

Role of Nrlm in Poverty Alleviation Among Rural Household

Dr. Archana Kumari Anand¹

¹Associate professor, AND Nagar Nigam Mahila Mahavidyalaya, Harsh Nagar, Kanpur, Uttar Pradesh

Received: 21 July 2026 Accepted & Reviewed: 25 July 2026, Published: 31 July 2026

Abstract

The National Rural Livelihoods Mission has significantly contributed to women's economic empowerment. It is not just a poverty alleviation program but a comprehensive campaign for social change, financial inclusion, women's leadership, entrepreneurship development, and inclusive rural development. The Mission has brought about positive changes in women's income, savings, financial inclusion, employment, entrepreneurship, and decision-making. Social prestige and self-confidence have also increased. However, more research is needed on their long-term impact, regional disparities, digital inclusion, and sustainability.

Keywords: National Rural Livelihood Mission

Introduction

India is a rural country, where even today, a large population depends on agriculture and related activities for their livelihood. Poverty, unemployment, limited income, lack of financial resources, and economic dependence on women have long been major developmental challenges in rural areas. To address these challenges, the Government of India and state governments have implemented several poverty alleviation and livelihood promotion programs in the region. As part of these efforts, the Deendayal Antyodaya Yojana, the National Rural Livelihood Mission (DAY_NRLM), and the State Rural Livelihood Missions (SRLMs) were established for implementation in the states.

The main objective of the State Rural Livelihood Mission is to provide opportunities for financial inclusion, skill development, entrepreneurship, self-employment, and sustainable livelihoods to rural poor families, especially women, by organizing them through Self Help Groups (SHGs). The core belief of the Mission is that if poor families, especially women, are organized and their capacities are developed and they are provided financial and institutional support, they can improve their economic and social status on their own. Women are a vital pillar of the rural economy. They contribute significantly to agriculture, animal husbandry, food processing, handicrafts, small enterprises, family management and community development. Despite this, they have long lacked access to economic resources, institutional credit, skill development, and decision-making. The State Rural Livelihood Mission has attempted to change this situation. Through self-help groups, women have developed a habit of regular savings, increased access to banking services, created new opportunities for self-employment, and encouraged the formation of collective enterprises.

Under the State Rural Livelihood Mission in various states, women are provided with agriculture-based and non-agriculture-based livelihood activities, financial literacy, digital banking, community leadership, marketing, and skills. The BC Sakhi, KrishiSakhi, PashuSakhi, VidyutSakhi, LakhpatiDidi, and other community cadre programs under the Uttar Pradesh State Rural Livelihoods Mission (UPSRLM) have made significant contributions to strengthening women's income, employment, financial inclusion, and leadership capabilities.

The impact of the State Rural Livelihoods Mission is not limited to the economic sector; it has also positively impacted women's social empowerment, self-confidence, decision-making, leadership development, and community participation. After joining the Mission, many women established microenterprises, increased

their family income, and invested more in their children's education, health, and nutrition. This has improved the quality of life of rural families in the region.

Although the Mission has achieved significant success, its impact has been uneven across regions. Limited market access, lack of digital literacy, limited enterprise expansion, lack of financial counseling, and social and cultural barriers continue to pose challenges to women's economic empowerment. Therefore, region-specific studies on the actual economic impact of the State Rural Livelihood Mission are essential.

In this context, the present study, "Economic Impact of the National Rural Livelihood Mission on Women," aims to analyze the extent to which the Mission has transformed women's income, savings, employment, financial inclusion, entrepreneurship, decision-making, and living standards. This study also identifies the challenges faced in the Mission's implementation and offers policy recommendations for the future. This research provides useful findings in the areas of rural development, women's empowerment, and inclusive economic growth.

Objectives

1. Study of the economic impact of National Rural Livelihood Mission
2. Challenges for women in the National Rural Livelihood Mission.

Methodology

This study conducted a descriptive analysis of various currently available materials and information, making extensive use of secondary data. This study primarily included articles from various magazines, newspapers, and websites that directly or indirectly addressed the challenges facing the issue. After carefully reviewing and studying the information, data, and MIS available on important newspapers and websites, relevant and factual information was downloaded and compiled from the selected sources. The objectives of this study were thoroughly analyzed to reach the desired conclusions. No primary data were used in this study.

Review Of Literature

The literature review aims to understand the findings of research conducted to date on women's economic empowerment, financial inclusion, employment, entrepreneurship, and decision-making under the National Rural Livelihoods Mission (DAY-NRLM) and the research gaps that the current study will address. The National Rural Livelihoods Mission (DAY-NRLM) was established to organize rural poor families, especially women, through self-help groups (SHGs) and connect them to financial services, skill development, self-employment, and sustainable livelihoods. Various government evaluations and research have been conducted. Studies show that the Mission has significantly improved women's income, savings, access to credit, and social participation.

Das (2026) examined the impact of the National Rural Livelihood Mission (NRLM) on livelihood diversification in Assam. The study found that NRLM significantly enhanced income-generating opportunities beyond agriculture by promoting collective finance, entrepreneurship, and women's participation in rural economic activities. The findings suggest that livelihood diversification under NRLM contributes to long-term poverty reduction and household resilience.

Government of India, Ministry of Rural Development (2025) reported that DAY-NRLM had mobilized more than 10 crore rural households into over 90 lakh Self-Help Groups (SHGs). The report highlighted that SHGs

accessed nearly ₹9.85 lakh crore in bank credit, strengthening financial inclusion, women's empowerment, and sustainable livelihood opportunities for poor rural households.

Chandel and Gupta (2026) conducted a longitudinal study on NRLM interventions in Uttar Pradesh. The study observed substantial improvements in financial inclusion, enterprise development, collective finance, and livelihood diversification among SHG members. The authors concluded that NRLM has significantly strengthened rural household incomes and reduced economic vulnerability.

Tambile et al. (2024) reviewed rural livelihood sustainability in South Asia and Africa and emphasized that community institutions, financial inclusion, skill development, and livelihood diversification are essential for reducing rural poverty. Their findings support the institutional approach adopted by NRLM for sustainable poverty alleviation.

Ruja, Sumarmi, and Idris (2024) conducted a systematic review of poverty alleviation programmes and concluded that successful poverty reduction depends on community participation, women's empowerment, access to finance, and effective implementation. These findings align closely with the operational framework of the National Rural Livelihood Mission.

Various reports on the Self-Help Group Bank Linkage Program published by NABARD have noted that the Self-Help Group (SHG) movement has strengthened rural women's regular savings, access to institutional credit, and financial inclusion in India. This has increased women's income-generating activities and strengthened the rural economies.

ArchanaPandey and M.S. Shukla (2026) presented a literature review on self-help groups and the economic empowerment of rural women in Uttar Pradesh, India. The study found that the FIH and IBPS linkage programs led to positive changes in women's income, savings, access to credit, self-confidence, and social participation. However, market linkages, skills training, and regional disparities remain significant challenges.

A 2024 study published in Springer: An Indian Enigma? The study on the labor Market Impacts of the World's Largest Livelihoods Program, based on data from various districts in India, found that BHU membership under the KVIC significantly increased rural women's labor force participation, employment, and self-employment, and reduced dependence on temporary labor.

Ningombam and Bordoloi (2024) studied the impact of Kalchhatsd on the Morigaon district of Assam. The study revealed that the mission led to positive changes in women's economic, social, technical, and leadership empowerment and increased their decision-making capacity.

Analytical Study Review

1. Impact on women's economic empowerment:

Available literature indicates that the National Rural Livelihoods Mission (NRLM) has played a significant role in the economic empowerment of rural women. Self-Help Groups (SHGs) have fostered a habit of regular savings, increased access to institutional credit, and encouraged self-employment and the establishment of small enterprises. Several studies have found that women's individual and family incomes have increased and their economic self-reliance has strengthened since joining the Mission.

2. Impact on Income and Employment

An analysis of the literature reveals that the National Rural Livelihood Mission has developed new sources of income for women. Women's income has increased through dairy, goat rearing, poultry, agriculture-based

enterprises, food processing, handicrafts, sewing, embroidery, and other micro-enterprises. Several studies have found that women's dependence on wage labor has decreased and self-employment opportunities have increased.

3. Impact on Financial Inclusion:

National Rural Livelihoods Mission is to connect rural women to the formal banking system. The literature shows that through the Self-Help Group Bank Linkage Program, women opened bank accounts, increased digital banking usage, and made loans available at affordable interest rates. This reduced dependence on moneylenders and strengthened women's financial security.

4. Propensity to save and invest:

Several research studies have concluded that self-help groups fostered a tendency for women to save regularly. Group-based savings empowered them to cope with emergencies and provided opportunities for investment in small enterprises.

5. Decision-making and leadership development:

The literature clearly shows that economic empowerment has been accompanied by an increase in women's decision-making power. Women's participation in decisions related to family income, children's education, health, agricultural investment, and social activities has increased compared to earlier times. In many places, self-help groups have developed women's leadership skills, enabling them to participate in gram panchayats, village organizations, and other organizations.

6. Changes in social and economic conditions:

Several studies have found that the National Rural Livelihood Mission has strengthened women's social standing, self-confidence, and community identity. Economic self-reliance has improved women's social status and made them more active in local development activities.

7. Contribution of Uttar Pradesh State Rural Livelihood Mission (UPSRLM):

Under the Uttar Pradesh State Rural Livelihoods Mission, BC Sakhi, LakhpatiDidi, VidyutSakhi, KrishiSakhi, PashuSakhi, and other community cadre programs have played a vital role in increasing women's incomes, ensuring access to digital financial services, and creating local employment. These initiatives have provided a new impetus to women's economic empowerment.

8. Major Challenges:

Although the mission has yielded positive results, some challenges have been noted in the literature.

Has gone, like-Limited access to market.

Problem of marketing of products.

Lack of skill development training.

Lack of digital literacy.

Regional disparities.

Failure to make productive use of the loan.

Social and family restrictions in some areas.

9. Impact on the development of women entrepreneurship:

The National Rural Livelihoods Mission has fostered a spirit of entrepreneurship among rural women. Through dairy, food processing, beekeeping, mushroom production, sewing and embroidery, handicrafts, incense stick manufacturing, organic farming, and other micro-enterprises, women have developed self-employment opportunities. This has also boosted the local economy.

10. Creation of Social Capital:

Self-help groups are not only financial institutions but also important vehicles for building social capital. Through these groups, women develop cooperation, trust, collective decision-making, leadership skills, and social networks. This social capital forms the foundation for long-term rural development.

11. Digital Financial Inclusion:

In recent years, services such as BC Sakhi, digital banking, Aadhaar-based Payment System (AEPS), mobile banking, and UPI have strengthened women's financial access. This has brought banking services to rural areas and increased women's economic independence.

12 Impact on the economic condition of the family:

The literature reveals that women used the additional income received through the mission for productive purposes such as children's education, health, nutrition, housing improvements, and agricultural investment. This helped improve family well-being.

13. Community and local government:

Women involved in the National Rural Livelihoods Mission have increased their participation in Gram Sabhas, village organizations, cluster-level federations (CLFs), and panchayats. This has fostered women's leadership and contributed to local development.

Conclusion:

The National Rural Livelihoods Mission has significantly contributed to women's economic empowerment. It is not just a poverty alleviation program but a comprehensive campaign for social change, financial inclusion, women's leadership, entrepreneurship development, and inclusive rural development. The Mission has brought about positive changes in women's income, savings, financial inclusion, employment, entrepreneurship, and decision-making. Social prestige and self-confidence have also increased. However, more research is needed on their long-term impact, regional disparities, digital inclusion, and sustainability.

References

1. Archana Pandey & M. S. Shukla. (2026). Self-Help Groups (SHGs) and Rural Women Economic Empowerment in Uttar Pradesh: A Critical Review of Literature. EPRA International Journal of Multidisciplinary Research.
2. Ministry of Rural Development, Government of India. Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM): Framework for Implementation
3. NABARD. (2023). Status of Microfinance in India.
4. NABARD. SHG–Bank Linkage Programme: Annual Report (विभिन्न वर्ष).

5. Roy, S. et al. (2024). An Indian Enigma? Labour Market Impacts of the World's Largest Livelihoods Program. *Journal of Population Economics*, Springer.
6. Ningombam, S. K., & Bordoloi, S. (2024). DAY-NRLM Scheme and its Impact on Women Empowerment: A Case of Morigaon District of Assam.
7. Can Multi-Sectoral Development Interventions Boost Livelihoods and Women's Labor Supply? Evidence from NRLM in India. *Feminist Economics*, 2022.
8. Sarfaraz, N. (2025). Government-Empowerment in India: A Systematic Review. SSRN
9. UN Women. (2023). Progress on the Sustainable Development Goals: The Gender Snapshot 2023.
10. Das, B. (2026). Beyond Farming: How the World's Largest Poverty-Alleviation Program is Reshaping Rural Livelihoods in Assam, India. *Public Humanities*, Cambridge University Press.
11. Government of India, Ministry of Rural Development. (2025). Economic Survey 2024–25: DAY-NRLM Progress Report.
12. Chandel, D. S., & Gupta, N. (2026). Livelihood Transformations under NRLM: A Longitudinal Study of Collective Finance and Livelihood Activities in Uttar Pradesh. *Journal of Advanced Research in Humanities and Social Sciences*.
13. Ruja, I. N., Sumarmi, & Idris. (2024). Programs, Opportunities, and Challenges in Poverty Reduction: A Systematic Review. *SAGE Open*.
14. Tambile, E. D., Ramachandran, V. S., Rajendrakumar, S., et al. (2024). Rural Livelihoods Sustainability in South Asia and Africa: A Systematic Review with Bibliometric Analysis. *Discover Sustainability*.