



ग्रामीण विकास मंत्रालय
भारत सरकार
**MINISTRY OF RURAL
DEVELOPMENT**
GOVERNMENT OF INDIA



Unlocking the Power of Digital for Women-led Enterprises

Insights from the STREE Programme
and Way Forward

WORKSHOP

Date: December 6, 2023 Time: 9:30 AM onwards

Venue: The Lalit, New Delhi



Workshop Summary

December 06, 2023
The Lalit, New Delhi

Background

The Government of India's Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM) has been working towards alleviating poverty in rural India by developing strong local institutions to enhance livelihood opportunities in the farm and non-farm sectors. Under the DAY-NRLM, women-led enterprises are engaging in a range of business activities. Digitalising can enable these growth-oriented enterprises to access a range of opportunities through improved financial management, and access to capital and markets. Although smartphone usage has increased tremendously in India in recent years, there is a large gender gap in access and usage, and a tremendous untapped opportunity to catalyse the adoption of digital business solutions.

A half-day interactive workshop was organised by LEAD at Krea University, in collaboration with DAY-NRLM to share insights from the Solutions for Transformative Rural Enterprises and Empowerment (STREE) programme and identify opportunities for enabling digitalisation among growth-oriented rural enterprises. The workshop brought together stakeholders from the Ministry of Rural Development, private sector, implementing agencies, and community representatives, among others. The workshop also provided a platform for women entrepreneurs and Block Development Service Provider (BDSPs) associated with the programme to share their experiences.

Key Insights

1. Inaugural session

Sh. Charanjit Singh, Additional Secretary, Ministry of Rural Development

Sh. Raghendra Pratap Singh, Director - RD, DAY-NRLM

Sharon Buteau, Executive Director, LEAD at Krea University

Dr. Santanu Pramanik, Research Director, LEAD at Krea University



Dr. Santanu Pramanik inaugurated the workshop by welcoming the dignitaries and guests and spoke about the evolution of the National Rural Livelihoods Project (NRLP) to the current National Rural Economic Transformation Project (NRETP). STREE (Solutions for Transformative Rural Enterprises and Empowerment) is a collaboration Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM) through NRETP. The scope of the project included support towards systems

engineering, integrating design thinking, and rigorous monitoring for its enhanced implementation. LEAD's embedded technical support involved guideline development,

performance monitoring, and training initiatives. Santanu also highlighted the two scalable pilots, the capacity building on the go - online course for women entrepreneurs (MOOC) and a digital financial management book keeping solution, which were tested in collaboration with private sector partners. He also shared a potential extension of the pilots and anticipated scope for future collaboration with DAY-NRLM on market-oriented initiatives and e-commerce opportunities.



In his keynote address, Shri Chiranjit Singh, Additional Secretary, Ministry of Rural Development underscored the need to work towards fulfilling the aspirations of rural women across the country.

Reach of the non-farm livelihood program:

The program currently extends to 90 lakhs SHG members, which will reach the ambitious target of 9.87 crore. The provision of revolving funds worth INR 37000 crores has enabled the women entrepreneurs to get bank credit of INR 7.65 lakh crores. He further shared how the program has ignited aspirations of the entrepreneurs to get higher loan amounts with the goal of substantial scaling up of their businesses. Additionally, under PMFME, loans for over 580 crores have been sanctioned and 30,000 applications received under the incubator program.

Avenues for convergence and collaborations: The program has also opened avenues for convergence wherein the rural development ministry is implementing schemes of the food processing ministry. More than 1.5 lakhs women entrepreneurs have received substantial assistance of INR 538 crores. Furthermore, collaborations with esteemed academic institutions like IIM-B and IIM-C demonstrate the commitment towards incubation and growth. The program will provide intense support to 150 enterprises per state.



In his Special Address, Shri Raghvendra Pratap Singh, Director - Rural Livelihoods, DAY-NRL, highlighted the programme's learning curve in embarking on the mission of enabling non-farm livelihoods and the importance of digital interventions to keep pace with the tech advancements in the ecosystem.

Leveraging technology to ease business operations: The need to recognize the role of digital platforms in bridging the inequality by providing enhanced access to credit, and markets was reiterated. Mr. Singh shared inspiring examples of women entrepreneurs taking orders via mobile phones and making majority transactions digitally during the Saras Melas as well. He further stressed on the need for scaling up the STREE pilots that demonstrate the significance of digital methods for bookkeeping and accounting, and for making business plans.



The inaugural session culminated with closing remarks from Sharon Buteau, where she emphasised the importance of learning from both successes and failures in the digitalisation journey. She encouraged drawing inspiration not only from successful entrepreneurs but also from understanding and overcoming challenges. Sharon advocated for a balanced approach between individual adaptability and community sharing, cautioning against blindly adopting Western mindsets. The focus on digital opportunities should be accompanied with massive

training efforts and the establishment of robust customer services and grievance mechanisms for these applications. She emphasised the importance of collaboration between the government and the private sector for enabling sustained progress and women's economic empowerment.

Entrepreneur and BDSP Speak - Sharing of Experiences

“The project empowered women, including myself, by enabling us to break free from the confines of our homes and venture into entrepreneurship. I've been part of the Self-Help Group (SHG) with Sanjeevini since its inception, during which I secured a loan to establish Nagapriya Oil Company, specialising in coconut oil, groundnut oil, and castor oil. Initially, I sold my products using a bicycle, but now, thanks to the support, I operate with a rickshaw.”, noted **Shailashree, an entrepreneur from Tumkur, Karnataka.**

“Over the years, my oil production has significantly increased from 30 kg per day to an impressive 200-250 kg daily. Despite initial reservations about using digital recordkeeping tools, we now recognize its value. Regular updates provided through the application allow us to track our profit and loss accurately. Once, I received an alert about a 10,000 rupees imbalance, prompting me to address it with fellow SHG members”, she added.

“I firmly believe that women, with their inherent strength and patience, should leverage these qualities to emerge from their comfort zones. I emphasise that when a woman's household thrives, it contributes to the development of the village, district, and ultimately the nation. My aspiration is to encourage more women to embrace entrepreneurship and contribute to overall societal progress.”

Chandrakala, a BDSP from Tumkur, Karnataka is actively supporting and empowering women entrepreneurs, particularly in the field of accounting. Initially, her focus was on helping entrepreneurs legalise their work to enhance visibility. Many of them lacked mobile phone literacy, were unfamiliar with GST, and harboured fears about it. The training helped her understand financial concepts and how to use the application. Now, the digital record keeping application is enabling entrepreneurs to track inventories and product details, and enabling effective stock management. Approximately 15 out of 20 members are regularly conducting analyses of their daily income and profits with the help of an application, highlighted Chandrakala. With an increasing number of entrepreneurs adopting the application, more individuals are now adept at monitoring their profits. The Khata Book application has become a valuable tool for recording financial transactions, empowering entrepreneurs to safeguard themselves against potential fraud.

Panel Discussion: Phy-gital Frontiers for Catalysing Rural Women's Entrepreneurship

The digital space in India has seen tremendous growth in the past few years primarily due to the availability of affordable phones coupled with low mobile data prices. While the overall reach of mobile phones has significantly increased, there is a stark gender gap with 61% of men having a mobile phone compared to 31% of women. Additionally, only one-third of internet users are women, and 33% less likely to use mobile internet services than men. The gap also widens with the sophistication of mobile tasks. Women tend to use less expensive mobile phones whose usage is primarily limited to calls and messaging. Besides, gendered social norms also have played a role in dictating digital access to women. Although the pandemic has pushed the usage of digital financial applications for women who operate smartphones, there are significant opportunities in other areas as well. The panel delved into opportunities for integrating digital innovations within the rural enterprise ecosystem and speakers explored pathways for collaboratively developing tailored solutions for women entrepreneurs.



Panellists

Sourav Roy, Senior Specialist, Financial Inclusion, DAY-NRLM

Nandita Sharma, Lead - Social & Government Sector, Network Expansion, ONDC

Prachi Bhuchar, Head of Government Relations & Public Policy, MEESHO

Moderator: Poulami Bhattacharyya, Lead, Women Entrepreneurship, Nasscom Foundation

Moderator Poulami Bhattacharya opened the panel by setting the context for women entrepreneurship in India. Sourav Roy highlighted various digital interventions implemented across DAY-NRLM, including financial inclusion efforts and other digitisation initiatives. Nandita Sharma spoke about the role of ONDC's social sector arm in enabling better accessibility of the network, and handholding and empowering sellers. Prachi Bhuchar shared Meesho's evolution from a social commerce model to a B2C platform, and its collaboration with the Ministry of Rural Development to digitise Self-Help Groups (SHGs).

Key Takeaways:

- Access to finance pipelines: DAY-NRLM focuses on two pipelines for women's access to finance - community funds available to collectives and direct access from banks.
- Challenges in Digitizing Bookkeeping: Despite efforts to digitise bookkeeping, challenges have been encountered. DAY-NRLM is currently working on an online bookkeeping system for better insights into transactions and empowerment.
- Empowering through Data: Digitising bookkeeping aims to empower women and collectives by providing transparency on transactions, employment behaviour, and meeting participation, potentially influencing formal financial institutions.

“Once they know the amount of transactions they are undertaking, the kind of performance they have in terms of employment behaviour or participation in different meetings, all of this information actually empowers them to place them in the financial landscape in a more commanding position”. - Sourav Roy

- Digitization of Loan Applications and Bank Linkage: DAY-NRLM is digitising loan application submissions to banks to enhance transparency and empower women. Additionally, the SHG bank linkage program is being digitised for efficiency and accessibility. Women are able to submit the applications online, there is a high visibility, and transparency in the whole system. The increasing transparency is more empowering for the collectives and the women.
- Expansion of Banking Services Availability: DAY-NRLM has trained over 1.2 lakh women SHG members to operate as business correspondents in banks, expanding access points and promoting digitization of transactions.

“Over and above that, I think this business correspondence has been instrumental in digitising a large number of transactions being performed by the SHG members themselves. Mostly now it has been individual transactions and in some cases now the SHG transactions are also being digitised”.

- Digitising Social Security Programs: Efforts are underway to digitise the renewal process for accident and life insurance policies, aiming to improve efficiency and empower members with digital copies of their policies.

- Digital Financial Literacy: Digital initiatives are being employed to enhance financial literacy, recognizing the need for repeated engagements and diverse learning paces among communities.
- Responsibility and Privacy Concerns: With the emphasis on digital interventions, there is a growing responsibility to protect data privacy. The need for a robust redressal mechanism is highlighted, acknowledging the lag in its development compared to digital interventions.
- E-commerce Inclusion Principles: E-commerce inclusion revolves around three basic principles - buyer side, seller side, and logistics. ONDC facilitates multiple avenues for sellers to onboard, enhancing accessibility and reducing recommission.
- Empowerment Through ONDC: ONDC empowers sellers by providing them with more control over terms and conditions. Buyers benefit from increased visibility across multiple platforms, and logistics are streamlined through tech-enabled solutions.
- Social Sector Vertical: ONDC has a dedicated vertical for the social sector to ensure accessibility for all, including nano-entrepreneurs with limited formal education and e-commerce literacy. The focus is on data privacy, knowledge dissemination, and providing the right support.

“There were two objectives of setting up the social sector arm of ONDC. One is to ensure the accessibility of the network to everybody. And the second one is to have the right ingredients for growth on the network” - Nandita Sharma

- Working at Individual and Group Levels: ONDC collaborates directly with individual weavers and also works with self-help groups, farmer-producer organisations (FPOs), NGOs, social enterprises, and government projects. The goal is to empower artisans, farmers, and weavers through various levels of engagement.
- Digital Enablement Agency (DEA) Model: Similar to banking correspondents for financial inclusion, ONDC is piloting a Digital Enablement Agency (DEA) model. DEAs operate in clusters, assisting sellers with onboarding, GST compliance, product descriptions, training, and order fulfilment. The viability and sustainability of this market-led model are under evaluation.
- Exploration of Market-Led Models: ONDC is exploring different market-led models, including community-based, private-led, and collaboration with common service centres. The objective is to identify long-term, sustainable models that enhance e-commerce accessibility and empower sellers at various levels.

“DEA looks at the entire hand-holding aspect. So basically, I'll be able to do a detailed notion of your products, help you define better descriptions of the products, train you in the process, and hand-hold you for the next six months”. - Nandita Sharma

- **GST Challenges:** The introduction of GST posed a challenge for SHGs, leading Meesho to advocate for policies supporting sellers with an annual turnover of up to 40 lakhs to sell on online platforms without GST.

“When GST parity was announced until about 3 months ago you could not sell anything, not even a jar of pickle if you did not have the GST number. Whenever we go out and meet these SHGs they would be really enthusiastic and when we tell them about GST there is a lot of intimidation”. - Prachi Bhuchar

- **Challenges on the Ground:** Meesho recognizes challenges on the ground, including mindset changes, lack of credit access for women, and the need for a shift in the social fabric to encourage women to become entrepreneurs.
- **Recommendations for Solutions:** Public-private partnerships are seen as crucial, with a call for leveraging existing digital public infrastructure like common service centres. The gradual nature of digitization is acknowledged, emphasising the importance of building blocks for its success.
- **Observations on Artisans and Weavers:** Challenges in digitising artisans and weavers include finding the right platform, addressing the lower average spend on platforms like Meesho, and managing consumer expectations regarding the handmade nature of products, which may take time for delivery.
- **Differentiation for Artisans and Weavers:** Meesho emphasises the need to treat artisans and weavers differently due to the unique challenges they face in terms of platform suitability and meeting consumer expectations for handmade products.

“We need to make better use of existing systems such as the digital public infrastructure. You need to be able to utilise things like your common service centre and provide handholding support.” - Prachi Bhuchar

Felicitation Ceremony



The workshop was concluded by felicitating those who contributed to the interventions made under the STREE programme.

Sharon Buteau, Executive Director, LEAD at Krea University, and Mr. Rajeev Singhal, National Mission Manager, Non-farm Livelihoods, DAY-NRLM, felicitated the esteemed panellists. Yasir Shamsi from Khatabook, Nitish from MyBillbook, along with Sachin Uttam and Sunaina Kaila from Enabling Dimensions were felicitated as the representatives of the digital partners in the

two pilot interventions. Additionally, representatives from Rajeevika (Rajasthan SRLM), Sanjeevini (Karnataka SRLM) and UMED (Maharashtra SRLM) were also felicitated during the ceremony for contributing towards the successful execution of the interventions.