EMPOWERMENT

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DAY-NRLM: Giving Wings to Soaring Aspirations

The DAY-NRLM has achieved a lot in the mobilisation of rural poor households into SHGs and their financial inclusion since its launch in the year 2011. The interventions on the livelihoods have also gained momentum in recent years. However, these developments have raised the aspirations of the SHG members substantially. Ensuring that the programme keeps pace with these aspirations requires sustained effort and innovation.

One of the first files signed by the Prime Minister of India upon shifting to *Seva Teerth* (the new Prime Minister's Office building) in February 2026 was the decision to enhance the target of *Lakhpati Didis* from 3 crore to 6 crore, to be achieved within the next three years. Responding to the clarion call of the Prime Minister, the earlier target of three crore *Lakhpati Didis* was achieved in less than two years, well ahead of the three-year timeline, thanks to the enthusiastic support of all the stakeholders. This shows the importance accorded to the *Deendayal Antyodaya Yojana*- National Rural Livelihood Mission (DAY-NRLM) at the highest level, as well as by the States and other stakeholders. Indeed, the DAY NRLM today stands as one of the world's largest community-driven and women-led development programmes. Over the years, it has progressed substantially by mobilising women into Self-Help Groups (SHGs) and their federations, strengthening financial inclusion, and enhancing access to entitlements and sustainable livelihoods.

Around 10.03 crore rural women have been mobilised into 94 lakh SHGs. The capitalisation support provided so far amounts to Rs 64,405.83 crore, while the loans leveraged from the banks against it exceed Rs 12 lakh crore, with a remarkably low NPA (Non-Performing Asset) of around 1.85 %.

Approximately 5 crore *Mahila Kisans* have been supported. The programme has facilitated the formation of 2.20 lakh Producer Groups (PGs) covering 43 lakh members, and 1,435 Producer Enterprises (PEs) covering 18.5 lakh members. Nearly 4.28 lakh enterprises have been supported under the Start-up Village Entrepreneurship Programme (SVEP), while 14.89 lakh members have been supported for the individual enterprises with credit of Rs 18,269.00 crore. In addition, around 1.53 lakh Banking Correspondent (BC) *Sakhis* are providing banking services at the doorstep of the rural people. Further, around 9 lakh Community Resource Persons (CRPs) are engaged in delivering diverse services across sectors including agriculture, animal husbandry, and fisheries, etc. These stupendous achievements have significantly raised the aspirations of SHG members, underscoring the transformative impact of DAY-NRLM in rural India. To ensure these aspirations are realised, the hurdles along the way need to be addressed appropriately. The main challenges in this journey of empowering SHG members include building self-sustainable community organisations, ensuring inclusion of left-out poor women, facilitating the development and upscaling of enterprises, and market linkages. The efforts

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being made in this direction and the trajectory these initiatives need to follow are discussed below.

LokOS

The biggest hurdle in ensuring appropriate interventions under the programme has been the lack of a comprehensive Management Information System (MIS). Over the years, many standalone applications were developed for PGs, for bank interest subvention, for *Mahila Kisan Sashaktikaran Pariyojana* (MKSP), among others. So, the rollout and operationalisation of a comprehensive MIS, LoKOS (Lok = People, OS = Operating System), marks a significant milestone in strengthening digital governance within community institutions.

This large-scale data digitisation and standardisation exercise was not merely a technical transition, but a nationwide institutional effort, driven by community cadres and supported by multiple stakeholders. The key pillar of this achievement has been the extensive involvement of community professionals, particularly the e-Book Keepers. More than 4 lakh e-Book Keepers were mobilised across States/UTs to undertake systematic data entry, validation, and migration of SHGs and federation-level records onto the LoKOS platform. Their familiarity with community-level bookkeeping systems ensured both accuracy and contextual relevance of the data being digitised.

In addition to community cadres, this exercise was strengthened through a collaborative inter-State mechanism. Several State Rural Livelihood Missions (SRLMs), viz. Andhra Pradesh, Bihar, Jharkhand and Telangana extended technical and operational support to other States/UTs in the role of National Resource Organisations (NROs). These NROs provided handholding support, capacity building,

troubleshooting, and real-time guidance, thereby accelerating the pace and quality of implementation. This peer-learning model significantly reduced implementation bottlenecks and ensured standardisation of processes across geographies. Furthermore, key technical and knowledge partners contributed to platform development, system architecture, training modules, and implementation support.

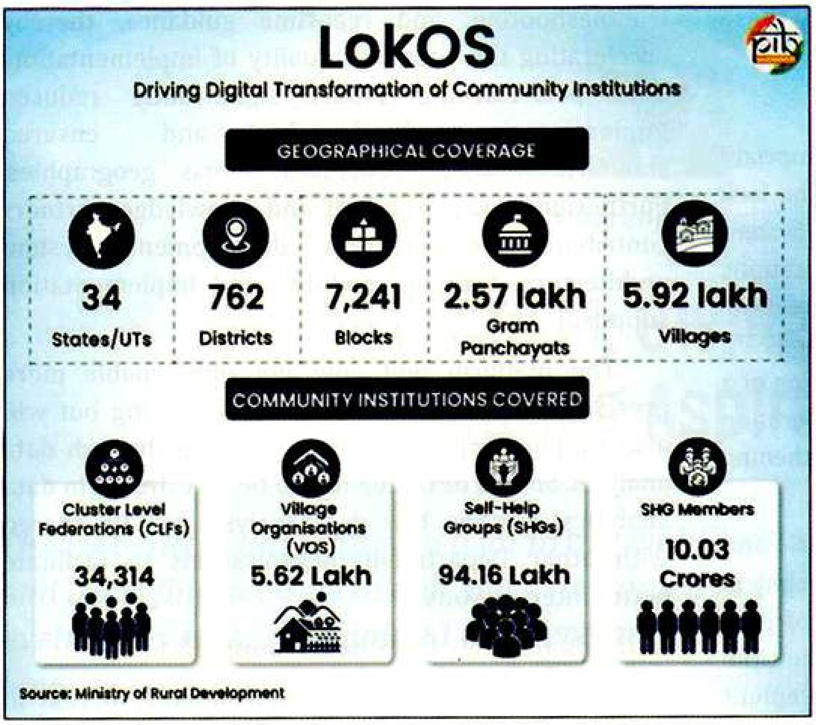
The platform will now not only enable more precise interventions and better monitoring but will also support improved policy planning through data analysis. So, the next step has to be investment in data analytics. Further, this data/analysis can be shared with other Departments/organisations to facilitate better interventions.

Individual enterprises and Women Banks

The DAY NRLM has achieved notable success in establishing collectives in the form of PGs, PEs and Clusters as mentioned above. Further, the SHG-bank linkage is functioning effectively, facilitating SHG members to start a number of small enterprises in rural areas. However, members now want to scale up these small enterprises, which is not possible through the small loans routed through SHGs. So, the challenge now is to facilitate higher credit linkages to these individual entrepreneurs.

Accordingly, the Women Enterprise Acceleration Fund (WEAF) has been launched as a part of the programme. However, its uptake has been slow, primarily due to the lack of CIBIL scores for the SHG members. This issue requires urgent resolution in collaboration with the Department of Financial Services. In fact, the Union Budget 2025-26 announced the '*Grameen* Credit Score', a framework to be developed by public-sector Banks for the credit needs of members of SHGs and people in rural areas.

Apart from this, efforts have also been made to design specific loan products for SHG members in collaboration with the Banks. Several banks have launched separate loan products for individual enterprises, for example, *Swayam Sidha* by the State Bank of India. The focus here has been on the simplification of the process and eliminating requirements such as quotations. All the 12 Nationalised Banks, 4 Regional Rural Banks (RRBs) and one private bank, IDBI, have joined the initiative. At the national unit's behest, the Women Banks have also been established in the States of Rajasthan and



remains limited. To address this issue, a lot of investment in human resources is required at the national level as well as the State level.

Further, to address the issue of a large number of PGs, FPOs (Farmer Producer Organisations) and PEs working in the States in silos who are not able to market their products effectively in individual capacity, the State level federations are being established in five States. These will help in not only marketing of the SHG products but will also enable federations to raise funds from the market. This may also facilitate in developing the State level brands.

However, marketing is a new field for the teams at both the national and State levels, so a lot of work needs to be done to develop the National/State brands, ensure standardised packing, guarantee assured quality and establish appropriate pricing.

Bihar, modelled on *Streenidhi* of Telangana & Andhra Pradesh. However, credit linkage is only one part of the problem. The skilling/upskilling of the entrepreneurs along with constant hand-holding/mentoring is also required.

Branding & Marketing

The SHGs produce a large number of products, but their marketing is the biggest hurdle. Along with Saras Fairs, brick and mortar stores have been established by the Centre and the States. The Palash brand developed by the Jharkhand State is noteworthy. Their sub-brand of Adiva pertaining to tribal jewellery is really a path-breaking innovation.

Further, the e-Saras portal has been launched to ensure online marketing of the SHG products. 3301 stock keeping units (SKUs) of 237 SHGs covering handloom, handicrafts and food items are available on it. The sales on the platform have crossed Rs 1.20 crores recently.

However, at present, order fulfilment is managed only at the national level through a single fulfilment store in New Delhi. Going ahead, the States/UTs must be supported to onboard the products on this portal along with the establishment of their own fulfilment centres.

The SHG products are also being marketed through online platforms of Amazon, Meesho, Flipkart and Open Network for Digital Commerce. However, in the highly competitive online marketplace, their reach

The Union Budget 2026 announcement of SHE (Self-Help Entrepreneur) Marts is a significant step towards strengthening market access for SHG products. These marts are envisioned as dedicated retail and aggregation spaces to showcase and sell products made by SHG women, thereby improving visibility, branding, and direct market linkages while reducing dependence on intermediaries.

Modern Cluster Level Federations (MCLFs)

The DAY-NRLM was launched with the vision that, over time, community institutions would become sufficiently strong to function without government support. However, the cause of concern is that progress in this regard has been varied. Accordingly, with the goal of making these organisations community-owned, community-managed, self-reliant and financially sustainable, the framework for the MCLFs was launched.

Work has commenced on 10,000 Cluster-Level Federations (CLFs) out of around 32,000 CLFs into MCLFs. But it's a work in progress and a lot of ground needs to be covered before we achieve the envisioned goal. Around 500 immersion sites are also proposed to be developed within MCLFs by 2031, to enable officers to experience and learn from the envisioned model of DAY-NRLM.

This ambitious effort is being supported by 6 National Resource Persons (NRPs)/Technical service agencies, 81 Master State Resource Persons (MSRPs) and 2600 SRPs. As the challenge is humongous, the number of these resources needs to be strengthened. Further, their capacities need to be upscaled continuously and monitored effectively. The States also need to be sensitised appropriately, so that this ambitious goal of MCLFs is realised soon, as this may lead to the empowerment of the rural women in the real sense.

Reaching the Last Mile

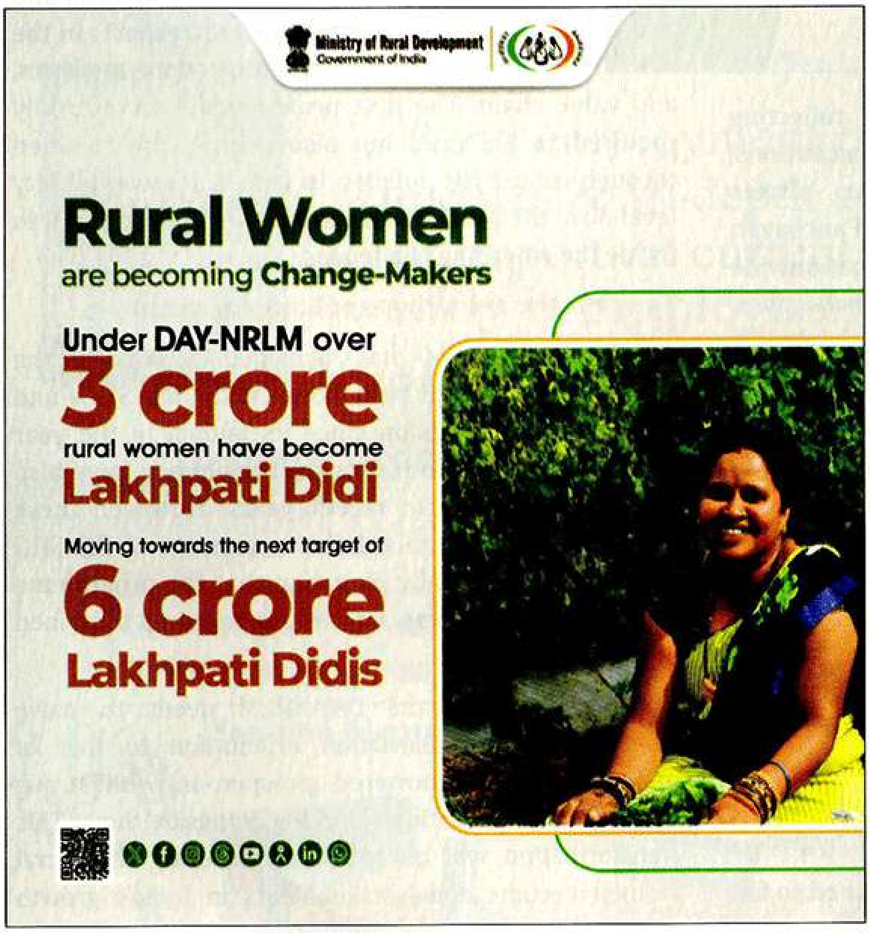
As per the World Bank report of 2025, extreme rural poverty has declined sharply, though in absolute terms, a large number of households remain in the extreme poor category. It has been observed that many of these households are even out of the ambit of the SHGs. This has happened due to the fact that they are not even able to deposit a small amount of money regularly for joining the SHGs (one of the Panchsutra conditions).

Accordingly, the sub-scheme *Samaveshi Aajeevika Yojana* (SAY) was launched in the year 2025 with the vision of bringing these households into the SHG fold. Based on the graduation approach, so far around 1,50, 000 households have been covered under the programme. A number of partners have been associated with this sub-scheme, making it a resounding success.

In fact, in the year 2015, the NRLM was renamed as *Deendayal Antyodaya Yojana*–National Rural Livelihoods Mission (DAY-NRLM). Here, the word *Antyodaya* is critical as it emphasises the vision of the programme in uplifting the last person. No doubt, the challenge is huge, especially ensuring these households don't fall back into the poverty trap again. Accordingly, the community institutions need to be strengthened in this aspect and systems need to be put in place to address issues of these most marginalised sections.

Gender Equality

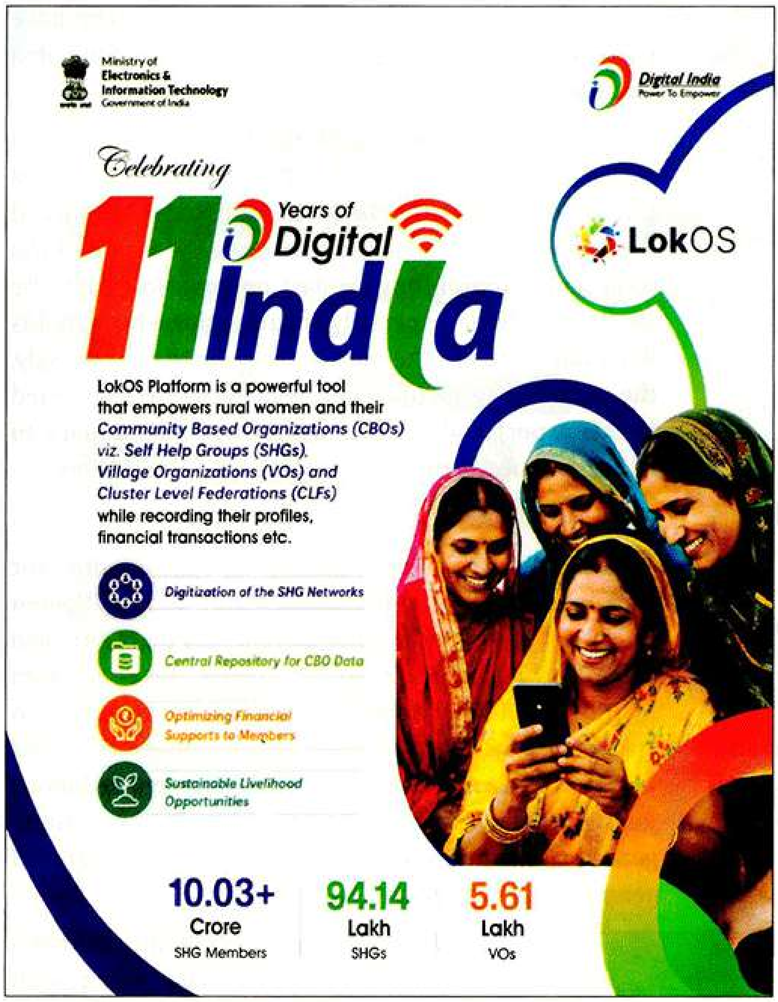
Achieving gender equality is paramount for a prosperous and sustainable rural India. Women represent half of India's population and therefore also half of its potential. However, gender discrimination in India is deeply rooted in patriarchy, resulting in systemic inequality across social, economic, and political spheres. Key issues include low female labour force participation (41% compared to 76% for men), gender pay gaps, lower literacy rates, and high rates of gender-based violence.



The issue of gender equality has been given renewed importance along with economic development in the last few years by the DAY-NRLM. The *Nayi Chetna* Campaign, Gender *Samvad*, Gender Point Persons (GPPs), Gender Forums and establishment of the Gender Resource Centres (GRCs) reflect the intent of the programme.

A notable milestone was the launch of the '*Nayi Chetna* 4.0' campaign on 25th November 2025, i.e., International Day for the Elimination of Violence Against Women, and continued up to 23rd December 2025. Implemented as a nationwide *Jan Andolan* across all States and Union Territories, *Nayi Chetna* 4.0 established convergence with 12 Central Ministries, resulting in 3,302 collaborative activities.

In total, over 39 lakh community-led activities were conducted, engaging more than 14 crore participants across the country. Launch events alone witnessed



participation from 6.8 lakh stakeholders, reflecting wide ownership across governments, institutions, community organisations, and citizens. States witnessed Chief Ministers, MLAs, MPs, and Panchayati Raj Institutions making the campaign a true nationwide movement, led from the ground by women's collectives.

Nayi Chetna also fostered innovation through locally rooted approaches. Puducherry promoted gender sensitisation in government schools; Bihar worked with Transport and Sports Departments to address safe mobility. Tripura leveraged sports through women's cricket tournaments, mascots, street theatre, and cultural activities to amplify messages on gender equality and prevention of child marriage. Nagaland engaged men and boys to challenge norms around unpaid care work. Goa introduced the Gender Champion Trophy along with beach cleaning drives, quizzes, and exposure visits. Assam and Chhattisgarh used street plays, wall paintings, jingles, and visual outreach to address gender-based violence and menstrual hygiene.

More than 6000 GRCs have been established so far. However, there is a need to strengthen their convergence with other related government interventions, for example, One Stop Centres & *Nirbhaya* Fund of the Women & Child Development Department. Further, strengthening the involvement of various stakeholders, such as the police and legal aid cell, is essential to ensure the goal of empowered women is realised soon.

The above are some of the initiatives undertaken by the DAY-NRLM to keep pace with the aspirations of the SHG members. But as the movement picks up, the National and State teams must remain agile, modifying the existing interventions or launching new initiatives as required. Here, the component of the 'innovative funds' needs to be upscaled and utilised properly with some prodding of the State Rural Livelihood Missions (SRLMs) from the national team. In fact, the CLFs also need to be involved in this aspect as they can give the real feedback about the impact of various interventions.

However, the real change may hinge on the quality of human resources not only at the national level but also at the State, district and block levels. These may include experts in the evolving fields of marketing, data analytics, and value chain. The best professionals are not only required to be hired but also need to be retained through robust HR policies. In fact, at the community level also, the professionals need to be put in place to tackle the emerging challenges.

Towards the Next Phase of Empowerment

The DAY-NRLM has achieved a lot in the mobilisation of rural poor households into SHGs and their financial inclusion since its launch in the year 2011. The interventions on the livelihoods have also gained momentum in recent years. However, these developments have raised the aspirations of the SHG members substantially. Ensuring that the programme keeps pace with these aspirations requires sustained effort and innovation.

In a nutshell, the DAY-NRLM needs to move from its poverty alleviation orientation to that of making women empowered, prosperous, with strong community organisations working alongside them. This transformation will be critical to ensuring that rural women become equal stakeholders in India's growth story and in realising the vision of *Viksit Bharat* by 2047. ❑