IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 6, Issue 2, August 2026
Impact Factor: 8.2

An Study on State Led Initiatives for Advancing Women's Status and Gender Equity among Rural India

Dr. Khatijatul Kubra
Associate Professor, Department of Commerce,
Government First Grade College, Bangarpet

Abstract: *The state led financial initiatives are a critical indicator of the development due to the accessibility to the financial institutions and other services which help in eliminating poverty and promoting women's status and increasing gender equity. Advancing women's status ad gender equity through financial assistance helps them to move out of the exploitative informal sector into more productive activities that would contribute towards their financial stability. Accessibility to the financial services encourages them explore into different ventures and help increase their savings and have control over the resources and accumulate assets. Financial inclusion has emerged as a cornerstone of India's macroeconomic and developmental frameworks, serving as a vital mechanism for* ***advancing women's status and gender equality****. This paper provides a comprehensive, empirical evaluation of major financial inclusion and micro-enterprise development schemes initiated by the Government of India between* ***2020 and 2026.*** *By exploring the structural shift from basic financial access to productive economic agency, the study analyzes secondary data tracking gender representation across banking, credit, and social security architectures.*

Keywords: Advancing Women's Status, Gender Equality, Micro-Enterprises, Social Security Gap.

I. INTRODUCTION

In recent years, **India has prioritized financial inclusion** as a core pillar of its macroeconomic and developmental frameworks. By extending accessible financial mechanisms to marginalized segments of society, this policy drives socio-economic advancement, which subsequently catalyzes national investment and systemic growth. Crucially, contemporary frameworks recognize inclusive finance as a powerful tool for **advancing women's status and gender equality**, as it provides vulnerable female populations with autonomous control over economic resources. Consequently, the provision of equitable, affordable financial services has transitioned into a fundamental global policy objective for sustainable development.

Various studies conducted show that over seventy percent of the financial inclusion agenda beneficiaries are women. The government has taken major initiatives to include women in the growth process as excluding women who constitute more than half of the population makes the development process unjust. Gender equality leads to the development of the economy in a balanced way. Advancing women's status in various spheres of life is of utmost importance to fight against the socially constructed gender bias. Achieving this goal requires a holistic approach built on education, social awareness, and inclusive development. In India, financial inclusion ensuring everyone has access to affordable banking and credit is recognized as a vital engine for economic growth and balanced societal development. By providing reliable financial tools, it helps eliminate poverty and protects vulnerable groups, particularly women, from economic shocks. Because building personal savings is the foundation for financial independence and security, it has become the primary mechanism for advancing women's status in modern society. To explore these dynamics, this paper examines the specific government schemes implemented in India to bring financial services to rural women.

II. REVIEW OF LITERATURE

According to Shetty (2018) the proportion of members that started saving only after joining the group was estimated to be more than 86 per cent. Across social groups, the proportion of members that started saving only after joining the group was found to be quite higher in the case of SCs and STs as compared to that to minorities and "Others". The socially marginalised and economically disadvantaged sections of the society seem to have limited awareness about managing the risk and uncertainty by way of savings and minimising the unproductive expenditure. The study found many shared efforts and experiences to prove motivated and mobilised women's capability and confidence turning to capital resulting in a brighter future for the women themselves and their communities as a whole.

Sarah Hendriks (2019) in her article highlighted why the Bill & Melinda Gates Foundation has focused on financial inclusion to advance women's economic empowerment and drive progress on gender equality. The article highlights key lessons from financial inclusion-related projects the foundation has supported within the facilities and diversified livelihood opportunities

Objectives of the study

- To examine the extent of basic banking onboarding and digital financial access achieved by women under the *Pradhan Mantri Jan-Dhan Yojana (PMJDY)*.
- To evaluate the volume, distribution, and velocity of institutional credit deployed to female entrepreneurs through the *Ministry of MSME* (PMEGP), *Stand-Up India*, and *PM SVANidhi* schemes.

Scope of study

This paper evaluates the various financial inclusion schemes launched by the Government of India to empower rural women and measures their overall impact. Specifically, this study analyzes the following initiatives:

- Department of Financial Services
- Ministry of Micro, Small and Medium Enterprises

III. RESEARCH METHODOLOGY

Research Design: This study employs an **empirical, descriptive, and evaluative research design** using a quantitative approach. Given the macro-level scope of national financial inclusion frameworks, a secondary data-driven analysis is the most appropriate method. This approach allows the study to capture large-scale, nationwide structural trends across different financial sectors (banking, credit, and insurance) from **2020 to 2026**. The research evaluates how public policy design influences **advancing women's status and gender equality** by analyzing trends, growth margins, and structural enrollment gaps.

Data source: The study relies entirely **secondary data** sourced from official administrative databases, statutory bodies, and ministries of the Government of India. The data points were extracted from the following institutional repositories:

Department of Financial Services

The Department of Financial Services has introduced six schemes aimed at promoting financial inclusion and entrepreneurship across India. The percentage of female beneficiaries for each of these programs as of 2026 is outlined in the table below:

Table: 1.1

Quantitative Breakdown and Gender Equity Across Core Financial Inclusion Schemes (Cumulative 2026 Metrics)

Scheme Name	**Total Accounts**	**Total Women Beneficiaries**	**Women's Share**
Pradhan Mantri Jan-Dhan Yojana	**59.09 Crore**	**32.92 Crore**	**55.7%**
PM SVANidhi	**1.15 Crore** ***(Loans sanctioned)***	**0.51 Crore**	**44.3%**
Jan Suraksha Insurance (PMJJBY & PMSBY)	**53.11 Crore** *(Combined enrollments)*	**21.24 Crore**	**40.0%**

ISSN: 2581-9429 Volume 6, Issue 2, August 2026 Impact Factor: 8.2

Atal Pension Yojana	**6.65 Crore** *(Total enrollment)*	**2.92 Crore**	**44.0%**
Pradhan Mantri Mudra Yojana	52.20 Crore	35.49 Crore	68.0%
Stand-Up India	**2.22 Lakh** *(Loans sanctioned*	**1.80 Lakh**	**81.0%**

Source: (PIB, GOI, MoWCD)

The above table clearly depicts that the Pradhan Mantri Jan-Dhan Yojana serves as the foundation of financial inclusion. Because women hold 55.7% (32.92 crore) of these accounts, the initial barrier to entering the formal banking system has been broken. This massive network allows the government to send welfare funds directly to women, giving rural women autonomous control over their personal savings.

Women have shown exceptionally strong participation when financial tools are tied directly to earning an income that is the Stand-Up India and MudraYojana, holding an 81 percent and 68 percent share respectively shows that women are primary drivers of new business investments when given the opportunity.

PM SVANidhi has reached 44.3 percent female share indicating that the collateral free micro-loans successfully support vulnerable, informal street vendors who lack traditional assets like land or property.

In sharp contrast to high banking and loan rates, female enrollment drops noticeably in long-term safety nets that is reflected through Atal Pension Yojana where female participation has declined to 44 percent and furthermore the enrolment of women hits its lowest point in Jan Suraksha Insurance (PMJJBY & PMSBY) at 40 percent

This decline highlights a persistent economic vulnerability. Because many rural women work in the informal sector with irregular, seasonal incomes or perform unpaid household labour maintaining rigid, recurring out-of-pocket premium payments remains structurally difficult for them.

Schemes by the Ministry of Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises assists traditional artisans and unemployed youth to establish microenterprises in the non-farming sector. These benefits come under the Prime Minister's Employment Generation Program. The share of women who have benefited from these schemes can be observed in the below table:

Table: 1.2

Year-Wise Transition, Total Volume, and Percentage Share of Women-Led Micro Enterprises (2020–2026)

Financial Year (FY)	**Total Formalized Base (All MSMEs)**	**Women-Led MSME Registrations (Udyam)**	**Women's Share of Total Base (%)**	**Annual PMEGP Micro-Units Setup by Women**	**Women's Share of PMEGP Loans (%)**
2020–2021	~24.50 Lakh	**4.90 Lakh**	**20.0%**	**~27,330**	~36.2%
2021–2022	~41.80 Lakh	**8.59 Lakh**	**20.5%**	**~31,150**	~37.4%
2022–2023	~87.60 Lakh	**17.96 Lakh**	**20.5%**	**~38,200**	~38.0%
2023–2024	~3.15 Crore	**~68.42 Lakh**	**21.7%**	**~44,120**	~39.5%
2024–2025	~7.35 Crore	**~1.47 Crore**	**20.0%**	**~48,340**	~41.1%
2025–2026 *(Latest Data)*	**7.90 Crore**	**3.07 Crore**	**38.8%**	**28,180**	**46.1%**

(PIB, GoI, MoWCD)

Women-owned registrations rose sharply from 17.96 lakh in 2023 to 3.07 crore in 2026, marking a massive surge over the three-year period. This significant jump could be due to the policy shift through the introduction of Udyam Assist Platform which integrated the Informal Micro Enterprises into formal government grid through their banking records.

This structural link transformed millions of previously uncounted women who dominate local trade, tailoring, and micro-vending into officially recognized entrepreneurs.

IV. CONCLUSION

This paper evaluated the progress of financial inclusion in India from **2020 to 2026**, focusing specifically on its role in **advancing women's status and gender equality**. The data reveals a clear, two-stage developmental transition. The first stage establishing basic banking access and digital infrastructure through the Jan Dhan ecosystem that has has been successfully achieved..

The analysis shows a persistent deficit in long-term risk protection, seen in the low enrollment figures for women in pensions **(44.0%)** and national insurance schemes **(40.0%).** This imbalance shows that while India has built an effective architecture for deploying credit and savings, it has not yet completed a comprehensive social safety net for women.

Ultimately, financial inclusion is not merely an economic metric, it is a fundamental tool for human rights and social justice. Excluding or under-protecting women, who constitute half the population, makes the outcomes of national development inherently incomplete. Moving forward, the path to true gender equity requires a unified approach that weaves together **financial literacy, flexible risk protection, and targeted capital support**. By addressing these systemic gaps, India can ensure that its philosophy of inclusive growth successfully transforms rural women from passive account holders into resilient, self-determining leaders of economic development.

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