

## WOMEN-LED DEVELOPMENT AND FINANCIAL EMPOWERMENT IN RURAL INDIA: A PATHWAY TO VIKSIT BHARAT 2047

**Dr. R. Sri Devi\***

Research Assistant, Centre for the Study of Social Inclusion  
Mannonmaniam Sundaranar University, Tirunelveli, Tamil Nadu

\*Corresponding author | Received: 04/04/2026 | Accepted: 21/04/2026 | Published: 13/05/2026

### Abstract

*The shift from "women's development" to "women-led development" is a major way India is looking at development and growth. Women were previously mostly viewed as beneficiaries. They are now being recognised as leaders in the economy. This is closely linked to the broader national vision of Viksit Bharat 2047, in which India aspires to be a developed nation by 2047, the 100th year of independence. Financial inclusion is one of the ways to achieve this. By opening bank accounts, loans, mobile money and self-help groups, the government aims to boost women's participation in particularly in rural India. This paper examines the impact of financial empowerment and government schemes are influencing social and economic participation of rural women. The study entirely relies on secondary sources such as policy documents, national surveys, reports and academic research. It examines the initiatives like PMJDY, NRLM and PMMY, and how they have increased women's access to bank accounts, loans and group-based savings systems. The results reveal that a large proportion of women now have bank accounts, access to credit, and belong of SHGs. This is definitely progress. But at the same time there are underlying problems such as caste differences, income inequality, lack of access to technology and employment opportunities still pose barriers. Due to these structural issues, financial inclusion cannot lead to empowerment empowerment. We need further changes in markets, care work arrangements, and institutional support. By connecting women-led development to broader issues of inclusive growth, this paper contributes to recent debates on gender and emerging economies.*

*Keywords: Women-led development, Financial inclusion, Rural India, SHGs, Digital finance, Inclusive growth, Viksit Bharat 2047.*

### Introduction

In many developing nations, gender equality is becoming an integral part of national development. This is also happening in India. The policy discourse has gradually shifted. Earlier, there was a focus on "women's development" - more welfare-oriented. Now the concept of "women-led development" is more prominent, and attempts to put women in the role of economic leaders. This is in line with the long-term vision of turning India into a developed country by 2047. In this big picture, financial inclusion is very important. The growth of banking, digital payments, microcredit and community financial networks are considered as a means to alleviate poverty and inclusive growth. Globally, financial inclusion is linked to gender equality and empowerment. There have been gains in India as well. Today, more women have bank accounts, primarily as a result of government initiatives and digitalisation. However, access to financial services does not necessarily lead to

empowerment. Many feminist scholars have put it that empowerment is not simply about access. It is about power, agency and autonomy. So, are these financial services really empowering rural women, or are they just mainstreaming them without addressing underlying inequalities?

### **Theoretical Framework: Capability, Agency, and Gendered Economic Citizenship**

This paper is based on the capability approach proposed by Amartya Sen. According to this theory, development must increase real freedoms. So, financial inclusion is not an end in itself. It is only a way to enhance opportunities for women in the economic, social and political spheres. Kabeer also defines empowerment as having the capacity to make decisions about one's life, particularly when women have been denied this power. So, while women may be provided with financial resources, empowerment will occur only when they have control over financial resources.

Recent studies also suggest that financial inclusion may lead to more debt and not less inequality. So, while we should care about things like account ownership and loan disbursement, we should also consider whether women's power and social status is also increasing.

### **Methodology**

This is a qualitative research study that relies entirely on secondary data. This study didn't involve a survey. The study has three key elements. First, a policy analysis was conducted through the examination of policy documents, parliamentary debates, reports of the Ministry of Finance, and reports of the RBI on PMJDY, NRLM, PMMY, and digital finance. Second, data from sources such as the World Bank Global Findex Database (2021), National Sample Survey (NSS), National Family Health Survey (NFHS-5) and RBI reports were analysed to study the trends in women's account ownership, access to credit, and the use of digital finance. Third, research articles published in peer-reviewed journals between 2018-2025 were examined. These articles examine the topic of SHGs, financial inclusion, women empowerment and rural entrepreneurship in India and other countries. The data was analysed thematically. Particular focus was placed on access, agency, control, business performance and barriers. This approach helps to understand macro-level institutional changes without primary data collection.

## **Financial Inclusion Architecture in Rural India**

### **Expansion of Banking Access**

Since its introduction in 2014, the Pradhan Mantri Jan Dhan Yojana (PMJDY) has had a significant impact on bank account penetration, particularly for women. In the past ten years, the gender gap in bank accounts has narrowed. Many Jan Dhan account holders are women. However, there is more to this story. A large number of accounts are dormant. In some families, although the account is in the woman's name, the men still make the financial decisions. So, ownership is not always control.

### **Self-Help Groups and Collective Empowerment**

NRLM has seen a growth in the number of Self-Help Groups in rural India. These are more than savings and credit groups. They also bring women together, build their self-esteem and leadership. There is evidence that SHGs help women gain power within the family and in the community. But results vary. In some places, because of caste barriers, lack of market opportunities, or lack of state support, the results are weak. So, empowerment with SHGs is place specific.

### **Microcredit and Entrepreneurship**

PMMY has funded many small businesses with collateral-free loans, including many women. This looks positive. Yet, women's businesses are generally small, home-based activities like tailoring, food processing, animal husbandry or shops. These businesses provide meagre livelihoods and have low potential for growth. This type of credit without improved marketing, skills development, infrastructure and value chain linkages cannot guarantee economic growth. Access to credit is not enough to ensure long-term economic advancement without better market access, skills, infrastructure, and value chain interventions.

### **Digital Financial Inclusion**

Digital transactions, Aadhaar-linked bank accounts and mobile banking have facilitated direct transfer of benefits to women. This reduces corruption and middlemen. There is also greater privacy and autonomy. But rural women may not have smartphones or be digitally literate. This digital divide limits access to digital finance.

## **Discussion**

### **Financial Inclusion, Structural Constraints, and the Politics of Women-Led Development**

India's rural financial inclusion is one of the significant institutional reforms. Programmes such as PMJDY, NRLM and PMMY have significantly boosted women's access to bank

accounts, credit and electronic platforms. The number of women without accounts has almost equalised. This is a strong achievement. But the question is: Do they matter? Does access bring empowerment? From the capability point of view, financial services can enhance economic freedom.

But empowerment requires agency. Women need to be able to make decisions and take action. Men in rural families often control or have a say in the finances. So equal representation does not necessarily translate into independence. SHGs hold more promise because they are collective. They develop self-esteem and community. SHGs help women become more involved in local politics. But empowerment varies. Women from lower castes face a double disadvantage and find it more difficult to access better markets and positions. Microcredit has enabled women to establish businesses, but these are mostly in low-return areas. These often offer survival livelihoods.

Some have even suggested that microcredit might drive women into unformal and low-returning sectors, reinforcing traditional gender roles. Digital finance has minimised leakages and increased transparency. It can also help women manage their finances. But there's a digital divide. Lacking devices and training, many women don't manage their digital accounts. This means that digital advancement needs to be coupled with digital skills and infrastructure.

Another critical problem is unpaid labour. Women in rural areas spend long hours on household work and care work. Due to this time constraint, they have little time to grow their businesses or pursue opportunities. This is not often reflected in financial policies. Lacking supports such as childcare and health care, women's economic potential is limited. At a broader level, financial inclusion also relates to financialization. It connects them to formal systems, but can also lead to debt traps. So empowerment should not just be measured in terms of account opening, but also the security of women's economic situations.

The Viksit Bharat 2047 vision promises women-led development for national development. But for inclusive growth, we need structural reforms - quality jobs, equal pay and discriminatory practices must be eliminated. Financial inclusion has laid a foundation, but more reforms are needed.

## Conclusion

### **Beyond Inclusion Toward Structural Gender Justice**

The transition from "women's development" to "women-led development" is significant. Access to finance programs have brought millions of women into the banking system, credit systems and IT technologies. That is a big institutional win and has created new opportunities. But it is not enough to be connected. A bank account or a loan does not eliminate patriarchy, caste or employment discrimination. True empowerment requires agency, control and upward mobility.

Sometimes, economic independence and collective power follows. In others, it is constrained and confined to the status quo. Three things must be done to get closer to the Viksit Bharat 2047 vision. First, financial inclusion needs to link to robust market reforms to support the scaling of women's businesses. Second, digital inclusion needs to narrow the gaps in access to digital devices and skills. Third, social policy must ease care responsibilities that limit women's opportunities.

If India is to become a developed economy by 2047, women must be included in economic change. Women-led development should be about more than financial inclusion. It should be about equitable opportunities, assets and power. Only then can financial inclusion be not just a system, but a pathway to equality and inclusive national development.

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