



Validation Study Report on Jobs Supported by Hand in Hand India

June 2025



Disclaimer

1. Our services were performed and this report was prepared in accordance with the Engagement Letter dated 23 October 2024, subject to the terms and conditions included therein.
2. The information captured in this Report is based on the documentation and information received from time to time from Hand in Hand India. The findings contained herein are limited to the extent of the procedures conducted by M-CRIL till 31 March 2025, which are described in this document. Accordingly, changes in circumstances or information newly available after this date could affect the findings outlined in this Report.
3. We have relied upon representations of employees of Hand in Hand India that all data and information provided by them are correct to the best of their knowledge. We accept no responsibility for any fact or information that has been intentionally withheld or otherwise omitted which could have had a material bearing on our findings.
4. M-CRIL has relied upon the information supplied in connection with this engagement including management information. M-CRIL did not audit or otherwise verify the information supplied in connection with this engagement, from whatever source obtained, except as may be specified in this Report.
5. In no circumstances shall we be liable, for any loss or damage, of whatsoever nature, arising from information material to our work being withheld or concealed from us or misrepresented to us by any person to whom we make information requests.
6. The findings contained in this Report are limited to the extent of the procedures performed by M-CRIL, which are described in this Report. The findings, which are hearsay in nature, should not be construed as an opinion, legal or otherwise, on the rights and liabilities of the Company or any other third party that may be, directly or indirectly, concerned with findings in this Report.
7. All the information presented in this Report from our market sources / third parties are the personal perceptions of the sources. Wherever possible, we have corroborated the information provided to us with the information that may be available in the public domain or that which has been provided to the client, however, we have not done so independently.
8. The Report will be furnished by us is solely for the information of the Hand in Hand India, which had requested M-CRIL to undertake the engagement. Hence, the Report should not be used, circulated, quoted or otherwise referred either wholly or in part.
9. Hand in Hand India shall be fully and solely responsible for applying independent judgment, with respect to the findings included in this Report, to make appropriate decisions in relation to future course of action, if any. We shall not take responsibility for the consequences resulting from decisions based on information included in the Report.



Table of contents

- Background and Introduction
- Objectives of the Validation Study
- Methodology
- Sample Profile
- Enterprise Profile
- Findings
 - Loans and Jobs per Cycle
 - Jobs and Job Coefficients – by size classification of enterprises
 - Microfinance pillar - Jobs & job coefficients
 - Validate summary of estimation of jobs for SHG/MF pillar
 - Borrowing from Belstar
 - Most job intensive investments
 - Jobs through all pillars – summary numbers for June 2025
 - Validation of Jobs in 2025
- Annexes
 - Key definitions & assumptions
 - HiH/Belstar loan use for productive and non-productive purposes
 - Average investment amount in Enterprise
 - M-CRIL Study team



Background and Introduction



Background

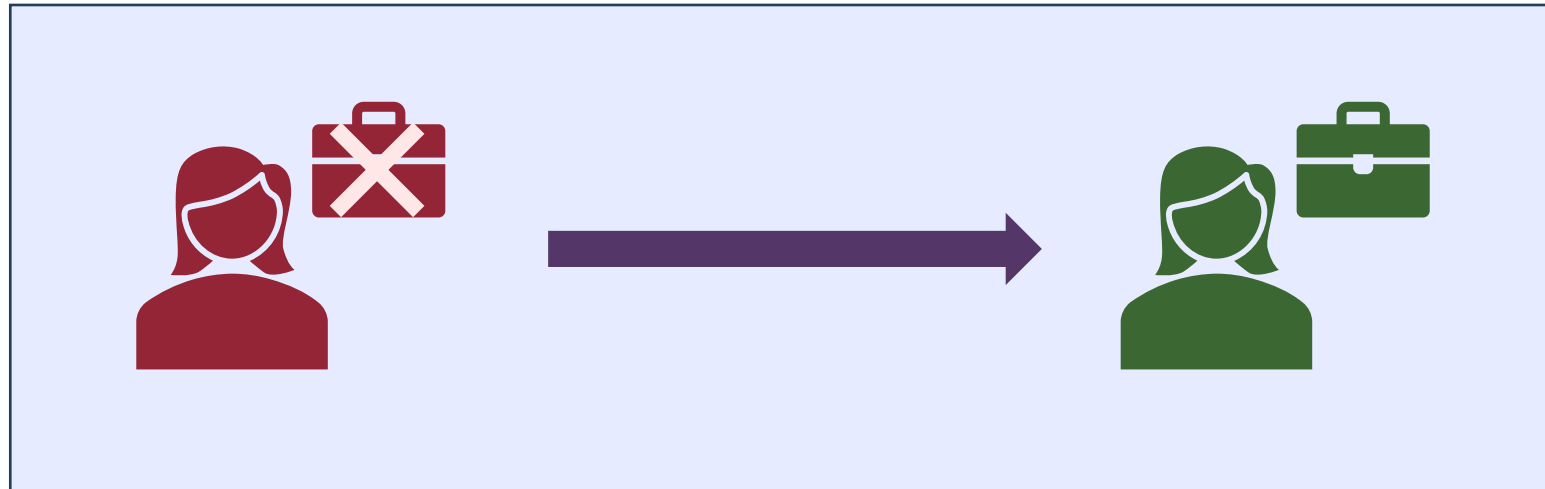
Hand in Hand India is a public charitable trust that works to alleviate multidimensional poverty through a holistic, integrated approach. This includes empowering women, educating children, creating healthcare access, combating climate change, and supporting jobs. HiH India began in a small way in 2002 to combat bonded child labour in Kancheepuram, Tamil Nadu, part of India's silk industry.

Today, HiH India has grown both thematically and geographically, transforming millions of underprivileged children and poor families in 20 Indian states and two Union Territories.

- Hand in Hand India's integrated development approach spans five key pillars—women empowerment & job creation, health, child labour elimination & education, skill development and technology centres, and environment—augmented by the Village Uplift Program, collectively aiming to build self-reliant, resilient communities.
- Across its programmes, HiH India's overarching objective is to support the creation of 10 million jobs for women at the bottom of the pyramid by 2025.
- In pursuit of this goal, HiH India continually evaluates its interventions to measure social and economic impact.

The 2022–23 study revealed that HiH India's microfinance interventions supported 6.3 million net enterprise jobs—with an average of 1.8 jobs per enterprise—indicating strong progress toward its goal of 10 million jobs by 2025.

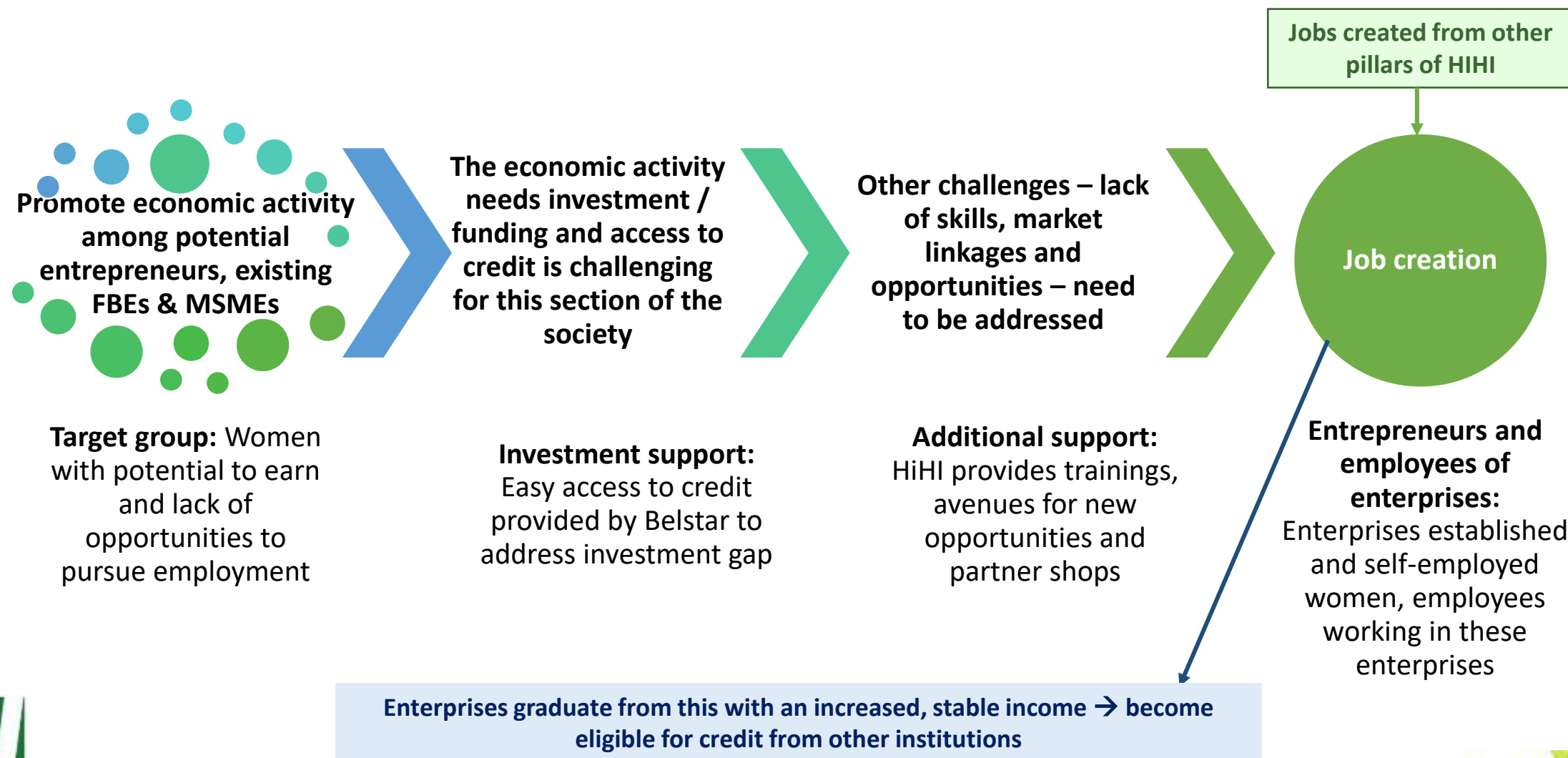
What is a job creation?



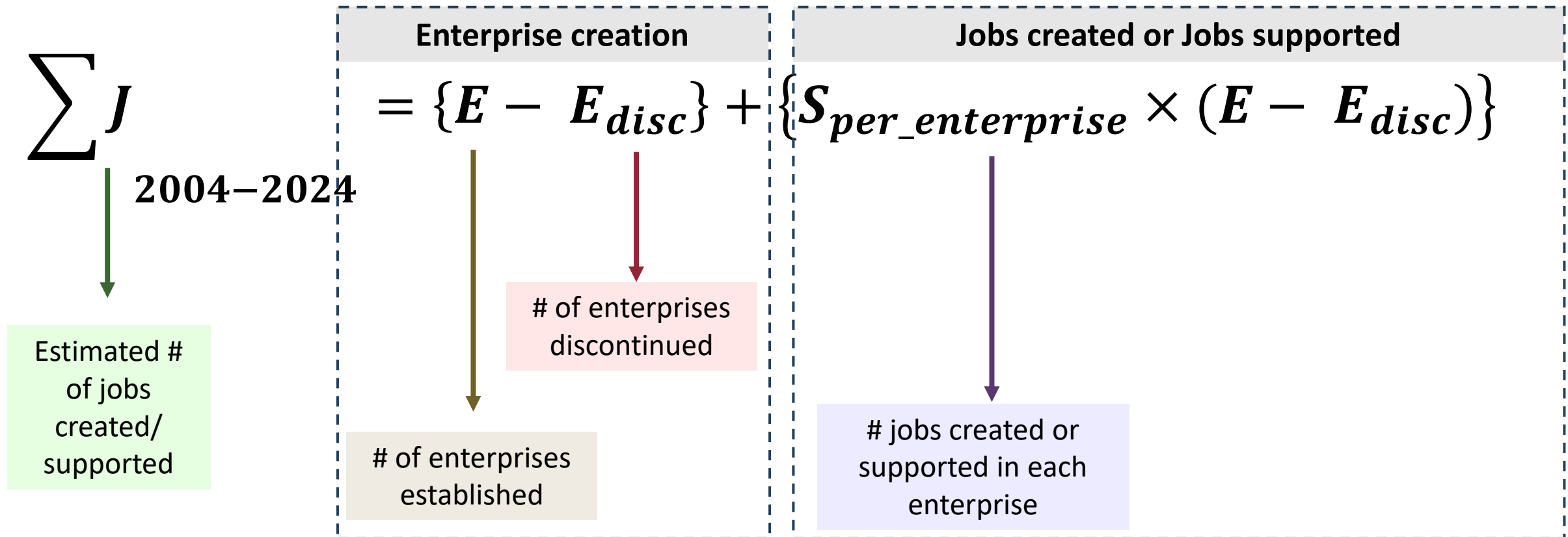
According to the European Union - Job creation is the **process of providing new jobs, particularly for those who are unemployed or inactive**

(Source: [Eurofound](https://www.eurofound.europa.eu/), the official website of the European Union)

▶ Background of HiH India's Job Creation Model - *women as powerhouses for change*

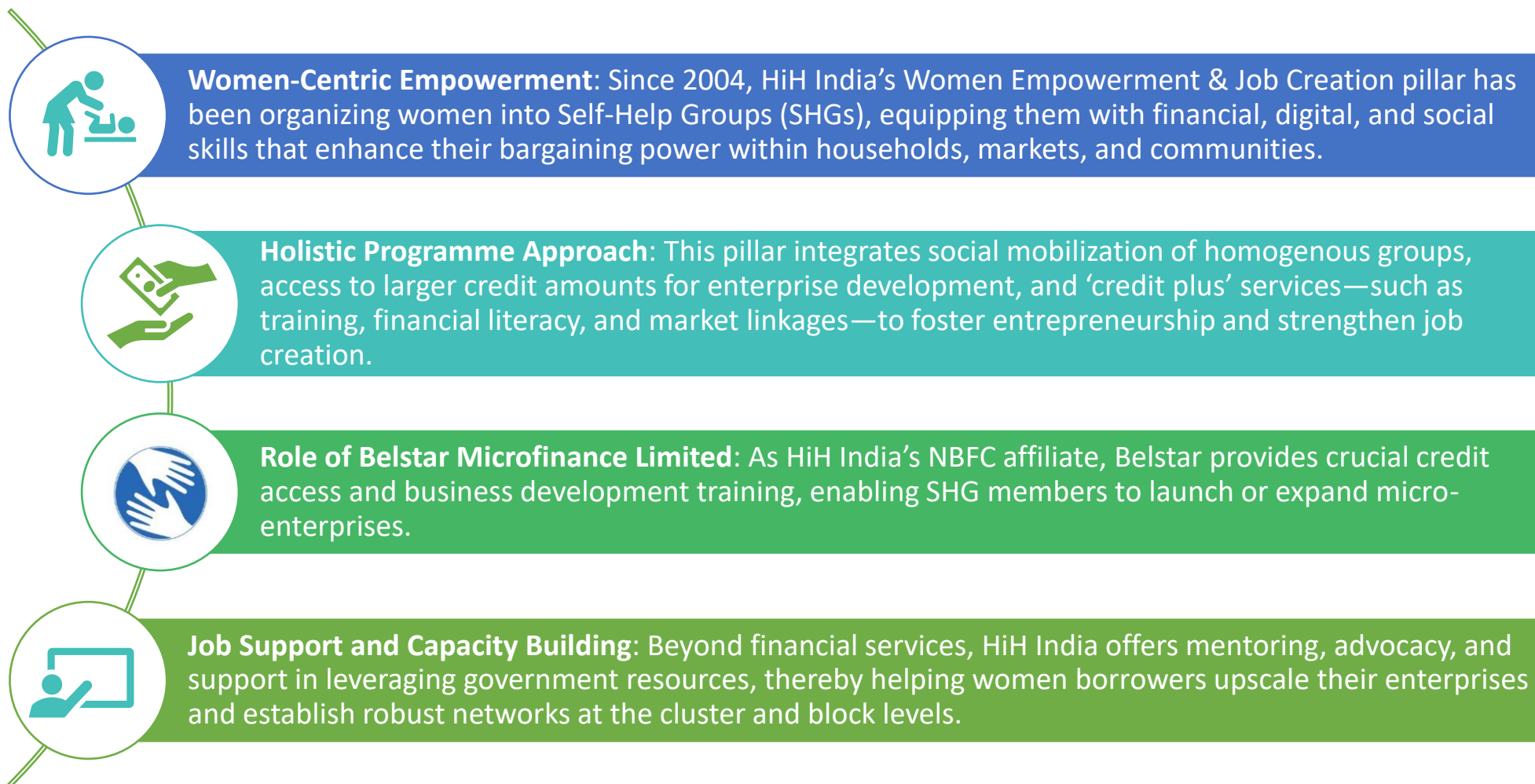


Job creation estimation model



Calculations for variables mentioned in the equation will be explained in the coming slides

Overview of the Women Empowerment & Job Creation Pillar and its Impact





Objectives of the Validation Study

- Validate the findings of the 2022 study.
- Estimate the number of jobs supported based on current data using a smaller representative sample.
- Identify trends and assess the effectiveness of HiH's interventions.





Methodology

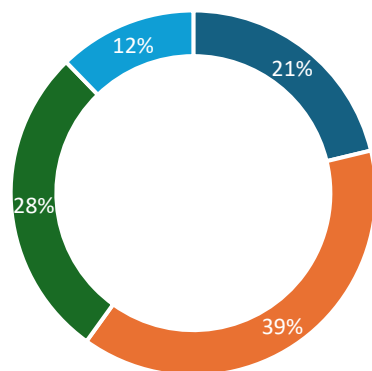
- Study Design: Primary data collection through field surveys.
- Sampling Approach:
 - Random sampling (states, districts, branch type, location, vintage of borrowers).
- Sample size and coverage: 367 respondents across five states and one Union Territory—Kerala, Tamil Nadu, Puducherry, Madhya Pradesh, Bihar, and Karnataka—were chosen to cover states that have 69% of Belstar’s clients and 57% of its branches. Tamil Nadu was emphasized as HiH India’s principal state, where all five pillar programmes are active. Loan cycles (1 to 4+), client type (SHG/JLG/MSME), and rural–urban mix, without considering portfolio quality.
- Data Collection Process: Staff used Excel-based questionnaires, and data quality was ensured through robust survey design, effective respondent engagement, and thorough data cleaning and analysis.
- Surveys by M-CRIL staff
 - Key data points: loans taken, enterprise activity status and employment/jobs created or supported per enterprise



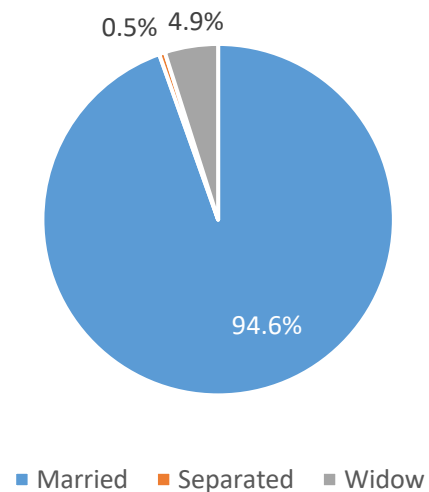
Sample Profile

Age (N=367)

■ 20-30 years ■ 31-40 years ■ 41-50 years ■ >50 years

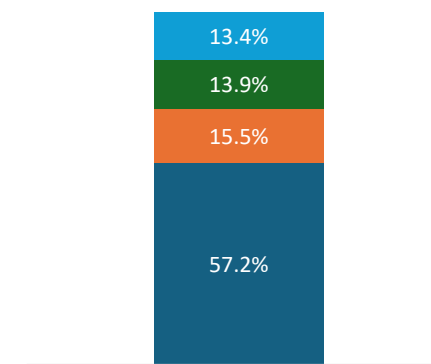


Marital Status (N=367)



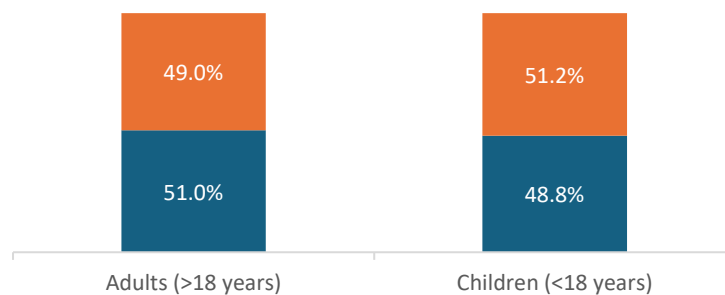
Caste (N=367)

■ OBC/MBC ■ SC ■ ST ■ OC/FC/Others

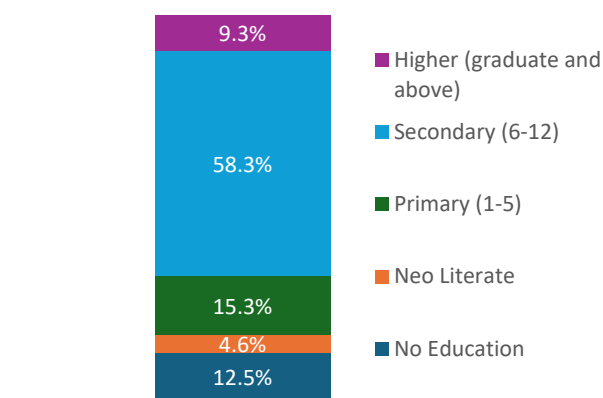


Household Composition

■ Male ■ Female



Highest Education (N=367)





Enterprise Profile

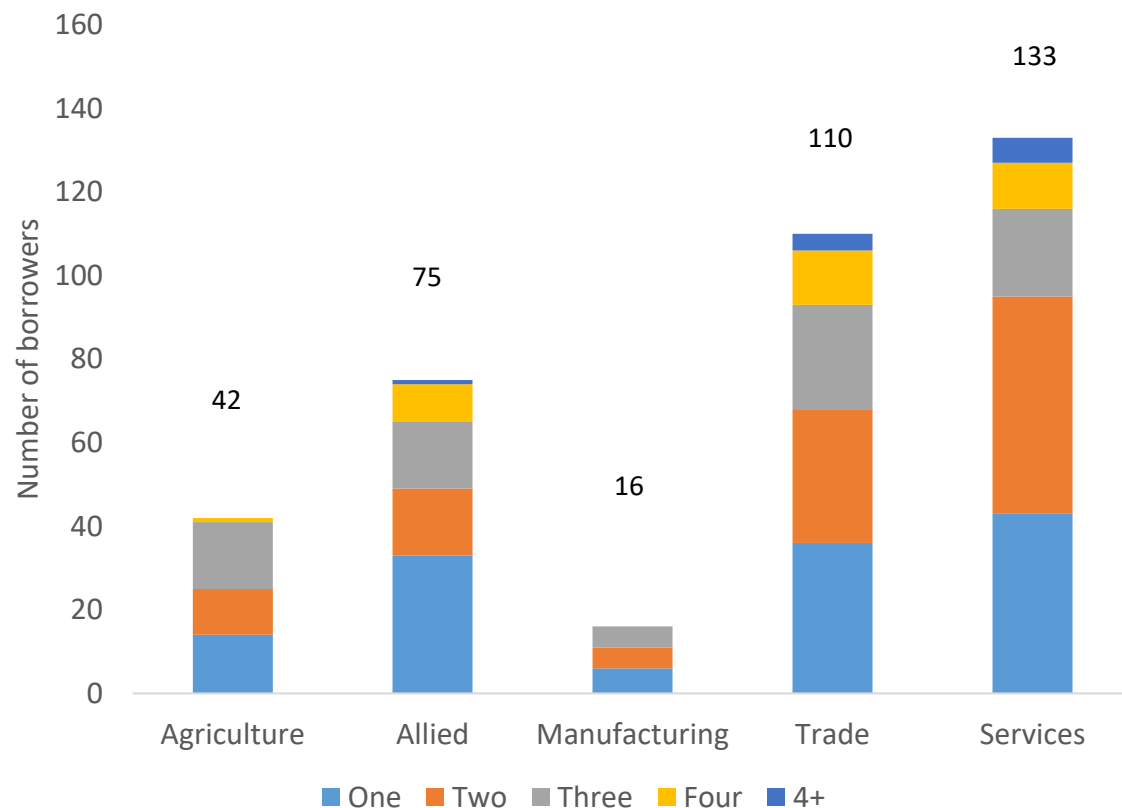
Economic Activity of Enterprises	Number of enterprises (a)			Total jobs supported (b)		
	FBE	ME	Sector Total	FBE	ME	Total
Agriculture	32	10	42	60	38	98
Allied – total	53	23	76	79	57	136
Dairy	43	23	66	68	57	125
Non-dairy	10	0	10	11	0	11
Manufacturing	14	1	15	25	5	30
Trade – total	101	7	108	179	41	220
Grocery/Vegetable/Fruit/Flower	38	2	40	74	27	101
Textiles/Readymade Garments	22	2	24	34	6	40
Tea Shops/Bakery/Meat Stall	16	1	17	21	5	25
Others	25	2	27	51	4	54
Services – total	122	11	133	206	79	284
Tailoring	40	1	41	46	27	73
Hotel	25	2	27	60	12	72
Food stalls/Restaurants	5	1	6	12	7	19
Others	52	7	59	89	33	122
All sampled enterprises	322	52	374	549	219	768





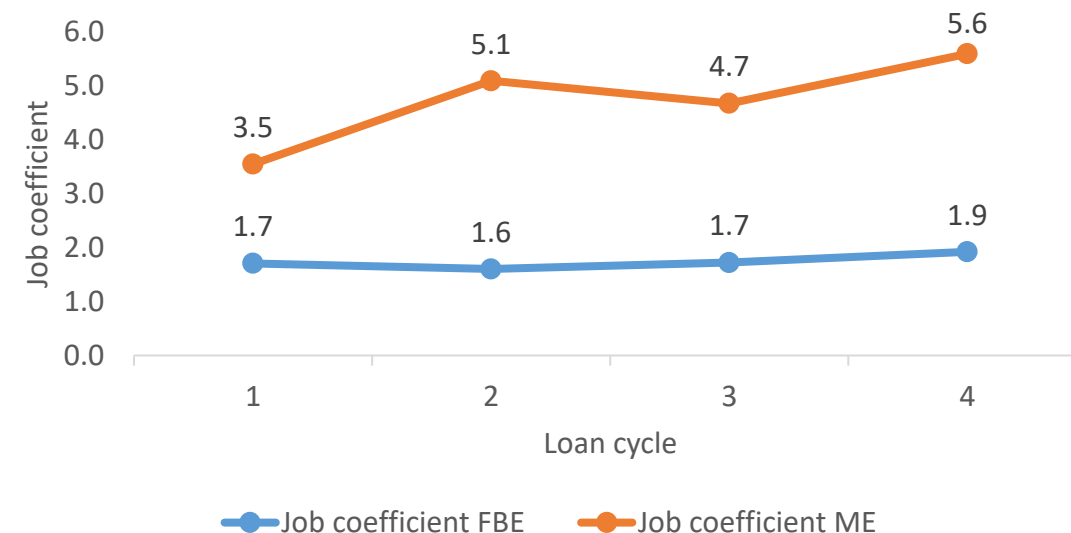
Findings

Loans & Jobs per Cycle



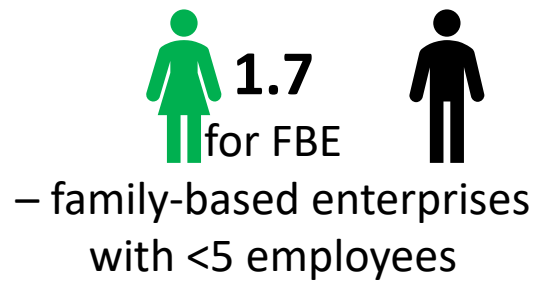
for FBEs jobs supported per loan cycle range over 1.7 to 1.9

MEs supported 3.4 to 5.6 jobs per loan cycle

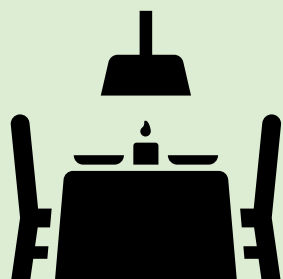




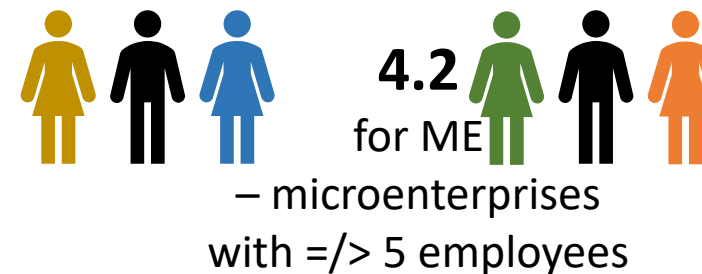
Job coefficients – by size classification of enterprises



sub-sectors mainly in the range, 1.1-2.0



Amongst FBEs, **hotels and restaurants** supported the most - an average of **2.4** jobs



sub-sectors mainly in the range, 2.2-6.5

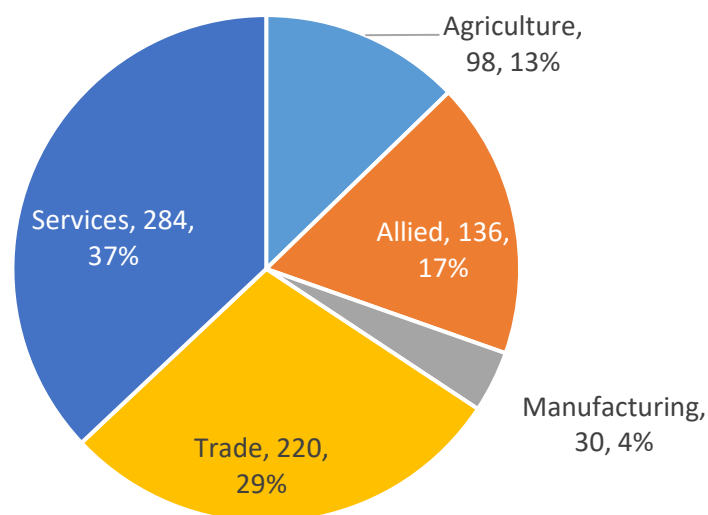


MEs engaged in **grocery** and **tailoring** supported at least **13 jobs** on average



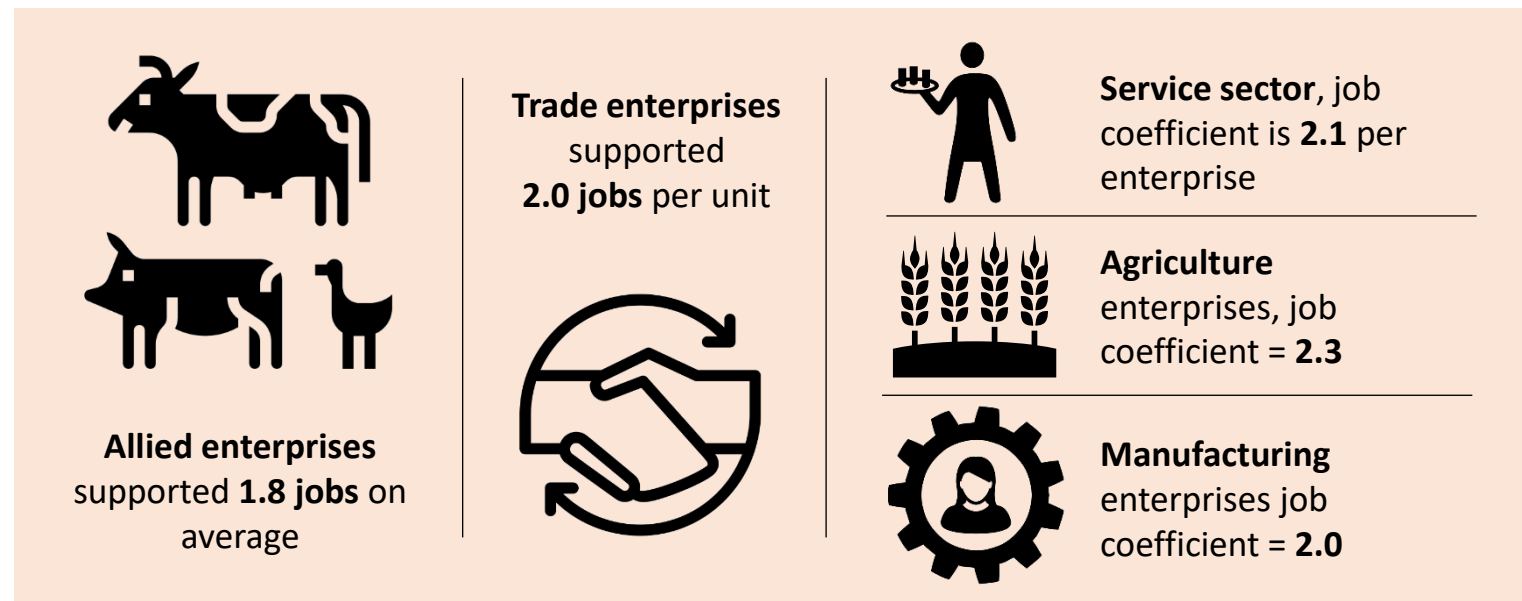
Microfinance pillar - Jobs & job coefficients

10.92 million (in Mar'25)
11.18 million (in Jun'25)
*net enterprise jobs supported
by HiH India*



2.1

average job coefficient
(jobs per supported enterprise)



The **Agriculture sector** has the highest job coefficient (2.3) amongst HiH India/Belstar borrowers while the allied sector supports relatively few (1.8) jobs per enterprise.

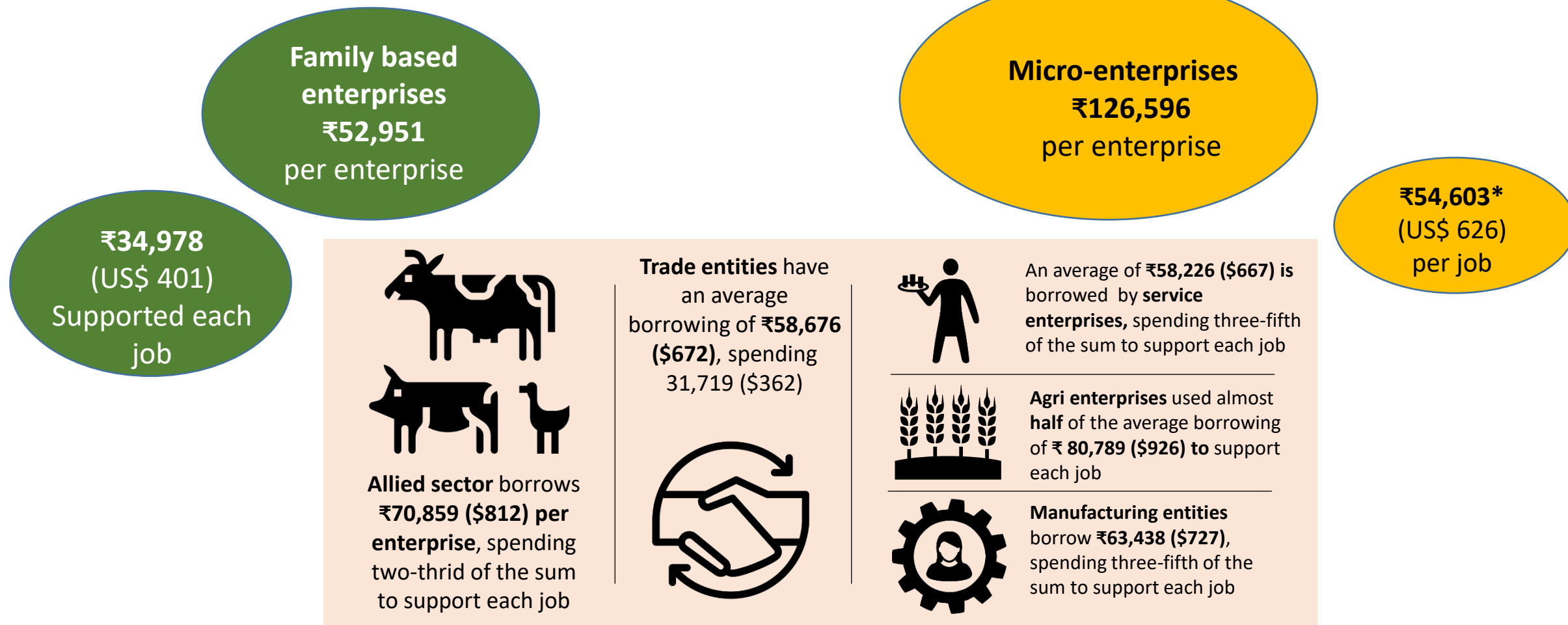
But it is the **allied sector** that **supports the most enterprises** and, therefore, the most jobs (over 2.5 million) while manufacturing supports relatively few jobs since HiH India/Belstar loans (and micro-loans generally) are not of sufficient size to provide significant support to most manufacturing enterprises.

Validate summary of estimation of jobs for SHG/MF pillar – from the sample)

Step	Details	Sample	Members	
			30-Sep-24	30-Jun-25
1	Clients who use loan productively			
	Sample clients	367	5,266,826	5,565,352
	Unproductive used	27	387,478	409,440
	No. of clients used for IGA	340	4,879,348	5,155,912
2	No. of customer established enterprises			
	FBE (a1)	322	4,621,030	4,882,952
	ME (a2)	52	746,253	788,551
3	No. of jobs created by different enterprises			
	FEB (b1)	549		
	ME (b2)	219		
4	Job coefficients of different enterprises			
	FBE (c1 = a1/b1)	1.70		
	ME (c2 = a2/b2)	4.22		
5	Estimation of jobs by different enterprises			
	FBE (d1 = a1*c1)	549	7,877,337	8,323,828
	ME (d2 = a2*c2)	219	3,148,495	3,326,953

Step	Details	Sample	Members	
			30-Sep-24	30-Jun-25
6	Estimating No. of enterprises inactive and lost jobs			
	<u>Inactive Enterprises</u>			
	FBE (e1)	13	186,563	197,138
	ME (e2)	2	28,702	30,329
	<u>Jobs Lost in inactive Enterprises</u>			
	FBE (f1 = e1*c1)	22	318,029	336,055
	ME (f2 = e2*c2)	8	121,096	127,960
	Total jobs lost in different enterprises		439,125	464,015
7	Total jobs supported or created by mf pillar			
	FBE (g1 = d1-f1)	527	7,559,308	7,987,773
	ME (g2 = d2-f2)	211	3,027,399	3,198,994
	Net jobs supported or created by mf pillar		10,586,707	11,186,766

Borrowing from Belstar

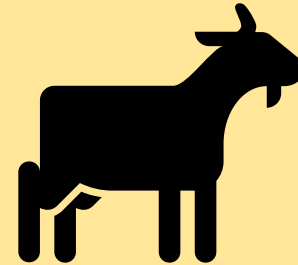




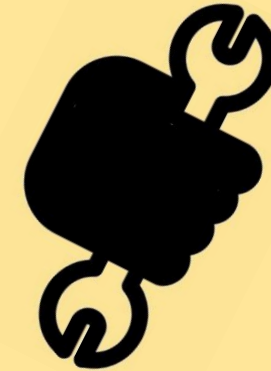
Most job intensive investments



Food traders such as tea shops, bakery shops and meat stalls and tailoring enterprises are **among the least borrowing intensive** with **average borrowing per enterprise of under ₹40,000 (\$438)** and the **average borrowing per job strengthened ₹27,816 (around \$319).**



Enterprises engaged in **allied (non-dairy – poultry and goat rearing) activities** borrowed **₹37,000 on average** towards setting up or expanding their business. **An average of ₹34,750 (\$398)** was borrowed to support one job.



Textiles/Readymade Garments have an **average borrowing of ₹58,636**, spending **₹35,999 (\$412)** to support one job.

Each sub-sector has average borrowing under ₹50,000/job





Jobs through all pillars – summary numbers for September 2024 & June 2025

Details	Overall (30 Sep 2024)	Overall (30 Jun 2025)
Net jobs supported or created by SHG/microfinance pillar	10,586,707	11,186,766
Skill Development Pillar		
Number of women placed in other institutions and self-employed	12908	15768
Number of youngsters placed in other institutions and self-employment	2,995	3040
Environment Pillar		
No.jobs under Solid Waste Management programme - Green Friends (1,262-1,209)	52	52
Total jobs supported under Natural Resource Management programme	91795	121539
Total jobs supported by various pillars of HiH India	10,694,457	11,327,165
Level of achievement of target of 10 million by 2025	106.94%	113.27%

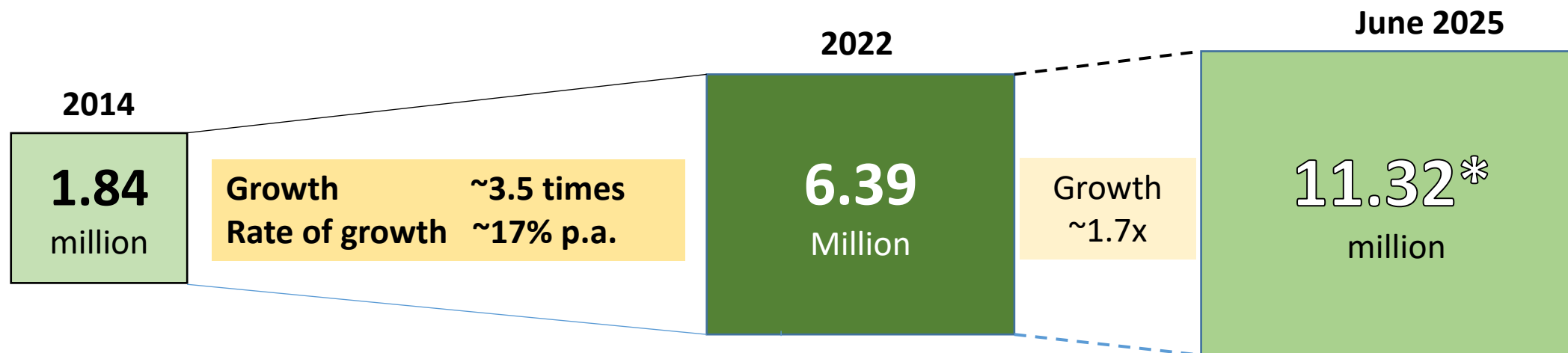
* The health and child labour elimination pillars are an investment in the future of the community but do not generate significant numbers of current jobs.



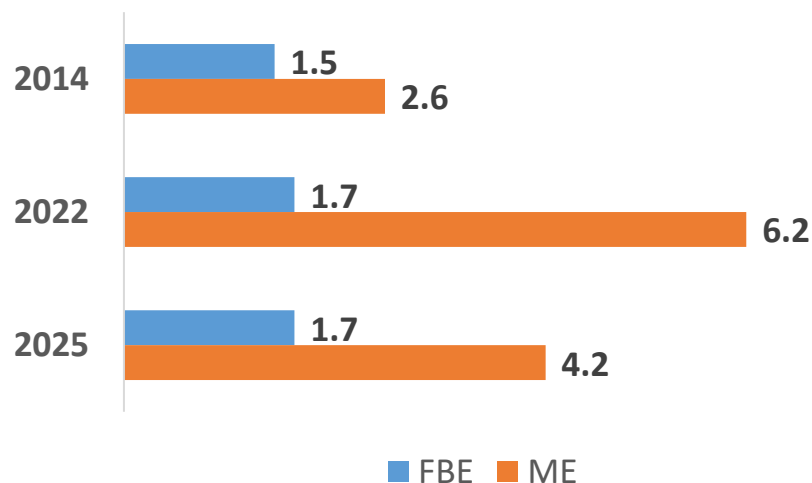


Validation of Jobs in September 2024 and June 2025

Jobs supported by HiH India (together with its affiliate Belstar NBFC)



Job coefficients (jobs/enterprise) – decreased



HiH exceeded its goal of supporting 10 million jobs by 2025





Annexes

Annex 1 Key definitions & assumptions

Definitions

Enterprise – an income-generating activity (self-employment) with the potential to create jobs.

Family-based enterprise (FBE) – a business that employs less than 5 persons on a full- time basis; it is owned and managed by members of a household.

Microenterprise (ME) – employs five or more persons

Job creation: According to the European Union - Job creation is the process of providing new jobs, particularly for those who are unemployed or inactive

Job* – a physical and/or mental participation in economically productive activity, which includes supervisory work as well as direct participation in the activity.

Full-time job** – engagement in work for at least 35 hours in a week and/or 4+ hours per day for 180 days in a year (>720 hours/year)

Part time job**– an employee contracted to work regularly but for fewer hours compared to a full-time employee

Seasonal worker*** – a person who holds explicit or implicit contracts of employment where the timing and duration of the contract is significantly influenced by seasonal factors such as the climatic cycle, public holidays and/or agricultural harvests

Household member – someone who stays in the house for at least 3 months in a year and shares the same roof and kitchen with other family members.

Based on ILO. (n.d.). **Census of India*. (n.d.). Retrieved from [www.labourbureau.gov.in: http://labourbureau.gov.in/WL%20K5-6%20Chap%201.htm](http://labourbureau.gov.in/WL%20K5-6%20Chap%201.htm)

**ILO Part-Time Work Convention, 1994 (No. 175), defines full-time and part-time workers. Hamandia-Güldenber, A. (2004, June). *Conditions of Work and Employment Programme*. Retrieved from [www.ilo.org: https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_170717.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_170717.pdf)

Assumptions

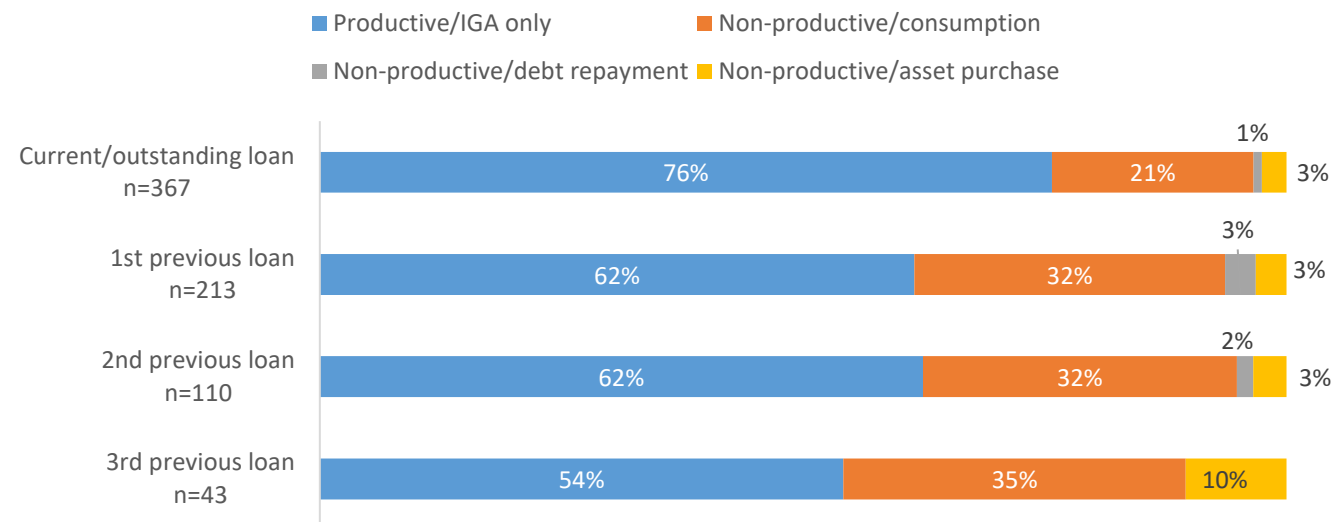
- **Entrepreneur = one job** (even if involved part-time) as she has made the investment and is the owner as well, referred to as ‘own account worker’ by the ILO. Household members, relatives, and non-related persons working in the enterprise are employees while calculating jobs.
- **An entrepreneur** running an income-generating activity **may have one or more enterprises**, each of which is counted as a separate enterprise supported/promoted by HiH India.
- **Part-time job has been treated as ½ of a full-time job** that consists of 8 hours per person-day. A **seasonal job** is estimated by multiplying the number of seasonal workers in an enterprise with the number of workdays and dividing by 240 working days in a year.

****International Classification of Status in Employment*. (1993, January). Retrieved from www.ilo.org: https://www.ilo.org/wcmsp5/groups/public/---dqreports/---stat/documents/normativeinstrument/wcms_087562.pdf

Annex 2 HiH/Belstar loan use for productive and non-productive purposes

Proportion of clients using loans for various productive and non-productive uses - by loan cycles

- At least 6 out of every ten clients report using their loans for productive use – an income generating activity. These income generating activities are spread across all five sectors – agriculture, allied, manufacturing, trade and services.
- Another 30% of loans have also been used for consumption expenditure.



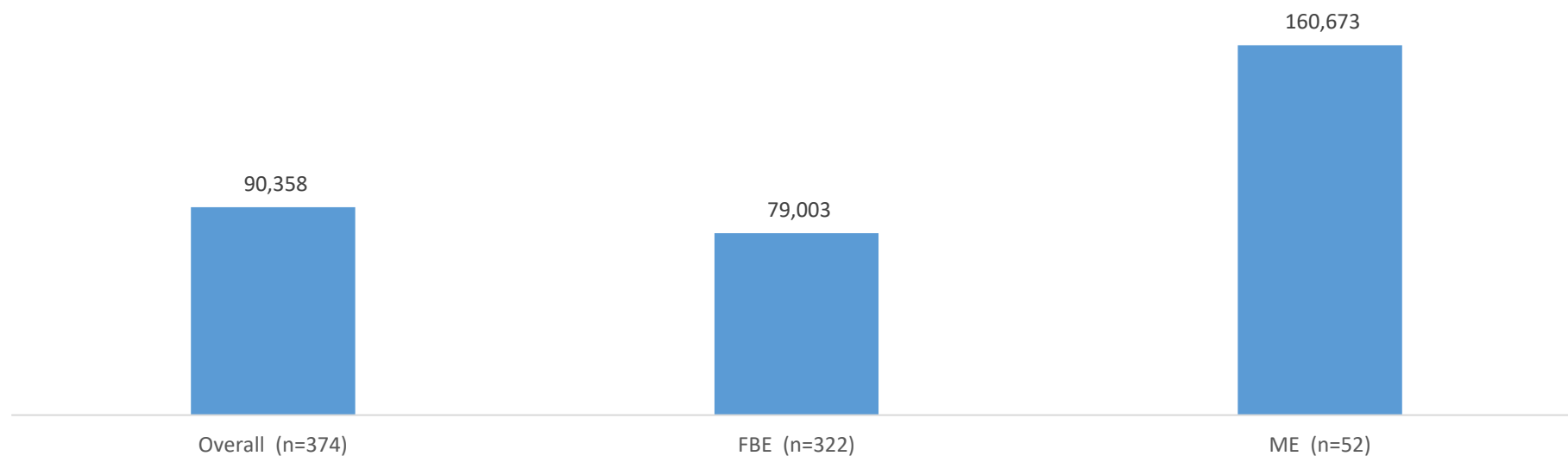
*Consumption includes household expenses, payment of bills, education, hospital, medicine, clothing, festivals, marriage.

**Asset purchase includes purchase of land, house, gold, vehicle, TV, refrigerator, mobile phone



Annex 3 Average investment amount in Enterprise

Average investment amount (₹) in enterprises - using HiH/Belstar loans





Annex 4: M-CRIL's Core Study Team

- Sudhir Narayan, CEO— Expert Advisor
- Tirupathaiah Namani, Senior Vice President – Team Lead
- Charlene Samuel, Senior Analyst, Inclusive Finance – Lead Analyst





This is an example report on a ppt intended to serve as a standard template for your reference.

Please customize slides as per requirements without distorting the layout, colour palette or font size. Reach out for any clarification.

...Thank you!

