, qualitative evidence demonstrates that in some circumstances, women do not have substantial control over the allocation of their loans due to the interference or control of male household members. Financial literacy, women's control over loan spending, the psychological benefits of such programmes, and comparisons across different NGO programme models remain understudied.

In India, the literature includes quantitative, qualitative, and mixed methods, with a significant number of studies on self-help groups. The primary topics covered are entrepreneurship, income, investment, social solidarity, and decision-making. A few studies report either negative or null impacts in specific decision-making domains, alongside male backlash. Important topics for future study include psychological empowerment, major financial and health-related decision-making, and comparisons among states that might be relevant to policy formulation.

Table 2. Comparative synthesis of research on microfinance and women's empowerment in Pakistan, Bangladesh, and India.

Country	Main methodological pattern	Major empowerment findings	Key constraint / mixed findings	Research gaps
Pakistan	Quantitative studies are prominent, with qualitative and mixed studies also represented.	Income, assets, entrepreneurship, economic participation, and some decision-making gains are frequently reported.	Household conflicts, patriarchal norms, and unequal benefit distribution are mentioned as limitations.	Psychological well-being, financial literacy, and stronger comparative evidence on Islamic microfinance.
Bangladesh	Quantitative, qualitative, and mixed studies, including studies of rural women and NGO programmes.	Income, savings, and living-standard gains; legal awareness, mobility, and decision-making gains in some settings.	Male-dominated control over loans and limited substantive empowerment identified in qualitative studies.	Financial literacy, women's control over loan use, psychological outcomes, and comparative evidence across programme models.
India	Qualitative, quantitative, and mixed methods, with substantial attention to self-help groups.	Entrepreneurship, income, investment, solidarity, and some decision-making gains are frequently examined.	A few studies found predominantly negative intervention effects in specific spheres and male backlash.	Psychological empowerment, major financial and health decision-making, and cross-state comparative designs.

Across the three countries, the literature places greater emphasis on economic indicators than on psychological well-being, mental health, financial literacy, women's control over loan proceeds, and comparable evaluations of different microfinance models. These patterns indicate priorities for further research, but the strength of each gap should be confirmed against the coded study-level data in Table 1.

6. Discussion and Conclusion

This systematic mapping review synthesizes 41 studies published between 2015 and 2025 on microfinance and women's empowerment in Pakistan, India, and Bangladesh. It contributes a country-focused map of research themes, methods, reported outcomes, and evidence gaps. Across the literature, economic outcomes receive substantial attention, while psychological well-being, mental health, financial literacy, women's control over loan proceeds, and comparable evidence on Islamic or interest-free microfinance receive less consistent attention.

The reviewed studies do not support a single causal conclusion about the effects of microfinance on women's empowerment. They use different samples, research designs, outcome measures, and analytical methods, and report positive, mixed, null, and occasionally adverse findings. Accordingly, claims about impact should be attributed to the relevant studies and interpreted in light of their methods and contexts.

© 2026 The Authors. Published under CC BY 4.0. |

Kabeer's (1999) Empowerment Framework provides a useful principal lens for interpreting these findings because it distinguishes resources, agency, and achievements. The comparison suggests differences in research emphasis: studies from Pakistan frequently examine economic participation and Islamic microfinance; studies from Bangladesh give attention to loan use and household decision-making; and studies from India often examine self-help groups, entrepreneurship, and decision-making. These are patterns in the reviewed literature, not definitive rankings of programme performance across countries.

Three research priorities emerge. First, psychological empowerment and mental health should be measured more systematically alongside economic outcomes. Second, financial literacy and women's actual control over loan proceeds require greater attention as potential links between access to finance and agency. Third, evidence on Islamic or interest-free microfinance remains limited for robust cross-country comparison, particularly when common outcome measures are not used.

Future research should use transparent and comparable measures of empowerment, clearly report research designs and limitations, and where feasible use longitudinal or credible causal designs to examine changes over time. Comparative studies should account for institutional arrangements, household power relations, programme characteristics, and local context. The current evidence supports context-sensitive programme design and monitoring; it does not establish that any single microfinance model consistently produces empowerment across all settings.

Psychological empowerment and mental health are less consistently examined than economic outcomes. The Pakistan-focused study by Madhani et al. (2022), for example, discusses women's experiences and perceived changes in stress. Such evidence is relevant but should not be generalized beyond the study context or treated as definitive evidence of a causal mental-health effect.

The literature on Islamic or interest-free microfinance is also comparatively limited for cross-country assessment. Studies from Pakistan and Bangladesh report potentially beneficial economic or decision-making outcomes in particular programmes, but differences in design and measurement prevent firm conclusions about the comparative effectiveness of these models.

Overall, the review indicates that microfinance may contribute to women's empowerment under some conditions, but outcomes depend on more than access to credit. Women's control over loan use, institutional accountability, household power relations, complementary training and support, and context-appropriate programme design warrant attention. The principal contribution of this review is to map the uneven evidence base and identify priorities for more rigorous, comparable research, not to claim that microfinance necessarily produces empowerment.

6.1. Limitations

This review has several limitations. First, searches were limited to ScienceDirect and Google Scholar, so studies indexed elsewhere may have been missed. Second, only English-language publications were considered, creating a risk of language bias. Third, reports were eligible for full-text assessment only when the full text could be obtained; inaccessible studies may therefore be underrepresented. Fourth, the included studies used heterogeneous designs, samples, and outcome measures, which limits direct comparison and causal inference. Fifth, this review does not report a prospectively registered protocol. Sixth, although the review covers publications dated 2015–2025, the exact search dates are not reported in this version and should be added by the authors before publication. Finally, the qualitative study-quality assessment was not conducted using a validated numerical risk-of-bias tool, and the thresholds underlying the "mostly studied," "partially studied," and "mostly neglected" categories in Section 5 reflect relative study counts rather than a prespecified cut-off. These limitations should be considered when interpreting the mapped patterns.

7. Policy and Practical Implications

The following implications are drawn cautiously from the reviewed literature. They are intended for government and regulatory authorities, microfinance institutions, and development organizations; their applicability should be assessed in light of local evidence and programme conditions.

7.1. Government and Regulatory Authorities

Government and regulatory authorities should consider gender-sensitive safeguards that help ensure women can access and exercise control over the loans issued in their names. Monitoring and grievance mechanisms should be designed to reduce the risk of coercion, misuse of loan proceeds, and inappropriate collection practices.

© 2026 The Authors. Published under CC BY 4.0. |

Where locally appropriate, group-based approaches such as self-help groups and solidarity groups may be paired with leadership development, financial education, and access to reliable information. Programme evaluations should assess whether group participation improves women's agency rather than assuming that collective lending automatically creates social capital.

Regulatory and institutional support for Islamic or interest-free microfinance may be considered where there is demonstrated demand. Such programmes should be evaluated using transparent indicators and compared cautiously with other models, rather than presumed to be more effective on the basis of limited evidence.

Financial services may be complemented by relevant skills training, financial and digital literacy, legal information, market access, and health or psychosocial referrals where appropriate. Programme design should be informed by women's expressed needs and local evidence.

Women should have meaningful opportunities to participate in decisions concerning loan approval, disbursement, repayment arrangements, and programme feedback.

7.2. Microfinance Institutions and Development Organizations

Microfinance institutions and development organizations should consider combining financial services with relevant non-financial support, such as entrepreneurship training, market connections, digital literacy, and psychosocial support, where evidence and local needs justify these services.

Loan terms should reflect clients' repayment capacity and vulnerability. Flexible repayment schedules, appropriate risk protection, and safeguards against over-indebtedness should be considered where feasible.

Monitoring should include psychological and agency-related outcomes alongside income, savings, assets, and business indicators. Measures should be clearly defined and reported consistently.

Institutions should maintain transparent governance, accessible complaint mechanisms, and beneficiary feedback processes. Monitoring should guard against coercive collection practices and against using the language of empowerment to justify practices that do not increase women's control or choices.

Loan products and complementary services should be adapted to local social conditions, religious preferences, and market structures. Their effectiveness should be assessed through context-sensitive evaluation rather than assumed to be uniform across countries.

Declarations

Funding: The authors declare no specific funding for this work.
Conflict of Interest: The authors declare no conflict of interest.
Data Availability: The data extraction spreadsheet underlying Table 1 is available from the corresponding author on reasonable request.
Author Contributions: Dua: Conceptualization, literature search, data curation, investigation, writing (original draft, review and editing. Ayesha Sonia: Methodology, PRISMA screening and study selection, and writing (review and editing). Amina Iqbal: Writing (review and editing).
Use of AI: AI-assisted tools were used to support language editing and reference/citation verification during manuscript preparation and typesetting. The authors reviewed and approved all content and assume full responsibility for its accuracy, consistent with JISA's Artificial Intelligence (AI) and Automated Tools Policy.

References

Adarsh, R., Sivasubramanian, K., & Kumarasamy, P. (2024). Assessment of economic empowerment through micro-finance for sustainable business: A study on woman vegetable vendors in Chennai. In Intelligent Systems, Business, and Innovation Research (pp. 203–212). Springer Nature Switzerland. https://doi.org/10.1007/978-3-031-36895-0_17

Adnan, A., Akram, A., & Akram, F. (2015). Microfinance and its contribution towards women's empowerment: A case-study on Pakistan. Developing Country Studies, 5(5), 143–149. https://iiste.org/Journals/index.php/DCS/article/view/20514/21156 accessed on 04.10.2026

Ahmed, I., & Khoso, I. (2020). The impact of micro-finance on women's empowerment and self-employment: A case of Tameer Micro Finance Bank and Sindh Rural Support Organization, Sindh. KASBIT Business Journal, 13(2), 101–121. https://kasbitoric.com/index.php/kbj/article/view/140

Akhter, J., & Cheng, K. (2020). Sustainable empowerment initiatives among rural women through microcredit borrowings in Bangladesh. Sustainability, 12(6), 2275. https://doi.org/10.3390/su12062275

© 2026 The Authors. Published under CC BY 4.0. |

Akhter, J., Kun, C., & Chukwunonso, O. (2018). Rural women's empowerment is generated through microcredit schemes: Opportunities in Bangladesh. Scholar Journal of Applied Sciences and Research, 1(8), 58–64. https://www.researchgate.net/profile/Jesmin-Akhter/publication/336239417_Rural_Women's_Empowerment_is_Generated_through_Microcredit_Schemes_Opportunities_in_Bangladesh/links/5d95f92e92851c2f70e800d5/Rural-Womens-Empowerment-is-Generated-through-Microcredit-Schemes-Opportunities-in-Bangladesh.pdf

Akula, S. C., & Singh, P. (2022). Influence of microfinance on women entrepreneurship: The mediating role of women economic security and moderating role of previous work experience. Cuadernos de Economía, 45(127), 59–69. https://doi.org/10.32826/cude.v1i127.605

Ali, I., Islam, M. S., & Hatta, Z. A. (2015). Microfinance helps rural women reduce poverty in the district of Bogra, Bangladesh. Sociology and Anthropology, 3(4), 218–225. https://doi.org/10.13189/sa.2015.030402

Amjad, S. (2024). Exploring the role of microfinancing, opportunities, and risk in women entrepreneurship development: A study of Balochistan, Pakistan. South Asian Journal of Management, 18(1), 63–78. DOI: 10.21621/sajms.2024181.04

Arshad, S., Imtiaz, A., Gillani, M. A., & Osman, S. (2021). Woman's business empowerment through micro-financing: Does family cohesion play a role? Studies of Applied Economics, 39(4). https://doi.org/10.25115/eea.v39i4.4584

Asad, A., Hameed, W. U., Irfan, M., Jiang, J., & Naveed, R. T. (2020). The contribution of microfinance institutes in women-empowerment and role of vulnerability. Revista Argentina de Clínica Psicológica, 29, 223–238. DOI: 10.24205/03276716.2020.715

Bandara, S. H. (2024). Unveiling the prospects, impacts, and constraints of women's microfinancing initiatives in South Asia: A systematic review. Social Sciences, 13(8), 428. https://doi.org/10.3390/socsci13080428

Bansal, S., & Singh, A. K. (2020). Examining the social and entrepreneurial development of women through microfinance in Indian context. Journal of Management Development, 39(4), 407–421. https://doi.org/10.1108/JMD-05-2019-0146

Borthakur, A., & Boruah, P. (2023). Microfinance as a tool of socio-economic empowerment of rural women. International Journal for Research in Applied Science and Engineering Technology, 11(2), 1–5. https://doi.org/10.22214/ijraset.2023.48940

Chakraborty, R., & Abraham, R. (2025). Microfinance and women's empowerment: A comparative study between two developing countries. Business Strategy & Development, 8(2), e70133. https://doi.org/10.1002/bsd2.70133

Coleman, J. S. (1988). Social capital in the creation of human capital. American Journal of Sociology, 94, S95–S120. https://doi.org/10.1086/228943

Debnath, D., Rahman, M. S., Acharjee, D. C., Latif, W. U., & Wang, L. (2019). Empowering women through microcredit in Bangladesh: An empirical study. International Journal of Financial Studies, 7(3), 37. https://doi.org/10.3390/ijfs7030037

Demirgüç-Kunt, A., Klapper, L., Singer, D., & Ansar, S. (2022). *The Global Findex Database 2021: Financial inclusion, digital payments, and resilience in the age of COVID-19*. World Bank. https://doi.org/10.1596/978-1-4648-1897-4

Dulhunty, A. (2025). A qualitative examination of microfinance and intimate partner violence in India: Understanding the role of male backlash and household bargaining models. World Development, 186, 106805. https://doi.org/10.1016/j.worlddev.2024.106805

Fyiaz, B., & Nazir, N. (2025). Utilization of microfinance loans and economic empowerment of women entrepreneurs: Evidence from Southern Punjab, Pakistan. Annals of Social Sciences and Perspective, 6(1), 65–79. DOI: https://doi.org/10.52700/assap.v6i1.459

Gangadhar, S. C., & Malyadri, P. (2015). Impact of microfinance on women empowerment: An empirical evidence from Andhra Pradesh. Journal of Entrepreneurship & Organization Management, 4(2), 141. https://doi.org/10.4172/2169-026X.1000141

Goretti, M., Kihara, D., Salgado, R. M., & Gulde, A. M. (2019). Delivering job-rich growth to one-fifth of the global population. In *Is South Asia ready for take off?* (Regional Economic Outlook: Asia and Pacific, Chapter 3). International Monetary Fund. https://doi.org/10.5089/9781513507538.087.A001

Hossain, D., Islam, M. A., & Majumder, S. (2016). Influences of micro-credit programmes on women's empowerment in Bangladesh. Journal of the Bangladesh Agricultural University, 14(1), 93–100. https://banglajol.info/index.php/JBAU/article/view/30603

Islam, M. S. (2021). Role of Islamic microfinance in women's empowerment: Evidence from rural development scheme of Islami Bank Bangladesh Limited. ISRA International Journal of Islamic Finance, 13(1), 26–45. https://doi.org/10.1108/IJIF-11-2019-0174

Kabeer, N. (1999). Resources, agency, achievements: Reflections on the measurement of women's empowerment. Development and Change, 30(3), 435–464. https://doi.org/10.1111/1467-7660.00125

Khan, A., Siddiqui, S. H., Saeed, S., & Azam, A. (2019). Impact of microfinance on social mobility and women's empowerment: The case of South Punjab. Review of Economics and Development Studies, 5(4), 685–694. https://doi.org/10.26710/reads.v5i4.892

Khan, A. J., Fayyaz, S., Gigauri, I., Khan, S., & Popescu, F. A. (2025). From exclusion to empowerment: Assessing microcredit impact on women's economic life improvement. Revista de Economía Mundial, 71, 113–133. https://doi.org/10.33776/EUHU/rem.v71i.8612

Khan, R. M., Shafique, O., Siddique, N., Razzaq, R., & Hafeez, R. M. (2021). A qualitative study on the socio-economic impact of participation in Akhuwat Islamic microfinance on poverty eradication and women's empowerment. Bulletin of Business and Economics, 10(4), 176–185 . https://doi.org/10.5281/zenodo.6413779

Khan, S. N., Anjum, K., Baig, F. J., Afzal, C. M., & Asghar, R. N. (2022). Role of microfinance on women entrepreneurship leads to decrease in poverty: Evidence from the rural area of South Punjab. Competitive Social Science Research Journal, 3(1), 147–160. https://cssrjournal.com/index.php/cssrjournal/article/view/97

Khan, S. T., Bhat, M. A., & Sangmi, M. U. (2022). Can microfinance-backed entrepreneurship be a holistic empowerment tool for women? Empirical evidence from Kashmir Valley, India. Journal of Business and Socio-Economic Development, 2(2), 117–136. https://doi.org/10.1108/JBSED-07-2021-0097

Madhani, F., Tompkins, C., Jack, S., & Byrne, C. (2022). Meeting needs and seeking peace: Experiences of micro-finance loan recipient women of Karachi, Pakistan. American Journal of Qualitative Research, 6(2), 220–241. https://doi.org/10.29333/ajqr/12290

© 2026 The Authors. Published under CC BY 4.0. |

Moriom, B. (2025). Role of microcredit to empower women in Bangladesh: An investigation on two NGOs in Shariatpur District. Bangladesh Journal of Public Administration, 32(1). https://doi.org/10.36609/bjpa.v32i1.1185

Muhammad, K., & Alam, Z. (2025). Impact of microfinance on women's economic empowerment in rural Pakistan. The Policy Research Review, 3(1), 46–63. https://tprrjournal.com/index.php/08/article/download/14/14

Naeem, A., Khan, S., Ali, M., & Hassan, F. S. (2015). The impact of microfinance on women micro-enterprises: A case study of District Quetta, Pakistan. American International Journal of Social Science, 4(4), 19–27. https://www.researchgate.net/publication/282854879_The_Impact_of_Microfinance_on_Women_Micro-Enterprises_A_Case_Study_of_District_Quetta_Pakistan

Nasir, S., & Farooqi, S. A. (2016). Impact of microfinance on women's empowerment with special reference to district Aligarh (India). Middle-East Journal of Scientific Research, 24(3), 491–497. https://doi.org/10.5829/idosi.mejsr.2016.24.03.22922

Niaz, M. U., & Iqbal, M. (2019). Effect of microfinance on women's empowerment: A case study of Pakistan [Working paper]. SSRN. https://ssrn.com/abstract=3419834

Pandhare, A., Bellampalli, P. N., & Yadava, N. (2024). Transforming rural women's lives in India: The impact of microfinance and entrepreneurship on empowerment in Self-Help Groups. Journal of Innovation and Entrepreneurship, 13(1), 62. https://doi.org/10.1186/s13731-024-00419-y

Patel, R., & Patel, N. (2020). Impact of microfinance on women's empowerment: A study from the decision-making perspective. Indian Journal of Finance, 14, 52–68. https://doi.org/10.17010/ijf/2020/v14i8-9/154948

Pomi, S. S. (2021). Impact of microcredit on women's empowerment: A case study in the context of Chattogram District, Bangladesh. Canadian Journal of Business and Information Studies, 3(2), 120–136. https://doi.org/10.34104/cjbis.021.01200136

Putnam, R. D. (1993). Making democracy work: Civic traditions in modern Italy. Princeton University Press. https://dl1.cuni.cz/pluginfile.php/408189/mod_resource/content/1/Uvod%20Robert%20D%20Putnam_%20-Making%20democracy%20work%20_%20civic%20traditions%20in%20modern%20Italy.pdf

Rahman, A., & Bhuiyan, M. A. (2022). Empowerment of rural women through microcredit programme of BRAC. Bangladesh Journal of Political Economy, 38(2), 261–296. https://bea-bd.org/site/article-details/779 accessed on 05.10.2026.

Rahman, M. M. (2022). Women's empowerment through microcredit: A study on small unit (group) of two leading microcredit organizations in Savar Upazila. Bangladesh Journal of Public Administration, 30(1), 67–84. https://doi.org/10.36609/bjpa.v30i1.233

Sengupta, N. (2024). Integrating gender in microfinance: Identifying strategies for women's empowerment across different institutional models. International Journal of Educational Research Open, 7, 100357. https://doi.org/10.1016/j.ijedro.2024.100357

Shafique, O., & Siddique, N. (2020). The impact of microcredit financing on poverty alleviation and women empowerment: An empirical study on Akhuwat Islamic microfinance. PalArch's Journal of Archaeology of Egypt/Egyptology, 17(8), 1–14. https://www.researchgate.net/profile/Owais-Shafique-3/publication/354477387_THE_IMPACT_OF_MICROCREDIT_FINANCING_ON_POVERTY_ALLEVIATION_AND_WOMEN_EMPOWERMENT_AN_EMPIRICAL_STUDY_ON_AKHUWAT_ISLAMIC_MICROFINANCE/links/613a56bc2712181801ce3fa4/THE-IMPACT-OF-MICROCREDIT-FINANCING-ON-POVERTY-ALLEVIATION-AND-WOMEN-EMPOWERMENT-AN-EMPIRICAL-STUDY-ON-AKHUWAT-ISLAMIC-MICROFINANCE.pdf

Shah, T. H., & Butt, H. (2021). Experiences of microcredit beneficiaries: A study of rural women in District Sheikhupura, Pakistan. Pakistan Journal of Social Research, 3(4), 281–290. https://pjsr.com.pk/wp-content/uploads/2021/12/28.-Vol-3.-Issue-4.-Dec-2021-Shah-Butt-Experiences-of-Microcredit-Beneficiaries.pdf

Shohel, T. A., Niner, S., & Gunawardana, S. J. (2023). 'Even though I get a loan, my husband controls it': Rhetoric versus reality of empowering Bangladeshi women through microfinance programs. The European Journal of Development Research, 35(4), 794–819. https://doi.org/10.1057/s41287-022-00539-9

Sinha, M., Mahapatra, S. S., Dutta, A., & Sengupta, P. P. (2019). Microfinance and women's empowerment: An empirical analysis. In Handbook of research on microfinancial impacts on women's empowerment, poverty, and inequality (pp. 52–64). IGI Global Scientific Publishing. DOI: 10.4018/978-1-5225-5240-6.ch003

Tabassum, N., & Singh, J. S. (2018). Microcredit could influence empowerment of women: A quantitative study in Chittagong, Bangladesh. International Journal of Asian Social Science, 8(6), 284–295. https://doi.org/10.18488/journal.1.2018.86.284.295

Ul-Hameed, W., Mohammad, H., & Kadir Shahar, H. (2018). Microfinance institute's non-financial services and women-empowerment: The role of vulnerability. Management Science Letters, 8, 1103–1116. doi: 10.5267/j.msl.2018.7.001

© 2026 The Authors. Published under CC BY 4.0. |