Samuday by HCLFoundation

HCLFoundation

WOMEN ENTREPRENEURSHIP PROJECT

Focusing on Livelihood Enhancement Through Women Entrepreneurship

Impact Assessment FY 2021-22 to 2023-24

Woman entrepreneur at her enterprise supported under Project Samuday

Study Conducted by,

SGS

DISCLAIMER

This report sets forth our views based on the completeness and accuracy of the facts stated to SGS and any assumptions that were included. If any of the facts and assumptions is not complete or accurate, it is imperative that we be informed accordingly, as the inaccuracy or incompleteness thereof could have a material effect on our conclusions.

While performing the work, we assumed the genuineness of all signatures and the authenticity of all original documents. We have not independently verified the correctness or authenticity of the same.

We have not performed an audit and do not express an opinion or any other form of assurance. Further, comments in our report are not intended, nor should they be interpreted to be legal advice or opinion.

While information obtained from the public domain or external sources has not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information.

Our views are not binding on any person, entity, authority or Court, and hence, no assurance is given that a position contrary to the opinions expressed herein will not be asserted by any person, entity, authority and/or sustained by an appellate authority or a Court of law.

Performance of our work was based on information and explanations given to us by the Client. Neither SGS nor any of its partners, directors or employees undertake responsibility in any way whatsoever to any person in respect of errors in this report, arising from incorrect information provided by the Client.

Our report may make reference to 'Findings and Analysis'; this indicates only that we have (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented; we do not accept responsibility for the veracity of the underlying data. In accordance with its policy, SGS advises that neither it nor any of its partner, director or employee undertakes any responsibility arising in any way whatsoever, to any person other than Client in respect of the matters dealt with in this report, including any errors or omissions therein, arising through negligence or otherwise, howsoever caused.

In connection with our report or any part thereof, SGS does not owe duty of care (whether in contract or in tort or under statute or otherwise) to any person or party to whom the report is circulated to and SGS shall not be liable to any party who uses or relies on this report. SGS thus disclaims all responsibility or liability for any costs, damages, losses, liabilities, expenses incurred by such third party arising out of or in connection with the report or any part thereof.

By reading our report, the reader of the report shall be deemed to have accepted the terms mentioned here in above.

ACKNOWLEDGMENTS

The Impact Assessment of the Entrepreneurship Development Programme (EDP) under Project Samuday would not have been possible without the valuable support and cooperation of several individuals and institutions.

We extend our sincere gratitude to HCL Foundation for entrusting SGS India with the responsibility of conducting this assessment, and for providing strategic guidance, programme documentation, and facilitation support throughout the study. We particularly acknowledge the cooperation of the Project Samuday and Livelihoods teams for their openness, responsiveness, and insights into programme design and implementation.

We would also like to thank the representatives of National Rural Livelihoods Mission (NRLM) and associated Self Help Group (SHG) institutions for sharing their perspectives on livelihood promotion, institutional convergence, and grassroots implementation dynamics in Hardoi district.

Our appreciation extends to the field teams and partner organisations who supported beneficiary identification, field coordination, and logistics, enabling smooth conduct of surveys and interviews across multiple Gram Panchayats.

Most importantly, we express our sincere thanks to the beneficiaries of the Entrepreneurship Development Programme, who generously shared their time, experiences, and insights. Their candid reflections and lived experiences form the foundation of this assessment and provide meaningful evidence of the programme's outcomes and impact.

Finally, we acknowledge the contribution of all enumerators, analysts, and quality assurance teams involved in the study, whose diligence and professionalism ensured the robustness and credibility of the findings presented in this report.

TABLE OF CONTENTS

DISCLAIMER 2
ACKNOWLEDGMENTS 3
TABLE OF CONTENTS 4
LIST OF TABLES 5
LIST OF FIGURES 5
EXECUTIVE SUMMARY 6
SDG MAPPING 8
ABOUT THE ORGANIZATIONS 12
IMPLEMENTATION MODEL 13
APPROACH & METHODOLOGY 15
CHALLENGES 22
..... 23
..... 24
ASSESSMENT FINDINGS AND ANALYSIS 25
SOCIAL RETURN ON INVESTMENT (SROI) 40
KEY LEARNINGS AND RECOMMENDATIONS 43
ANNEXURE 48
..... 48
..... 49

LIST OF TABLES

Implementation Model 13
Study Design 16
Theory of Change 17
Power Matrix 19
Project Implementation 21
Beneficiary at her shop 23
Gender wise Distribution 25
Household Size 26
Social Category Profile 26
Primary occupation 27
Beneficiary at his shop 28
No. of Family members dependent on the Earner 28
Type of Enterprise 29
Type of product/services offered 29
Key resources and Inputs required 30
SGS Team with NRLM Officials 31
Total Family Members Employed 33
Beneficiary and her Family working for the Momo stall 34
Monthly expenditure 35
Working days per month 35
Income after EDP 36
Major Benefits from EDP 38
Future Plans for the enterprise 39

LIST OF FIGURES

Table 1 Summary of Impact findings 7
Table 2 Stakeholder Mapping 18
Table 3 Mode of Assessment 20
Table 4 Sample Coverage 21
Table 5 Outcome Measurement and Valuation 41

EXECUTIVE SUMMARY

Rural livelihoods in India continue to be shaped by structural vulnerabilities such as dependence on agriculture, informal employment, and income volatility. According to the Periodic Labour Force Survey (PLFS), nearly 75% of rural workers are self-employed or casual labourers, underscoring the importance of stable supplementary income sources to mitigate livelihood risks. In this context, micro-enterprise development has emerged as a critical pathway for income diversification, resilience building, and inclusive economic participation, particularly for women and marginalised households.

The Entrepreneurship Development Programme (EDP) under Project Samuday was implemented by HCL Foundation in Hardoi district of Uttar Pradesh to enable vulnerable rural households to establish and sustain micro-enterprises aligned with local demand. Between FY 2020–21 and FY 2022–23, the programme supported 893 beneficiaries through a combination of seed capital support, enterprise training, and post-establishment handholding. The intervention was designed to position entrepreneurship as a complementary livelihood option, rather than a replacement for agriculture or wage labour, thereby strengthening household income stability.

This impact assessment, conducted by SGS India, adopted a mixed-methods approach combining a quantitative survey of 200 beneficiaries across 60 Gram Panchayats with qualitative interviews and desk review. The assessment was undertaken in 2025, allowing observation of enterprises that had been operational for three to five years, thereby providing a robust basis for analysing sustainability and longer-term outcomes. Findings were assessed using the OECD–DAC evaluation framework and supplemented by a Social Return on Investment (SROI) analysis.

The assessment finds that the programme demonstrated strong relevance to the socio-economic realities of Hardoi district, where livelihoods are predominantly agrarian or wage-based and subject to seasonal uncertainty. A large proportion of beneficiaries transitioned from agriculture and daily wage labour into service- and trading-based enterprises catering to everyday village needs.

Enterprise continuity emerged as a key strength of the intervention. A majority of surveyed enterprises were operational at the time of assessment, reflecting the effectiveness of combining financial support with training and early-stage handholding. Beneficiaries consistently highlighted that seed capital enabled them to procure initial stock, tools, or equipment, addressing one of the most critical barriers to enterprise entry in rural areas, where access to formal credit remains limited.

The programme was found to deliver outcomes efficiently, achieving meaningful livelihood impacts with relatively modest per-beneficiary investment. While income increases were observed, beneficiaries placed greater emphasis on income stability and predictability, particularly during lean agricultural seasons. This finding aligns with broader livelihood research, which shows that stability often has a stronger welfare effect than incremental income gains in low-income rural households. Enterprises also contributed to household well-being, with beneficiaries reporting increased expenditure on education, healthcare, and small asset creation.

Women's economic participation emerged as a significant impact pathway. Women-led and women-managed enterprises enhanced not only household income stability but also women's confidence, mobility, and role in financial decision-making. Nationally, women account for only around 20% of rural enterprise owners, highlighting the importance of targeted interventions such as EDP in addressing gender gaps in economic participation. In several cases, enterprises were managed by women while male members migrated or engaged in other work, further reinforcing women's role as economic anchors within households.

The Social Return on Investment analysis confirms the programme's value-for-money. Based on conservative assumptions and valuing outcomes over two years with an applied drop-off, the analysis estimates that every ₹1 invested generated approximately ₹2.17 in social value. This return reflects monetized benefits from income increase, income stability, household well-being, women's economic participation, and household-level employment

generation.

The assessment concludes that the Entrepreneurship Development Programme under Project Samuday has been effective in enabling sustainable micro-enterprises, enhancing income stability, and strengthening household resilience in a high-vulnerability rural context. Key learnings point to the importance of market-aligned enterprise selection, integrated financial and capacity-building support, and women-centric livelihood models. Going forward, the programme would benefit from deeper market diagnostics, phased skill enhancement, stronger financial literacy inputs, and more structured convergence with government livelihood and MSME ecosystems. With these refinements, the EDP model holds strong potential for replication and scale within similar rural geographies.

Table 1 Summary of Impact findings

OECD–DAC Dimension	Score	Interpretation	Explanation
Relevance		**High Achievement**	The intervention demonstrated strong alignment with the livelihood needs of vulnerable households in Hardoi district. Enterprise selection, support mechanisms, and delivery modalities were well suited to local capacities and market conditions.
Coherence		**Partial Achievement**	The programme showed good alignment with SHG- and NRLM-based livelihood frameworks and broader development priorities. However, institutional convergence and formal coordination mechanisms were not consistently embedded across implementation.
Effectiveness		**High Achievement**	The EDP effectively translated inputs into sustained outcomes, with a majority of supported enterprises remaining operational several years after establishment. The integrated model of capital, training, and handholding proved successful.
Efficiency		**Partial Achievement**	The programme achieved meaningful outcomes with relatively modest financial inputs. At the same time, variations in enterprise productivity and financial practices indicate scope for improving efficiency and cost optimisation.
Impact		**High Achievement**	The intervention generated substantial economic and social benefits, including improved income stability, enhanced household well-being, women's economic participation, and household-level employment generation.
Sustainability		**High Achievement**	Enterprises demonstrated resilience and ownership, supported by local market integration and beneficiary intent to continue or expand activities, indicating strong prospects for long-term sustainability.

43%

women entrepreneurs reflecting strong gender inclusion focus

75%

of enterprises active and operational 3–5 years after establishment

78%

reported earnings ranging from 3,000-4,000 / month post HCL's support

65%

beneficiaries reported enterprise income contributing to:

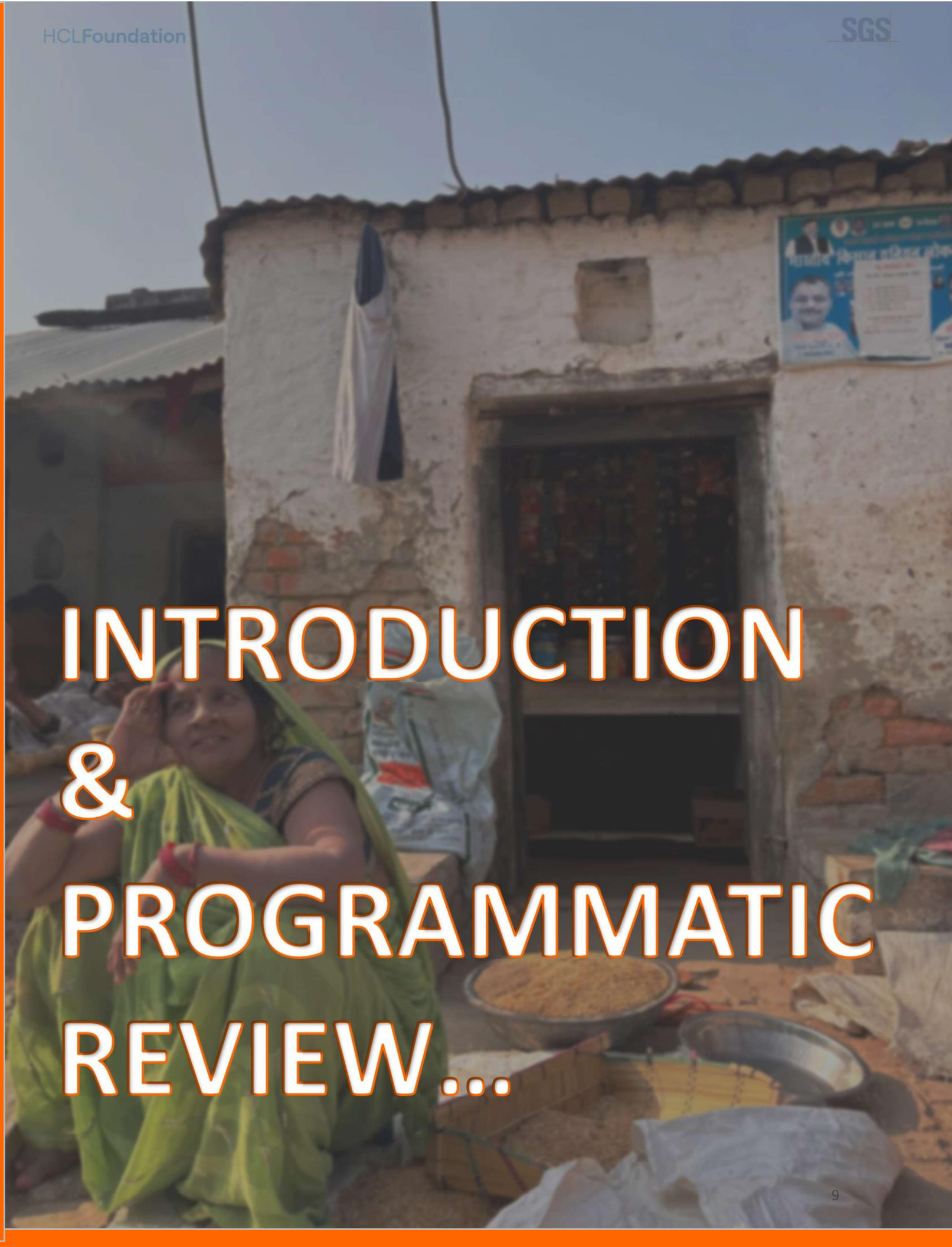
- Children's education
- Healthcare expenses
- Asset purchase or home improvement

2.44:1

SROI Ratio

SDG MAPPING

SDG	Target	Relevance to EDP	Contribution Pathway
SDG 1 No poverty	***Target 1.1: Eradicate extreme poverty for all people*** ***Target 1.2: Reduce at least by half the proportion of men, women, and children living in poverty***	**EDP directly targets ultra-poor households, women, widows, and marginal farmers to strengthen household income security and reduce vulnerability to income shocks.**	EDP enables beneficiaries to establish village-level micro-enterprises that generate regular supplementary income. This income diversification reduces dependency on seasonal agriculture and wage labour, thereby lowering poverty risks and improving household resilience.
SDG 5 Gender Equality	***Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership and economic life***	**Women SHG members constitute a major share of EDP beneficiaries. The programme addresses structural barriers limiting women's economic participation, mobility, and decision-making power in rural settings.**	Through ownership and management of micro-enterprises, women gain control over income, enhanced mobility, and improved social status. Participation in enterprise activities strengthens confidence, financial literacy, and intra-household decision-making, contributing to women's economic empowerment.
SDG 8 Decent work and Economic Growth	***Target 8.3: Promote development-oriented policies that support productive activities, entrepreneurship, and MSMEs***	**EDP promotes self-employment and entrepreneurship as viable livelihood options in a district characterised by disguised unemployment and seasonal migration. The focus on micro-enterprise aligns with MSME-led rural economic growth.**	By facilitating enterprise establishment, skill development, and access to finance, EDP creates productive self-employment at the village level. The programme supports locally relevant enterprises, leading to sustained income generation and reduced distress migration.
SDG 10 Reduce Inequalities	***Target 10.1: Achieve and sustain income growth of the bottom 40% of the population***	**The programme explicitly prioritises socially and economically marginalised groups, including ultra-poor households, widows, and persons with disabilities (where applicable).**	EDP bridges gaps in access to capital, skills, and market opportunities by linking beneficiaries with training, financial institutions, and social security schemes. This targeted support enables income growth among the most vulnerable, contributing to reduced intra-community inequality.
SDG 17 Partnerships for the Goals	*Target 17.17: Encourage effective public, public-private, and civil society partnerships*	EDP is implemented through partnerships with NGOs, community institutions, financial institutions, and government schemes, ensuring convergence and scalability.	Strategic collaborations with partner organisations facilitate beneficiary mobilisation, training delivery, financial inclusion, and scheme linkages, strengthening implementation effectiveness and long-term sustainability of the intervention.



INTRODUCTION & PROGRAMMATIC REVIEW…

1. INTRODUCTION

➢ Rural Livelihoods and Entrepreneurship in India

India's economic progress over the last few decades has positioned it as one of the fastest-growing major economies globally. However, this growth has been uneven across regions, with rural areas continuing to face entrenched structural challenges related to employment, income security, and access to economic opportunities. According to the Census of India (2011), more than 60 per cent of the country's population resides in rural areas, highlighting the central role rural livelihoods play in national development outcomes. Despite this demographic significance, rural economies remain largely dependent on agriculture, which is increasingly unable to absorb the growing labour force or provide stable and adequate incomes.

Agricultural livelihoods in India are characterised by small and fragmented landholdings, declining soil productivity, climate variability, and volatile market conditions. These factors contribute to seasonal income instability and widespread disguised unemployment, compelling rural households to supplement farm incomes through casual wage labour or seasonal migration to urban centres. Such coping strategies often expose households to economic insecurity, poor living conditions, and social vulnerabilities, particularly for women and marginalised groups.

In response, livelihood diversification through non-farm activities has gained policy and programmatic attention as a critical pathway to rural poverty reduction. Rural entrepreneurship and micro-enterprise development, when embedded within local economic systems, have demonstrated potential to create self-employment, enhance household income, and strengthen community resilience. National development frameworks, including those of the Ministry of MSME, recognise micro and small enterprises as engines of inclusive growth, employment generation, and financial inclusion in rural India.

➢ Current Socio-Economic Status of Hardoi, Uttar Pradesh

Hardoi district, located in Uttar Pradesh, represents many of the livelihood challenges prevalent in rural northern India. The district is predominantly agrarian, with a majority of households dependent on agriculture and allied activities for subsistence. Limited industrial development and weak rural non-farm sectors have constrained local employment opportunities, resulting in high levels of underemployment and seasonal migration, particularly among landless labourers and marginal farmers.

Data from the National Family Health Survey (NFHS-5, 2019–21) indicates that 34.14 per cent of Hardoi's population experiences multidimensional poverty, reflecting deprivations across health, education, and living standards. Economic vulnerability is further compounded by low levels of skill development, limited access to institutional credit, and weak market linkages. Women, widows, ultra-poor households, and socially marginalised communities face disproportionate barriers to livelihood opportunities due to limited asset ownership, mobility constraints, and restricted participation in economic decision-making.

The persistence of poverty and livelihood insecurity in Hardoi underscores the need for context-specific interventions that create sustainable income-generating opportunities within villages. Such interventions must address both economic and social dimensions of vulnerability by enabling access to skills, finance, and markets while strengthening community institutions. [1]

---

https://censusindia.gov.in/census.website/data/census-tables
https://msme.gov.in/
https://www.worldbank.org/en/topic/jobsanddevelopment/brief/rural-non-farm-economy
https://main.mohfw.gov.in/nfhs-5

➢ Entrepreneurship Development under Project Samuday

Against this backdrop, **Project Samuday** was initiated in 2015 as a flagship rural development programme of **HCLFoundation**. Designed as an integrated and replicable rural development model, the project operates across six thematic areas—agriculture, livelihoods, education, health, water and sanitation, and infrastructure. The programme adopts a community-centric approach, working in close collaboration with local governments, civil society organisations, community-based institutions, and village residents.[2]

Within its Livelihood Enhancement vertical, the Entrepreneurship Development Programme (EDP) was conceptualised to address the structural livelihood constraints faced by rural households in Hardoi. The strategy focuses on promoting micro-enterprises as a viable secondary or alternative source of income by leveraging local demand, available skills, and existing community platforms such as Self-Help Groups (SHGs) and Common Interest Groups (CIGs).

EDP follows a structured process involving community mobilisation, beneficiary identification, feasibility assessment, capacity building, financial assistance, and post-establishment handholding. The programme supports both individual and group-based enterprises, ensuring flexibility and inclusivity. By combining technical training, financial literacy, access to start-up capital, and institutional linkages, EDP seeks to convert latent entrepreneurial potential into sustainable livelihood opportunities.

https://www.ennonline.net/dfidsustainablelivelihoods
https://sdgs.un.org/goals
https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm
https://www.undp.org/sustainable-development-goals

ABOUT THE ORGANIZATIONS

➢ HCL Foundation

HCL Foundation (HCLF) was established in 2011 as the corporate social responsibility arm of HCLTech in India. It is a value-driven, not-for-profit organization that thrives in contributing toward national and international development goals, impacting the lives of people and communities through long-term sustainable programs. The foundation aims to alleviate poverty and achieve inclusive growth and development through a life cycle-based integrated community development approach, with thematic focus on education, health, livelihoods & skilling, environment and disaster risk reduction & response. Child protective strategies, inclusion, and gender transformative approaches remain central in all initiatives of the HCLFoundation, thus ensuring comprehensive development.

➢ Project Samuday

Samuday is an outcome of HCL's commitment to uplift rural India. Established in 2015, Samuday intends to develop a sustainable, scalable, and replicable model – a source code for the economic and social development of rural areas in partnership with central and State Governments, local communities, NGOs, knowledge institutions, and allied partners. HCL Foundation do this through optimal interventions across Agriculture, Education, Health, Infrastructure, Livelihood, and WASH (Water, Sanitation & Hygiene) in selected villages. The programme is designed to help the local people identify their problems, co-create solutions, and then implement the same on their own with professional support from team Samuday, thereby, lending the dimension of sustainability and ownership to the whole vision of development. Currently implemented in 11 blocks of Hardoi in Uttar Pradesh, Samuday is operational in more than 1900+ villages from 524 Gram Panchayats, impacting 3.16 million people.

https://www.hclfoundation.org/

IMPLEMENTATION MODEL

The Entrepreneurship Development Programme (EDP) under Project Samuday follows a phased, demand-driven implementation model designed to support rural households through the complete micro-enterprise lifecycle. The model integrates community mobilisation, enterprise planning, capacity building, financial facilitation, and post-establishment handholding to ensure sustainability, inclusivity, and local relevance.

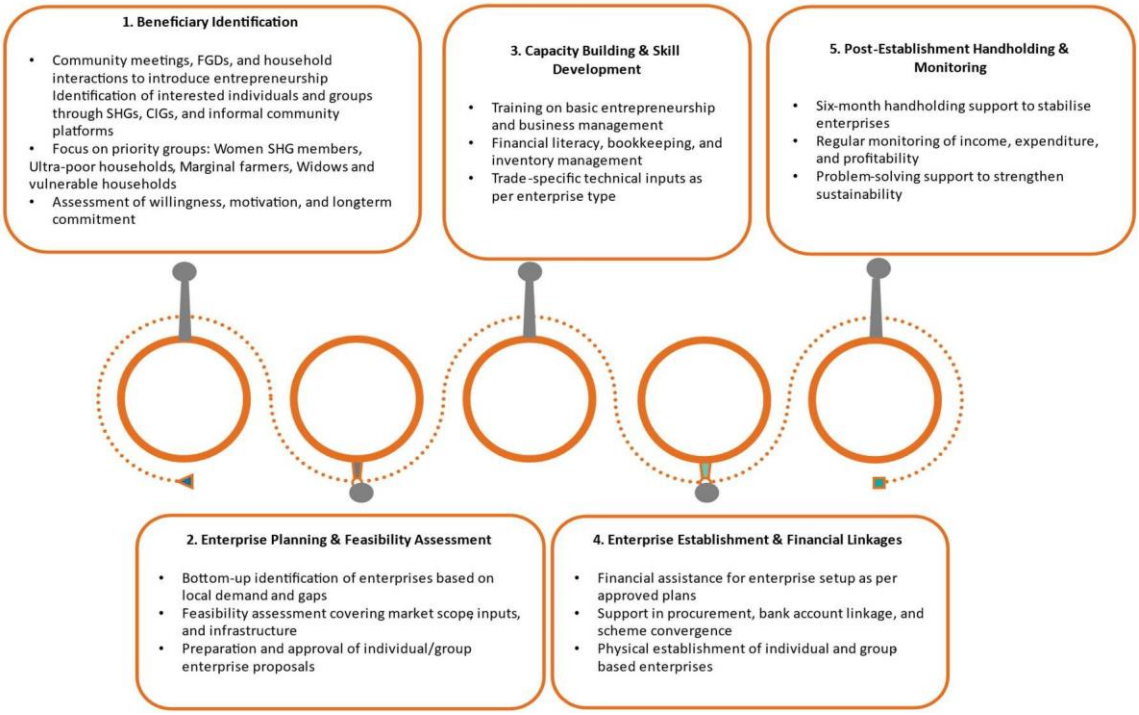


Figure 1 Implementation Model

Approach & Methodology...

APPROACH & METHODOLOGY

This section presents the conceptual and methodological framework adopted for assessing the impact of the Entrepreneurship Development Programme (EDP) implemented under Project Samuday in Hardoi district, Uttar Pradesh. The approach was designed to generate a robust, evidence-based, and independent assessment of programme performance by examining not only implementation outputs and immediate outcomes, but also early indications of impact, sustainability, and institutional effectiveness.

Recognising that livelihood interventions operate within complex socio-economic environments, the assessment framework goes beyond measuring income changes alone. It captures a broader set of economic, social, and behavioural outcomes that influence livelihood resilience and long-term well-being. Accordingly, the study adopted a mixed-methods, triangulated assessment approach, integrating quantitative data with qualitative insights to ensure depth, balance, and contextual accuracy. This approach enabled the assessment to document measurable changes such as enterprise continuity, income diversification, and access to financial systems alongside less tangible yet critical outcomes, including confidence, risk-taking behaviour, and women's participation in economic and household decision-making.

The methodological design is aligned with internationally recognised evaluation standards and draws on the OECD–DAC evaluation criteria, which provide a comprehensive framework for assessing development interventions. Within this assessment, the following OECD–DAC dimensions have been considered.

Relevance	to assess the extent to which the EDP intervention responds to the livelihood needs, priorities, and socio-economic context of beneficiaries in Hardoi district, particularly women, ultra-poor households, and marginal farmers.
Coherence	to examine the alignment and complementarity of the EDP with other development initiatives, government schemes, and institutional mechanisms, particularly in relation to SHG systems, financial inclusion efforts, and rural livelihood and MSME development priorities.
Effectiveness	to examine the degree to which the programme achieved its stated objectives, including enterprise establishment, income augmentation, and livelihood diversification.
Efficiency	to analyse how well programme resources were converted into outputs and outcomes, with attention to timeliness of implementation, adequacy of financial and human resources, and cost-effectiveness of the micro-enterprise support model.
Impact	to assess early and emerging changes attributable to the intervention, such as reduced dependence on wage labour, improved household financial stability, enhanced confidence, and greater social and economic inclusion, while recognising attribution limitations typical of ex-post assessments.
Sustainability	to assess the likelihood that programme benefits—especially micro-enterprises and income gains—will continue beyond direct programme support, considering factors such as skill retention, market integration, financial practices, and institutional linkages.

The adopted approach ensures that the assessment moves beyond a compliance-oriented review to provide analytical insights into what worked, what did not, for whom, and under what conditions. The methodology thus supports programme learning, accountability, and evidence-based decision-making for future strengthening, scaling, and replication of the intervention.

➢ Overview of the Study Design

The engagement comprised multiple interconnected components that together enabled a comprehensive and multidimensional understanding of the Entrepreneurship Development Programme's design, implementation processes, and outcomes. A structured mixed-methods approach was adopted, integrating household- and enterprise-level quantitative surveys with qualitative insights from beneficiaries, implementing teams, and institutional stakeholders.

The field research involved visits across selected blocks of Hardoi district where the EDP intervention has been implemented. These visits included direct interactions with individual and group-based entrepreneurs supported under the programme.

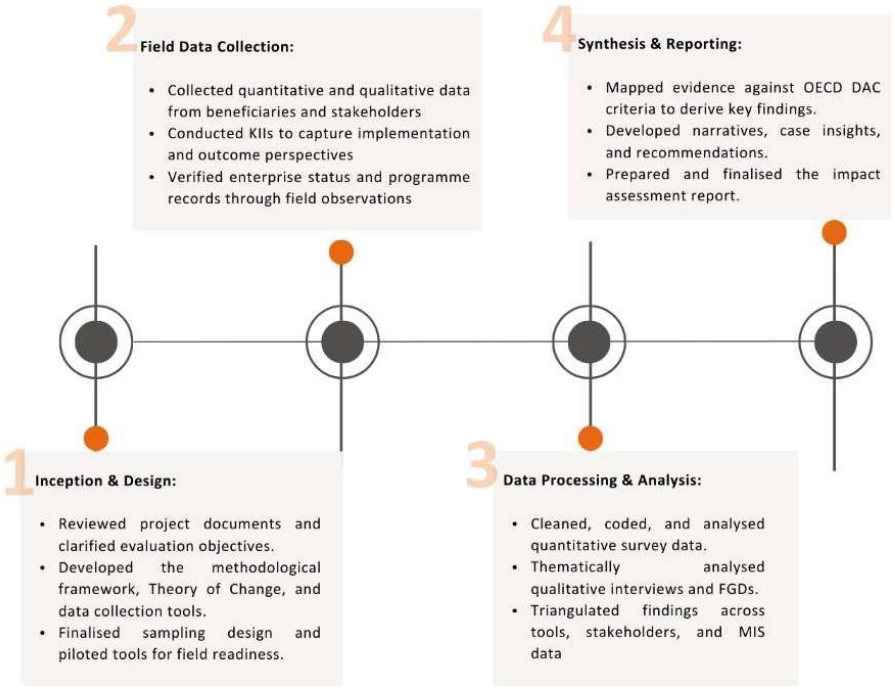


Figure 2 Study Design

The site visits enabled validation of programme processes and outcomes through:

- Process documentation of beneficiary mobilisation, enterprise selection, training delivery, financial support mechanisms, and post-establishment handholding
- Verification of enterprise status, income records, bank linkage documentation, and monitoring data maintained by the programme
- Triangulation of findings using multiple lines of evidence, including survey data, stakeholder narratives, direct observations, and programme MIS and documentation

- Bottom-up analysis of contextual enablers and constraints influencing enterprise performance, sustainability, and livelihood outcomes, including market access, gender norms, financial practices, and institutional support systems

This layered engagement ensured that the assessment captured not only measurable livelihood outcomes but also the operational realities and systemic factors shaping the effectiveness and sustainability of rural micro-enterprises under the EDP intervention.

➢ Theory of Change

The Theory of Change for the Entrepreneurship Development Programme (EDP) is premised on the understanding that rural households—particularly women, ultra-poor families, and marginal farmers—have the potential to engage in entrepreneurship but face systemic barriers such as limited skills, lack of start-up capital, weak financial inclusion, and inadequate market access. The programme assumes that if these households are identified through community platforms and supported through structured capacity building, need-based financial assistance, and sustained post-establishment handholding, they will be able to establish viable micro-enterprises aligned with local demand. These enterprises are expected to generate supplementary and diversified income, strengthen financial resilience, enhance women's economic participation, and reduce reliance on agriculture and casual wage labour. Over time, sustained enterprise operation and institutional linkages are expected to contribute to reduced livelihood vulnerability, improved living standards, and inclusive rural economic development.

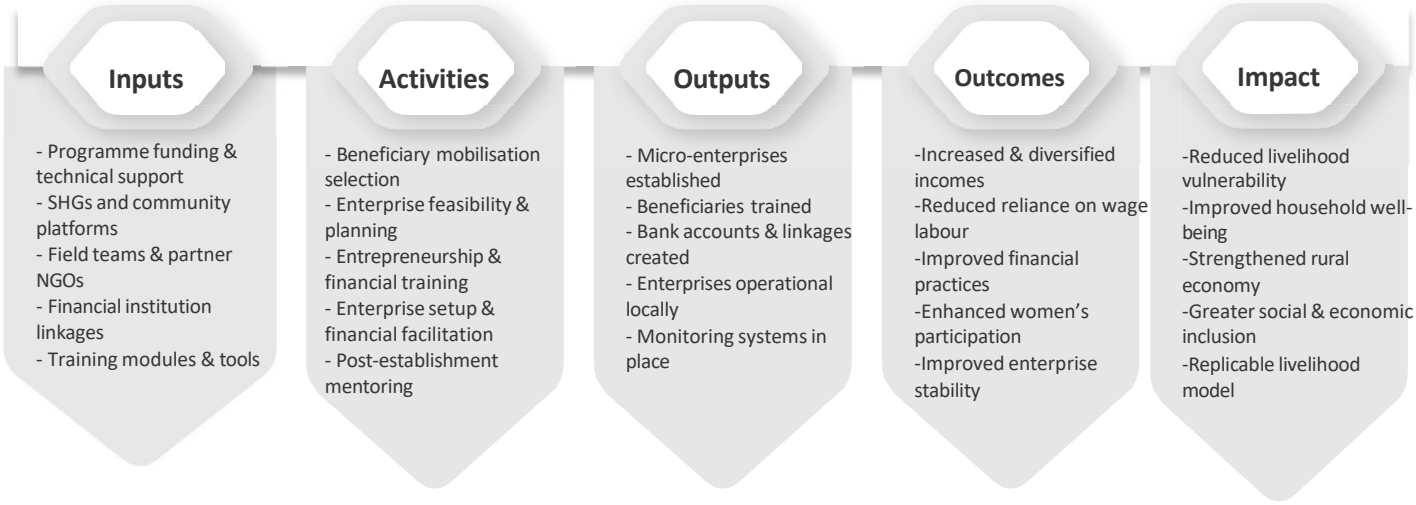


Figure 3 Theory of Change

➢ Stakeholder Analysis

Stakeholder analysis forms a critical component of the impact assessment as the Entrepreneurship Development Programme (EDP) operates within a multi-layered livelihood ecosystem involving community actors, implementation agencies, financial institutions, and policy frameworks. Understanding the roles, influence, and interrelationships of these stakeholders is essential to interpret programme outcomes, assess sustainability, and identify systemic enablers and constraints.

The EDP intervention does not function in isolation; rather, its effectiveness depends on the interaction between beneficiaries, community institutions, implementing partners, financial systems, and governance structures.

Accordingly, the stakeholder analysis was undertaken to (i) identify key stakeholders involved in or affected by the programme, (ii) categorise them across micro, meso, and macro levels, and (iii) assess their relative power, interest, and influence over programme design, implementation, and outcomes.

Table 2 Stakeholder Mapping

Stakeholder	Level	Rationale for Classification
EDP Beneficiaries (individual entrepreneurs, SHG/group enterprises)	Micro	Direct recipients of programme support; primary agents of change whose livelihoods and incomes are directly affected.
Beneficiary Households and Family Members	Micro	Influence enterprise continuity through labour contribution, decision-making, and support or resistance, especially for women entrepreneurs.
Self-Help Groups (SHGs)	Micro	Serve as mobilisation platforms and collective support systems for enterprise initiation and financial discipline.
Field Implementation Teams	Meso	Responsible for mobilisation, training delivery, enterprise support, and monitoring; directly influence implementation quality.
Partner NGOs / CBOs	Meso	Facilitate on-ground execution, community engagement, and institutional linkages; act as intermediaries between beneficiaries and funders.
HCL Foundation	Macro	Programme funder and strategic owner; sets objectives, provides resources, and oversees implementation and scale.
Government Schemes and Departments (MSME, NRLM, Social Security)	Macro	Provide policy alignment, scheme convergence, and institutional legitimacy.

The Stakeholders were categorised into micro, meso, and macro levels, reflecting their proximity to the intervention, degree of influence, and role in shaping outcomes.

- Micro-level stakeholders are those directly affected by or participating in the programme, primarily at the household and enterprise level.
- Meso-level stakeholders act as intermediaries, enabling implementation, service delivery, and institutional linkages.

- Macro-level stakeholders operate at a policy, funding, or system level and influence the broader enabling environment within which the programme functions.

This layered classification helps explain how changes at the beneficiary level are shaped by institutional processes and policy contexts.

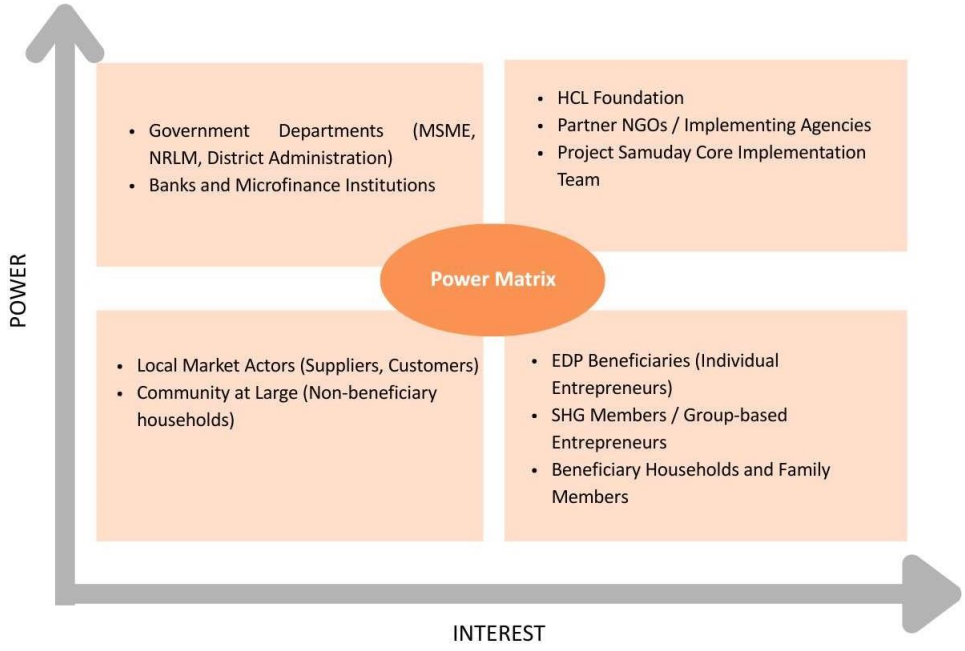


Figure 4 Power Matrix

➢ Study Design – Deep Dive

Recognising the complexity of livelihood interventions and the diversity of outcomes across beneficiaries and geographies, the study combined quantitative, qualitative, and documentary evidence to enable triangulation and strengthen analytical rigour.

At the core of the assessment was a household- and enterprise-level quantitative survey, administered to a statistically meaningful sample of beneficiaries. This was complemented by in-depth qualitative interviews with selected beneficiaries and key institutional stakeholders to generate contextual insights into programme implementation, behavioural change, and sustainability factors. In parallel, a desk-based review of programme documentation and secondary sources was undertaken to contextualise findings, validate primary data, and assess alignment with programme objectives and evaluation criteria.

Quantitative Assessment: Beneficiary Survey

The quantitative component comprised structured surveys with EDP beneficiaries across Hardoi district. The survey captured key indicators related to enterprise establishment, income changes, livelihood diversification, financial practices, and early signs of enterprise sustainability. The sample enabled analysis of trends across beneficiary categories, enterprise types, and geographies.

This component provided the primary empirical basis for assessing programme effectiveness, efficiency, and outcome-level changes, and for comparing results across different beneficiary segments.

Table 3 Mode of Assessment

Mode of assessment	Stakeholder category	Purpose
Quantitative survey	EDP Beneficiaries	Assess income changes, enterprise status, and livelihood outcomes
In-depth interviews	Beneficiary Entrepreneurs	Capture entrepreneurial journeys, challenges, and social outcomes
In-depth interviews	NRLM Officials	Understand institutional convergence and livelihood ecosystem
In-depth interview	HCL Foundation Programme Manager	Capture programme design, strategy, and implementation insights
Desk review	Programme documents and secondary sources	Contextualisation, validation, and triangulation

Qualitative Assessment: In-Depth Interviews

To complement the quantitative analysis, in-depth qualitative interviews were conducted with a purposively selected group of stakeholders. This included 10 beneficiary interviews, which explored entrepreneurial pathways, challenges, coping strategies, and perceived social and behavioural changes such as confidence, decision-making, and gender dynamics.

Additionally, interviews with NRLM officials examined convergence with SHG systems and institutional linkages, while an interview with the HCL Foundation Programme Manager provided insights into programme design, implementation, and scalability. Together, these interviews informed analysis of relevance, coherence, and sustainability.

Desk Review and Secondary Research

The desk review involved analysis of programme documents, including project proposals, implementation guidelines, beneficiary and MIS records, training materials, and progress reports. Secondary sources such as **Census 2011**, **NFHS-5**, and sectoral literature on rural livelihoods and micro-enterprises were also reviewed.

This component supported contextualisation of findings, validation of primary data, and assessment of alignment with programme objectives and policy frameworks.

➢ Sampling Framework and Coverage

The sampling framework for the impact assessment was designed to ensure adequate representation, geographic spread, and analytical credibility, while remaining aligned with the operational scale and structure of the Entrepreneurship Development Programme (EDP). Given the absence of a baseline and the programme's wide geographic footprint, the assessment adopted a purposive–random sampling approach.

The process began with the assessment team being provided a comprehensive list of EDP beneficiaries by HCL Foundation, which served as the primary sampling frame. From this list, beneficiaries were randomly selected, with an additional geographic filtering criterion applied to maximise coverage across Gram Panchayats. This ensured that

the sample was not clustered in a limited number of locations and that variations in local context such as market access, enterprise environment, and infrastructure were adequately captured.

For the qualitative component, a purposive sampling strategy was adopted. Beneficiaries were selected for in-depth interviews based on enterprise type, gender, and stage of enterprise maturity to enable deeper exploration of entrepreneurial pathways, challenges, and outcomes. Institutional stakeholders were selected based on their role and relevance to programme design, implementation, and convergence.

The sampling approach balanced random selection for quantitative robustness with purposive selection for qualitative depth, enabling both outcome-level analysis and contextual interpretation.

Table 4 Sample Coverage

Stakeholder Category	Location / Facility	Sample Size (n)
EDP Beneficiaries (Quantitative Survey)	50+ Gram Panchayats across Hardoi District	200
Beneficiary Entrepreneurs (In-depth Interviews)	Selected Gram Panchayats, Hardoi District	10
NRLM Officials (In-depth Interviews)	Block-level Office, Hardoi	2
HCL Foundation Programme Manager	HCL Foundation Office / Virtual	1
Desk Review (Programme Documents & Secondary Data)	Project Samuday records, public datasets	—

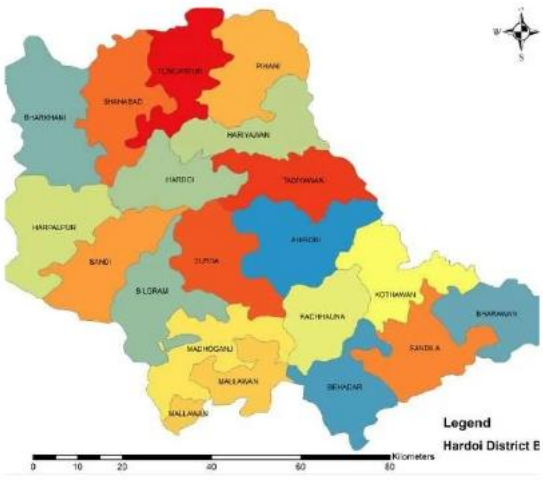


Figure 5 Project Implementation

CHALLENGES

While the impact assessment was conducted with due methodological rigour, certain operational and contextual challenges were encountered during the course of fieldwork and data collection. These challenges are typical of large-scale, geographically dispersed livelihood programmes and are documented below to provide transparency and context for interpretation of findings.

1. Geographic Dispersion of Beneficiaries

The EDP intervention is spread across a wide geographic area within Hardoi district, covering multiple blocks and 60 Gram Panchayats. Due to this extensive dispersion, reaching beneficiaries—particularly those located in remote or less accessible villages—posed logistical challenges. Travel time between locations and variability in beneficiary availability occasionally affected the pace of data collection and required multiple follow-up visits in certain cases.

2. Beneficiary Mobility and Enterprise Discontinuation

Some beneficiaries could not be contacted as they had migrated to other locations in search of alternative livelihood opportunities or had temporarily or permanently closed their enterprises due to personal, economic, or market-related reasons. This affected the ability to interact with all selected respondents and reflects the dynamic nature of rural livelihoods, particularly among vulnerable households.

3. Challenges in Beneficiary Identification

In a limited number of cases, beneficiaries could not be accurately traced due to identical or similar names within the same village or Gram Panchayat, combined with incomplete or outdated location details in the beneficiary database. This necessitated additional verification through community members and field teams, and in some instances, resulted in replacement of respondents to maintain sample integrity.

4. Recall Bias and Self-Reported Data

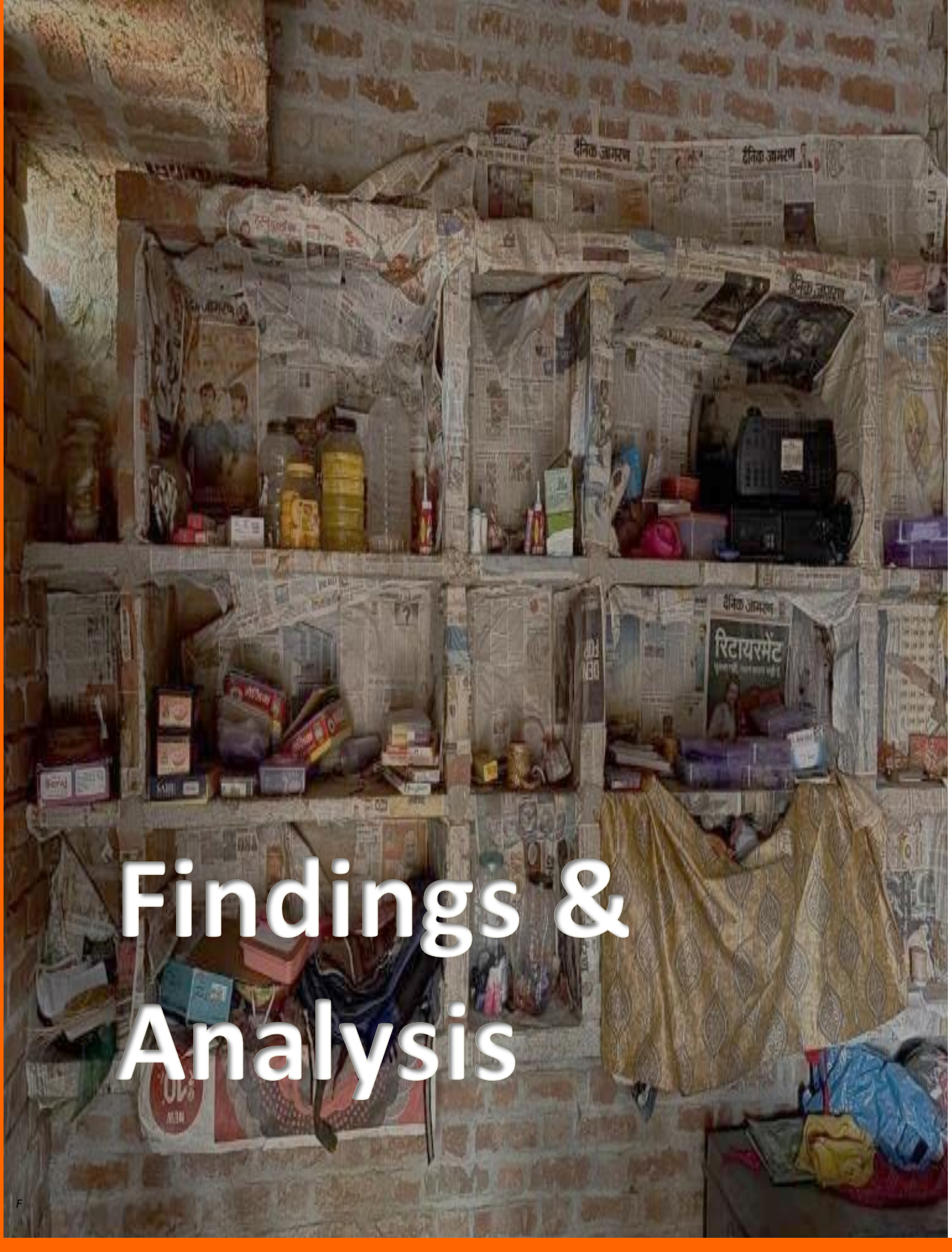
As the assessment relied partly on beneficiary self-reporting—particularly for income, expenditure, and enterprise performance—there is a possibility of recall bias or estimation errors. Some beneficiaries found it difficult to recall exact figures, especially where formal bookkeeping practices were limited. Triangulation with programme records and qualitative insights was used to mitigate this challenge.

MITIGATION MEASURES

To address challenges related to geographic dispersion and beneficiary availability, the assessment team adopted a flexible fieldwork strategy, including optimised travel planning and multiple follow-up visits where required. Replacement respondents were selected in cases where beneficiaries had migrated, discontinued enterprises, or could not be traced, ensuring that the overall sample size and Gram Panchayat-level coverage were maintained in line with the sampling framework.

Beneficiary hesitation and misconceptions regarding the purpose of the assessment were addressed through clear communication and trust-building measures. Field investigators provided detailed explanations regarding the independent nature of the study and clarified that the assessment was not linked to financial recovery or programme benefits. In several cases, facilitation through local community members or SHG representatives helped improve respondent comfort and participation.

Figure 6 Beneficiary at her shop



Findings & Analysis

ASSESSMENT FINDINGS AND ANALYSIS

The demographic profile presented below is based on responses from 200 beneficiary entrepreneurs surveyed across 60 Gram Panchayats in Hardoi district.

The respondent profile reflects a near-balanced gender representation, with 43% female entrepreneurs and 57% male entrepreneurs participating in the survey. The significant presence of women entrepreneurs highlights the programme's deliberate focus on promoting women's economic participation, particularly through SHG-based and home-based enterprises.

From an analytical perspective, the substantial share of female respondents indicates that EDP has been able to penetrate traditionally male-dominated livelihood spaces and create opportunities for women to engage in income-generating activities within socially acceptable and locally feasible frameworks. This gender composition is particularly relevant in the rural Hardoi context, where women's participation in formal economic activities is often constrained by mobility, social norms, and household responsibilities.

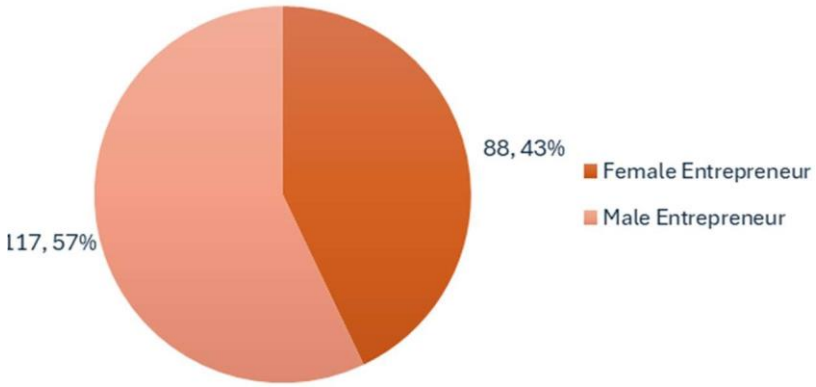


Figure 7 Gender wise Distribution

Household Size and Dependency Ratio

Analysis of household size reveals that the majority of respondents belong to medium to large households, indicating higher dependency ratios and greater pressure on household income earners.

- Nearly 54 per cent of respondents belong to households with 5 to 6 members, suggesting multiple dependents relying on limited income sources.
- An additional 15 per cent belong to households with 7 or more members, further intensifying livelihood vulnerability.
- Smaller households (2–3 members) constitute only about 12 per cent of the sample.

This distribution underscores the importance of supplementary income sources such as micro-enterprises, as agricultural and wage-based livelihoods are often insufficient to support larger households. The household size profile reinforces the relevance of EDP as a risk-mitigation and income-diversification strategy rather than a discretionary livelihood option.

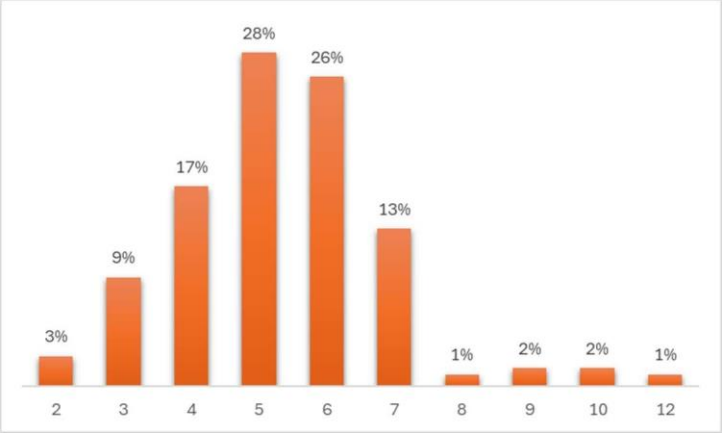


Figure 8 Household Size

The social category distribution of respondents indicates that the programme has largely reached historically disadvantaged and socially marginalised groups.

The predominance of OBC and SC beneficiaries reflects intentional targeting aligned with equity and inclusion objectives. These groups often face compounded disadvantages related to land ownership, access to credit, education, and market opportunities. Their representation in the programme suggests that EDP is effectively reaching populations that are structurally excluded from mainstream entrepreneurship ecosystems.

This social profile further strengthens the assessment's interpretation of EDP as a pro-poor and inclusion-oriented intervention, rather than one that disproportionately benefits relatively better-off households.

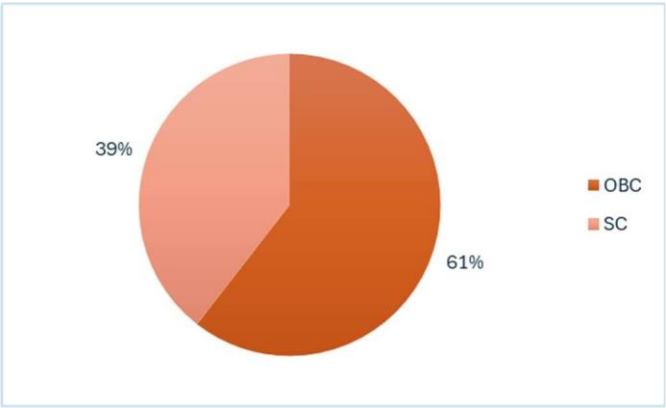


Figure 9 Social Category Profile

➢ Relevance

In the case of the Entrepreneurship Development Programme (EDP), relevance was analysed by examining the fit between beneficiary livelihood structures, dependency pressures, enterprise typologies, and the nature of support inputs, triangulated with qualitative narratives from beneficiaries and institutional stakeholders.

The analysis below draws directly on survey-based distributions related to occupation, earning members, dependents, enterprise types, and required inputs to assess whether EDP responds to structural livelihood needs rather than episodic or aspirational demand.

Relevance to Livelihood Vulnerability and Income Concentration

Survey data shows that EDP beneficiaries are predominantly dependent on agriculture and daily wage labour as their primary occupation. Nationally, agriculture and casual labour are recognised as among the most income-volatile forms of rural employment, particularly in states such as Uttar Pradesh.

According to the Periodic Labour Force Survey (PLFS), a significant share of rural workers in India remain engaged in informal and seasonal employment, with limited income security and underemployment during lean periods. The World Bank further highlights that households dependent on agriculture and casual labour are among the most vulnerable to income shocks and poverty persistence.[4]

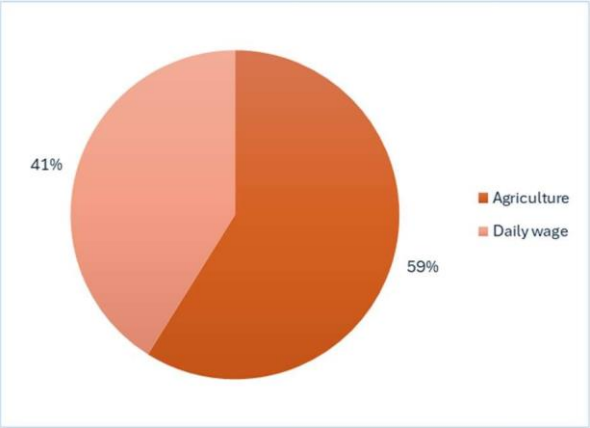


Figure 10 Primary occupation

[4] https://mospi.gov.in/
https://www.worldbank.org/en/topic/jobsanddevelopment/brief/rural-non-farm-economy

Figure 11 Beneficiary at his shop

The earning-member distribution reinforces this vulnerability. 62 per cent of surveyed households reported only one earning member, while another 30 per cent reported two earners, indicating high income concentration within households. National evidence suggests that households with a single income source are significantly more vulnerable to shocks, making livelihood diversification a key poverty mitigation strategy.

From a relevance standpoint, these findings validate the EDP's focus on supplementary micro-enterprises as a risk-mitigation mechanism rather than as a full livelihood transition.

The dependency profile of EDP beneficiaries shows that the majority of households support three to five dependents, with a subset reporting even higher dependency ratios. High dependency ratios are widely recognised as a key determinant of household vulnerability and poverty, particularly when combined with informal employment.

The OECD[5] and UNDP note that high dependency burdens reduce households' ability to absorb shocks and increase reliance on short-term coping mechanisms, such as borrowing or distress migration.

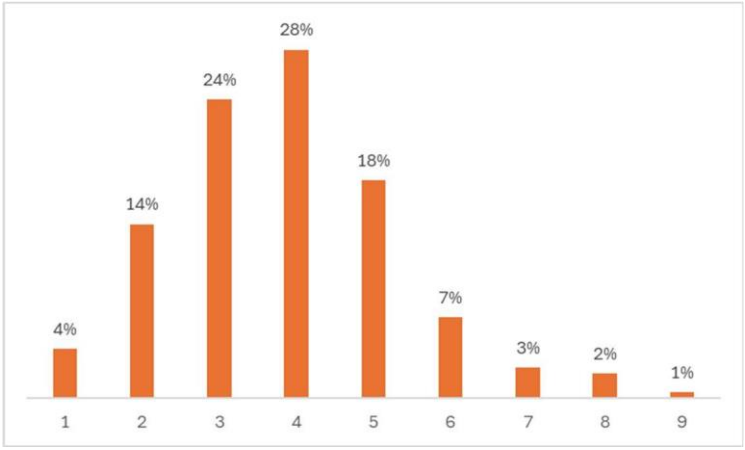


Figure 12 No. of Family members dependent on the Earner

[5] https://www.oecd.org/social/inequality.htm
https://www.undp.org/poverty
https://mospi.gov.in/
https://www.worldbank.org/

EDP lies in its ability to introduce additional income streams at the household level, even at modest scales, which can contribute to consumption smoothing and reduced vulnerability. Beneficiary interviews consistently linked enterprise participation to managing household expenses related to children, healthcare, and daily consumption, underscoring alignment with household-level priorities.

The enterprise typology supported under EDP is heavily skewed towards service-based activities (64 per cent) and trading (22 per cent), with minimal engagement in manufacturing (3 per cent). This distribution is analytically consistent with national evidence on rural non-farm enterprises, which indicates that services and petty trade dominate rural entrepreneurship, particularly among first-generation and low-income entrepreneurs.

The National Sample Survey Office (NSSO) and World Bank analyses show that rural non-farm enterprises in India are predominantly small, service-oriented, and locally embedded, owing to low capital availability and limited market access.

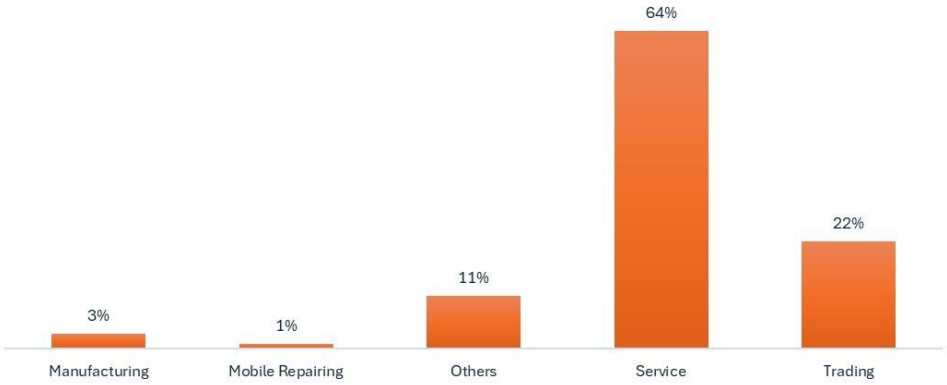


Figure 13 Type of Enterprise

Further, the dominance of general retail and trading (107 enterprises) and everyday services (tailoring, food and beverage, personal care, repairs) reflects alignment with daily consumption demand, which national evidence identifies as a lower-risk entry point for vulnerable households. Qualitative interviews confirmed that beneficiaries deliberately selected enterprises with regular, predictable demand rather than high-return but uncertain options.

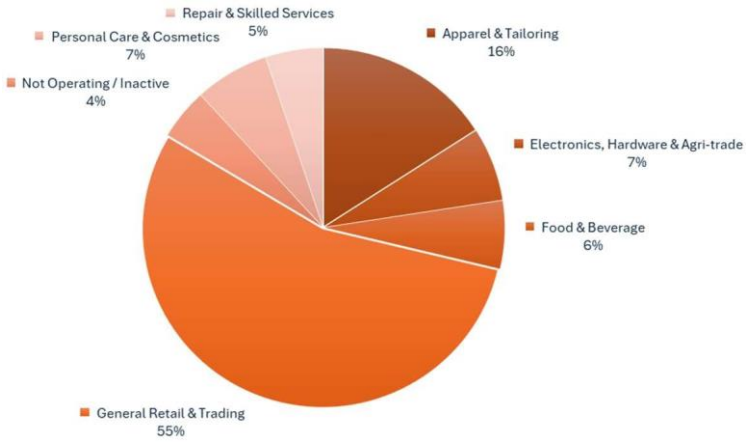


Figure 14 Type of product/services offered

Support Inputs to Entry-Level Constraints

The findings indicate that beneficiaries face multiple, simultaneous constraints at the point of enterprise initiation. A significant proportion of respondents identified financial support as a primary requirement, while a similarly large share reported the need for basic training, either as a standalone input or in combination with physical assets such as shop space, raw materials, or tools and equipment. This pattern suggests that the constraints are not limited to capital availability alone, but also include limited business knowledge, low confidence, and lack of exposure to enterprise planning and operations.

This multi-constraint environment is characteristic of first-generation rural entrepreneurs, particularly those drawn from agriculture-dependent, wage-labour households and socially marginalised groups.

The integrated support design of the program responds directly to this layered constraint profile. Rather than offering one-time financial assistance in isolation, the programme combines financial inputs, basic entrepreneurship training, and material or asset support, thereby addressing both capability- and capital-related barriers. This design choice enhances relevance by ensuring that beneficiaries are not left with incomplete or unusable inputs—for example, capital without knowledge, or training without resources.

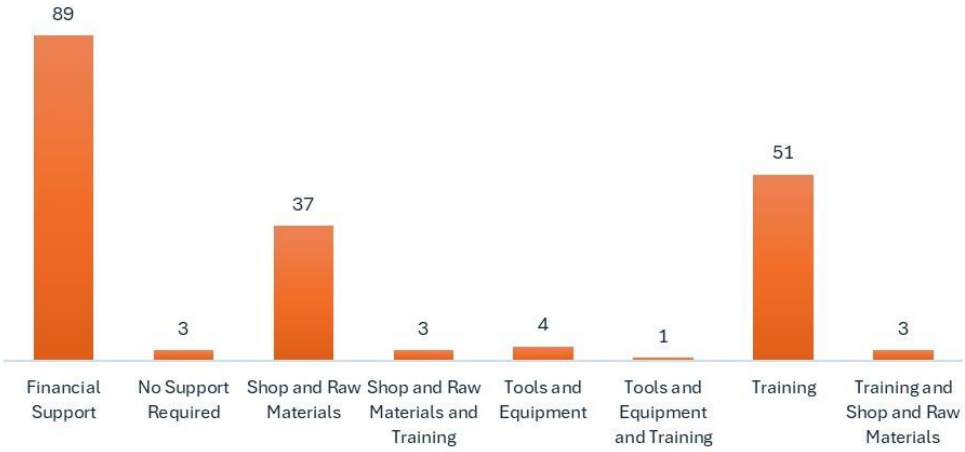


Figure 15 Key resources and Inputs required

Qualitative insights from NRLM officials and HCL Foundation' team further reinforce this finding. Officials noted that many SHG members possess strong motivation to improve household income but lack initial confidence and clarity on business processes, such as sourcing, pricing, and managing daily expenses.

The intervention aligns closely with livelihood vulnerability patterns like agricultural dependence, income concentration, high household dependency ratios, and adopts enterprise models consistent with rural non-farm entrepreneurship trends in India.

The dominance of service and trading enterprises, combined with support inputs tailored to first-generation entrepreneurs, reflects a design that is strategically calibrated to vulnerability rather than ambition. Taken together, the quantitative data and qualitative insights confirm that EDP is a context-responsive intervention, well aligned with both beneficiary realities and broader development priorities.

> *People are willing to work, but they hesitate because they don't know where to start. Training and small support together reduce that fear.*
>
> - *NRLM Official*

➢ Coherence

For livelihood and entrepreneurship interventions, coherence is particularly important given the presence of multiple government schemes, SHG-based platforms, financial inclusion initiatives, and CSR programmes targeting similar populations.

The coherence of the Entrepreneurship Development Programme (EDP) was analysed by examining (i) alignment with government livelihood and social protection systems, (ii) integration with SHG and NRLM structures, (iii) convergence with financial inclusion mechanisms, and (iv) internal consistency across programme design and delivery models. Evidence was drawn from survey responses related to identity documents and institutional access, as well as qualitative interviews with NRLM officials and the HCL Foundation programme team.

Alignment with NRLM and SHG-Based Livelihood Ecosystem

A key dimension of coherence is the programme's alignment with the National Rural Livelihoods Mission (NRLM), which is the Government of India's flagship initiative for poverty alleviation through SHG-led livelihoods. The EDP's targeting of SHG members, women, and vulnerable households, and its emphasis on micro-enterprises as supplementary income sources, is broadly consistent with NRLM's livelihood diversification and financial inclusion objectives.

Interviews with NRLM officials indicated that EDP complements existing SHG activities by providing enterprise-specific support that goes beyond routine savings and credit functions.

> *SHGs help with discipline and savings, but enterprise support needs external push. Programmes like EDP fit well because they take SHG members a step ahead*
> *- NRLM Official*

Figure 16 SGS Team with NRLM Officials

While the programme does not directly implement financial inclusion schemes, its design is coherent with national initiatives such as Jan Dhan Yojana and social security schemes, which rely on formal identity and banking access. The ability of beneficiaries to interface with banks and suppliers is contingent on these foundational systems, and EDP's reliance on them reflects institutional alignment rather than redundancy.

Broader Development and CSR Priorities

The Entrepreneurship Development Programme (EDP) demonstrates strong coherence with national development priorities focused on rural livelihood diversification, entrepreneurship promotion, and inclusive economic growth. The programme's emphasis on micro-enterprises as supplementary income sources aligns with government

strategies across rural development and MSME promotion, which recognise entrepreneurship as a key pathway for reducing poverty and mitigating livelihood vulnerability among agriculture- and wage-dependent households.

At a broader level, the intervention is coherent with the Sustainable Development Goals, particularly SDG 1 (No Poverty), SDG 5 (Gender Equality), and SDG 8 (Decent Work and Economic Growth). The focus on women-led enterprises, SHG-based mobilisation, and village-level economic activity reflects internationally recognised approaches to inclusive and sustainable development. This alignment strengthens the programme's strategic relevance beyond the immediate project geography.

Within the CSR context, EDP is embedded within Project Samuday, HCL Foundation's integrated rural development framework. Livelihood enhancement is positioned as a cross-cutting enabler that complements interventions in education, health, water, and sanitation. This integrated design enhances coherence by ensuring that entrepreneurship support contributes to broader household well-being and long-term development outcomes, rather than functioning as a standalone or siloed intervention.

➢ Effectiveness

In the case of the Entrepreneurship Development Programme (EDP), effectiveness was assessed by examining whether the programme successfully enabled the establishment and operation of micro-enterprises, facilitated self-employment and limited employment generation, and delivered the core support components envisaged in programme design—namely training, seed capital, and post-establishment follow-up.

Enterprise Establishment and Operational Status

A key objective of the EDP is to support beneficiaries in establishing functional micro-enterprises that can operate on a regular basis. Survey findings indicate that 147 out of 200 surveyed enterprises (approximately 75 per cent) were active and operating at the time of assessment, representing a substantial proportion of programme-supported enterprises translating into ongoing economic activity.

From an effectiveness perspective, this level of operational continuity is notable given the rural Hardoi context, characterised by high livelihood vulnerability, limited local markets, and seasonal income patterns. Nationally, evidence suggests that early-stage micro-enterprises face significant attrition risks. Studies by the World Bank and OECD indicate that a considerable share of rural micro-enterprises discontinue operations within the first few years due to capital constraints, household shocks, and weak market linkages. NSSO estimates indicate that over 80 per cent of rural non-farm enterprises in India are own-account enterprises with high vulnerability to closure[6].

Qualitative interviews suggest that continued operation was often enabled by initial handholding and confidence-building, rather than by financial inputs alone. Beneficiaries reported that programme support reduced the likelihood of immediate exit when faced with slow sales or early challenges.

Inactive enterprises were largely associated with external factors such as migration, illness, or household-level shocks, rather than issues related to the initial design or delivery of EDP support.

> *In the beginning, sales were low. But since the shop was already set up with support, I kept it running and slowly understood what customers want.*
> *Suresh, Male, 30-year-old*

[6] https://www.oecd.org/dac/evaluation/evaluation-criteria.htm
https://mospi.gov.in/web/mospi/reports-publications

Enterprise Establishment and Employment Generation

Employment generation under the Entrepreneurship Development Programme is predominantly structured around self-employment and household labour absorption, which is consistent with the programme's design and target population. Survey data indicates that 186 enterprises are operated by a single person, while 11 enterprises engage two persons, typically involving a family member. On the surface, this suggests limited direct employment generation beyond the beneficiary.

However, qualitative evidence from field interviews adds an important layer of nuance to this finding. During beneficiary interactions, it was observed that in several cases the enterprise was being actively run by the spouse or another family member, while the registered beneficiary had either migrated seasonally to another state for wage work or continued to engage in agriculture. This pattern indicates that the enterprise often functions as a household-based employment unit, rather than an individually operated activity.

This intra-household redistribution of work and income has important implications for employment and gender outcomes. In many cases, women particularly spouses of male beneficiaries were managing day-to-day enterprise operations, gaining direct control over cash flows, customer interaction, and business decisions. This dynamic contributes to indirect employment generation, enhanced income continuity at the household level, and greater financial independence for women, even when the primary beneficiary is not physically present.

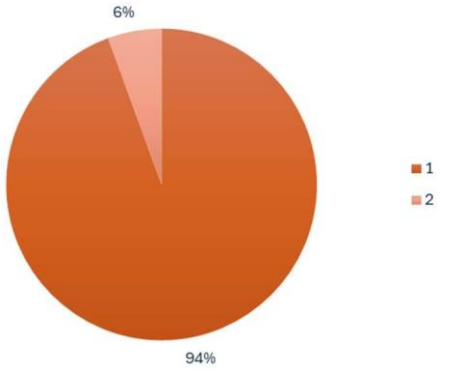


Figure 17 Total Family Members Employed

While formal employment numbers may appear modest, the programme has effectively enabled flexible household employment arrangements, income continuity during migration cycles, and expanded women's participation in economic activity. This outcome is particularly relevant in rural contexts characterised by seasonal migration, and it strengthens the assessment of EDP's effectiveness in creating adaptive and inclusive livelihood opportunities, even within small-scale enterprise models.

Effectiveness was further assessed by examining the extent to which core programme inputs reached beneficiaries, as envisaged in the programme design. Survey data indicates that over 80 per cent of the sample received seed capital, around 48 per cent received skill and business training, and around 37 per cent received occasional post-establishment follow-up support.

The high coverage of seed capital indicates that the programme has been effective in addressing initial financial barriers, which are widely recognised as a key constraint for first-generation rural entrepreneurs. However, the comparatively lower coverage of training and follow-up support suggests that non-financial components were delivered more selectively.

National and global evidence consistently shows that entrepreneurship programmes combining capital support with training and mentoring demonstrate stronger effectiveness than those relying primarily on financial inputs. The UNDP and OECD highlight that post-start-up handholding is particularly critical during the first year of operation, when enterprises are most vulnerable.[7]

[7] https://www.worldbank.org/en/topic/jobsanddevelopment/brief/rural-non-farm-economy
https://www.undp.org/publications/entrepreneurship-human-development

Beneficiaries who received training reported greater clarity on pricing, sourcing, and expense management, while those who received follow-up visits described them as "motivating" and "helpful during difficult months." Those who did not receive follow-up often expressed a desire for more regular engagement, particularly during the initial phase.

Support from HCL made a significant difference to our business. Earlier, we did not have adequate materials, due to which we were unable to sell much. With the financial support received, we were able to purchase essential items such as utensils, after which our shop started performing much better and sales improved steadily.

- Deepak, Male, 38-year-old

➢ Effeciency

Under the OECD–DAC framework, efficiency examines how well an intervention converts inputs (financial resources, time, training, and human effort) into outputs and early outcomes, relative to the operating context. For rural entrepreneurship programmes like EDP implemented among first-generation entrepreneurs with limited assets and high livelihood vulnerability efficiency must be assessed not in absolute financial terms, but in relation to appropriateness of scale, cost proportionality, and operational feasibility.

Business Expenditure Patterns

Survey findings show that EDP-supported enterprises operate with very low and flexible cost structures, characteristic of micro-scale rural businesses. A large proportion of beneficiaries reported variable or non-fixed monthly expenditure (41%), indicating adaptive spending linked to daily sales and cash availability. An additional 18% of respondents were unable to quantify monthly expenditure, reflecting informal financial management practices common among first-generation entrepreneurs.

Among enterprises reporting fixed expenditure, the majority incurred monthly costs below ₹10,000, with only 1% reporting expenditure above ₹10,000. This suggests that EDP has promoted appropriately scaled enterprise models, avoiding over-capitalisation and excessive fixed costs that could increase financial risk for vulnerable households.

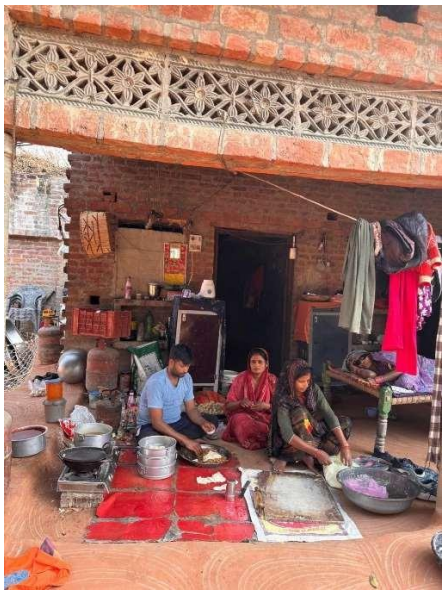


Figure 18 Beneficiary and her Family working for the Momo stall

Nationally, data from the National Sample Survey Office (NSSO) indicates that over 80% of rural own-account enterprises operate with low capital intensity and modest monthly operating costs, particularly in service and trading sectors. In this context, the expenditure patterns observed under EDP are consistent with national norms and reflect efficient use of limited financial resources.

The high share of enterprises reporting variable expenditure is analytically significant. Rather than indicating inefficiency, this variability reflects adaptive cost management, where beneficiaries adjust procurement and spending based on demand, seasonality, and cash flow. Such flexibility is critical in rural markets characterised by fluctuating consumption patterns and limited access to working capital.

Qualitative interactions revealed that beneficiaries often prefer to purchase stock in small quantities, reinvest daily earnings, and avoid credit-based procurement. This cautious financial behaviour reduces exposure to loss and enables enterprises to remain operational even during lean periods. From an efficiency standpoint, this reflects risk-aware financial decision-making, aligned with beneficiary capacities and constraints.

However, the inability of a sizeable share of beneficiaries to clearly articulate expenditure levels also points to limitations in financial visibility, which can constrain long-term efficiency improvements. While this does not undermine current operational efficiency, it highlights an area where simplified financial tracking could further enhance cost control and planning.

Operating intensity

Efficiency was further examined through average working days per month, which indicates the extent to which enterprise assets and beneficiary time are utilised. Survey data shows that:

- 39% of enterprises operate for 21–25 days per month,
- 8% operate for 26–28 days, and
- 5% operate almost daily (29–30 days).

Figure 19 Monthly expenditure

At the same time, 27% operate for up to 20 days per month, reflecting part-time engagement or seasonality, while 1% reported being closed at the time of assessment. Majority of EDP-supported enterprises function as regular livelihood activities, rather than sporadic or occasional income sources

According to NSSO data, a large proportion of rural enterprises operate for 20–25 days per month, aligning closely with the observed pattern under EDP. From an efficiency perspective, this indicates reasonable utilisation of enterprise assets and labour, especially given that beneficiaries often balance entrepreneurship with farming, migration, or household responsibilities.[8]

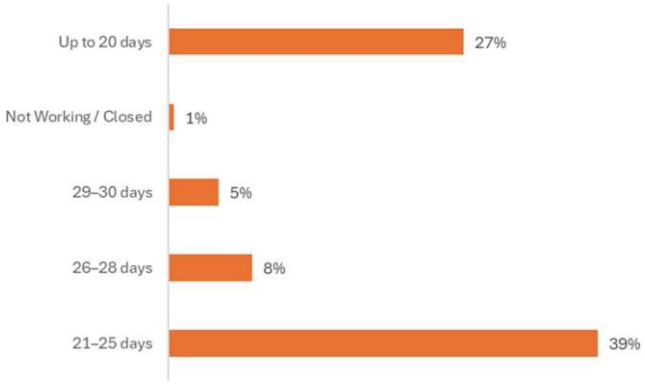


Figure 20 Working days per month

Managerial efficiency was assessed through record-keeping practices, which are critical for monitoring expenses, revenues, and profitability. Survey findings indicate that only 48 beneficiaries reported maintaining records of sales and expenses, while the majority relied on informal or memory-based tracking.

This pattern mirrors national trends. NSSO estimates suggest that fewer than 30% of rural own-account enterprises in India maintain formal accounts, particularly among small traders and service providers. Limited literacy, low transaction volumes,

[8] https://mospi.gov.in/web/mospi/reports-publications
https://www.undp.org/publications/entrepreneurship-human-development

and reliance on cash transactions contribute to this pattern. From an efficiency standpoint, the lack of record-keeping constrains beneficiaries' ability to systematically analyse costs, optimise inventory, and plan investments. However, within the context of micro-scale operations, this should be interpreted as a capacity constraint rather than operational inefficiency. The finding underscores the need for simplified bookkeeping tools and continuous handholding to enhance managerial efficiency over time.

The Entrepreneurship Development Programme demonstrates context-appropriate efficiency in converting modest financial and institutional inputs into functioning micro-enterprises. Enterprises operate with low and flexible cost structures, demonstrate reasonable utilisation of time and assets, and reflect adaptive financial behaviour suited to rural livelihood realities.

At the same time, efficiency gains are constrained by limited record-keeping practices and uneven training coverage, which restrict beneficiaries' ability to optimise costs and plan growth. Strengthening managerial capacities through simplified bookkeeping support, wider training coverage, and structured follow-up could further enhance efficiency outcomes. Analytically, EDP adopts a low-cost, proportionate delivery model that aligns well with national rural enterprise patterns, while offering clear pathways for incremental efficiency improvement.

➢ Impact

The impact assessment focuses on changes in income levels, income stability, household well-being, and socio-economic behaviour, rather than immediate outputs or delivery processes.

Positive Shifts in Beneficiary Income Profiles

The survey data reflects a positive transition in the income profiles of beneficiaries, indicating that participation in the EDP has contributed to improved earnings. Prior to the intervention, beneficiary incomes were heavily concentrated at subsistence levels: 41% reported average monthly income of
₹2,000, 19% reported ₹1,000, and 22% reported ₹3,000, with only a small minority earning above ₹4,000. These income levels are consistent with national data, which shows that a large share of rural self-employed and casual workers earn below ₹5,000 per month, particularly in states such as Uttar Pradesh.

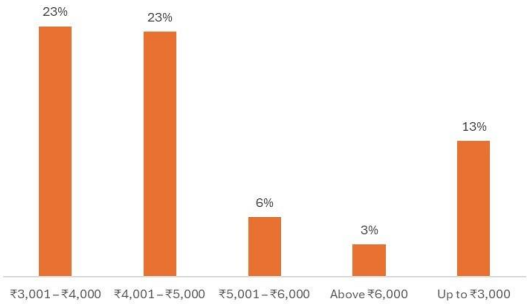


Figure 21 Income after EDP

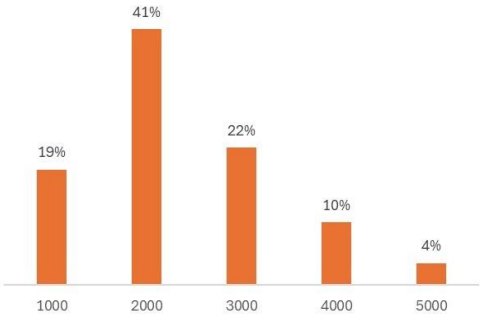


Figure 22 Income before EDP

Post-intervention, income distribution shows a marked shift upward. 46 beneficiaries (23%) reported monthly income between ₹3,001–₹4,000, 45 beneficiaries (23%) between ₹4,001–₹5,000, and 17 beneficiaries (9%) reported earnings above ₹5,000. Importantly, 101 beneficiaries explicitly reported an increase in income following EDP support, directly attributing this change to enterprise establishment and associated inputs.

However, qualitative interviews reveal that beneficiaries rarely frame this impact in terms of "income growth" alone. Instead, they emphasise the transition from chronic insufficiency to relative adequacy. Even incremental increases were perceived as transformative because they enabled households to meet routine expenses without constant borrowing or dependence on others. One beneficiary explained that earlier earnings "finished as soon as they came," whereas enterprise income, though still modest, allowed for better planning and prioritisation.

Income Stability and Reduced Livelihood Vulnerability

Beyond absolute income enhancement, income stability emerged as one of the most consequential impacts of the EDP intervention. Survey data shows that 88 beneficiaries reported improved stability in their household income, indicating that earnings became more regular and predictable after enterprise establishment.

Qualitative findings deepen this insight. Beneficiaries repeatedly described enterprise income as a "base income" that continued even when agriculture failed, labour work was unavailable, or seasonal migration occurred. Prior to EDP, many households experienced complete income gaps during lean periods, forcing them to rely on informal borrowing at high interest rates. The presence of an enterprise did not eliminate vulnerability, but it significantly reduced the severity of income shocks.

This stabilising effect is particularly significant in the Hardoi context, where livelihoods are exposed to climatic variability, fluctuating agricultural yields, and uncertain labour markets. National and global research consistently identifies income volatility—not just poverty levels—as a key driver of rural distress. From this perspective, the stabilisation reported by beneficiaries represents a structural improvement in livelihood security, even if income levels remain modest.

Household Well-being as an Outcome

The impact of EDP is further reflected in changes in household expenditure patterns and well-being outcomes. Survey data indicates that 129 beneficiaries reported that enterprise income contributed to children's education, healthcare, or asset purchase. This finding is critical, as it suggests that income gains are being translated into longer-term welfare investments, rather than short-term consumption alone.

> *My husband has now moved to other state for work. I run the shop, alone. Now don't hesitate while I giving money to my children. I pay their school fees with the savings from this shop, buy whatever I want. The shop is running good and we are also planning to expand it with our savings. We are grateful to HCL for such support.*
>
> *- Sushma, Female, 32-year-old*

Qualitative interviews reveal that these investments often address previously unmet needs. Beneficiaries described being able to enrol children in better schools, pay fees on time, afford tuition, and seek medical care without delay. Many emphasised that earlier, such expenditures were postponed or avoided due to lack of cash, reinforcing cycles of deprivation.

In addition to measured income changes and stability indicators, beneficiaries articulated a range of direct and perceived benefits arising from their participation in the Entrepreneurship Development Programme. These perceived benefits provide critical insight into how enterprises are experienced in everyday life, and what dimensions of impact matter most to households.

Survey findings indicate that the most frequently reported benefit was the establishment of a regular income source, cited by 50% of respondents. Beneficiaries consistently emphasised that regularity rather than magnitude of income was the most transformative aspect of enterprise ownership. This aligns closely with qualitative narratives, where beneficiaries described the psychological relief of knowing that "some income will come every month," reducing anxiety associated with uncertain wage labour or seasonal agriculture.

The second most reported benefit was employment generation (36%), which beneficiaries interpreted broadlynot only as formal job creation, but as continuous engagement in productive work. In many cases, this included self-employment, involvement of spouses, or engagement of family members. As discussed earlier, several enterprises were being run by women while male members migrated or worked in the fields, thereby creating indirect employment and strengthening women's economic roles within the household.

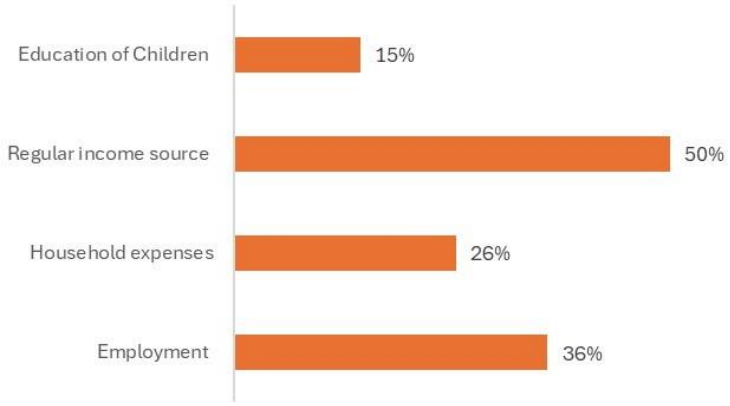


Figure 23 Major Benefits from EDP

Household expense management (26%) emerged as another key benefit, reflecting how enterprise income helped families meet routine needs more effectively. Beneficiaries noted that earlier, household expenses such as food, utilities, or social obligations were often managed through borrowing or postponement. With enterprise income, households reported improved cash flow management and reduced dependence on informal credit. One beneficiary shared that earlier "expenses always exceeded income," whereas now they could "manage month to month without asking for help.

Interestingly, education of children (15%) was explicitly cited as a benefit, reinforcing earlier findings that enterprise income is being channelled toward human capital investments. While the percentage appears lower relative to other benefits, qualitative insights suggest that education-related benefits often emerge gradually, once income stabilises. Beneficiaries described being able to keep children enrolled in school, afford uniforms or tuition, and reduce absenteeism outcomes that carry long-term intergenerational significance.

From an analytical perspective, this benefits profile underscores that the impact of EDP is multi-dimensional. While income enhancement is central, beneficiaries place equal or greater value on regularity, employment continuity, and improved household management. These findings reinforce the conclusion that the programme's impact should be understood not only through income metrics, but through its contribution to economic security, dignity, and daily functioning of rural households.

Social and Behavioural Impacts

In addition to economic outcomes, EDP has generated substantial social and behavioural impacts, particularly related to confidence, agency, and community norms. 72 beneficiaries reported that their enterprise inspired others to start or consider starting a business, indicating the presence of demonstration effects at the village level.

Women's empowerment emerged as a particularly strong qualitative impact. In many households, women either owned or actively managed enterprises, especially in cases where male members migrated or continued agricultural work. Women reported increased confidence, mobility, and participation in household financial decisions. For many, this was the first time they handled cash independently or interacted regularly with customers and suppliers.

Therefore, Entrepreneurship Development Programme has generated deep, multi-layered impacts that extend beyond income enhancement.

➢ Sustainability

Beneficiaries' stated future plans for their enterprises provide a strong indicator of sustainability. Survey findings show that 40% of respondents intend to continue their enterprise as it is, suggesting that a significant proportion of enterprises have reached a level of operational comfort and stability where beneficiaries are satisfied with current performance. From a sustainability perspective, this reflects enterprise viability and alignment with household livelihood strategies, particularly for beneficiaries who view the enterprise as a reliable secondary income source.

At the same time, 15% of beneficiaries expressed an intention to diversify, and 12% indicated plans to scale up their enterprises. These responses signal aspirational sustainability, where beneficiaries perceive scope for growth, product expansion, or increased market engagement. Qualitative interactions revealed that such aspirations are often linked to increased confidence, improved understanding of local demand, and early signs of profitability. HCL Foundation programme staff noted that beneficiaries expressing scale-up or diversification intent are typically those who have stabilised operations and developed basic managerial skills.

Only 6% of beneficiaries reported plans to exit and start another activity, indicating relatively low attrition intent. Field discussions suggest that these exit considerations are driven more by market saturation, household constraints, or personal circumstances rather than dissatisfaction with the programme itself. Importantly, the willingness to shift to another activity reflects adaptive decision-making rather than disengagement from entrepreneurship.

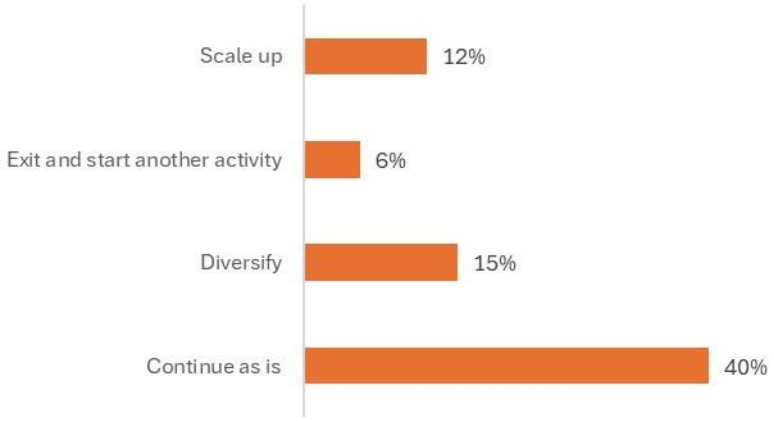


Figure 24 Future Plans for the enterprise

The distribution of future plans indicates moderate to strong sustainability prospects for the EDP intervention. A majority of beneficiaries either intend to continue, diversify, or expand their enterprises, reflecting confidence in enterprise-led livelihoods. From an analytical standpoint, these findings suggest that EDP has not only enabled enterprise initiation but has also fostered forward-looking behaviour and strategic thinking, which are critical for the long-term sustainability of rural micro-enterprises.

SOCIAL RETURN ON INVESTMENT (SROI)

➢ Purpose and Rationale

The Social Return on Investment (SROI) analysis was undertaken to estimate the social value generated by the Entrepreneurship Development Programme (EDP) for the 200 beneficiaries covered under the primary survey, relative to the financial investment made on this cohort during the period FY 2020–21 to FY 2022–23.

The analysis aims to quantify the economic and social outcomes experienced by beneficiaries and their households and to assess whether the programme represents value for money from a social impact perspective.

The SROI follows the principles outlined by Social Value International (SVI) and aligns with the OECD-DAC evaluation framework. Emphasis has been placed on transparency, conservative assumptions, and avoidance of over-claiming, ensuring that the findings are robust and defensible for CSR reporting and decision-making.

The SROI covers 200 EDP beneficiaries surveyed in 2025, all of whom had received programme support between 2020 and 2023. Primary outcome data was collected through a structured quantitative survey, complemented by qualitative interviews with beneficiaries, NRLM officials, and the HCL Foundation programme team.

The timing of the assessment is significant: enterprises established between 2020 and 2022 were found to be operational 3–5 years after initiation, providing strong evidence of sustained outcomes.

Based on this observed sustainability, outcomes have been monetised over a three-year benefit period, with conservative annual drop-off applied in Years 2 and 3, in line with international SROI best practice.

No extrapolation beyond the surveyed cohort has been undertaken in this analysis.

Direct Financial Inputs

Seed capital support:
200 beneficiaries × ₹10,000 = **₹20.00 lakh**

➢ Outcomes Included in the SROI

Only outcomes that were material, directly evidenced, and reasonably attributable to the programme were monetised. Outcomes captured qualitatively but excluded from valuation (to avoid over-claiming) include broader community demonstration effects beyond immediate households.

Outcome Measurement and Valuation

Table 5 Outcome Measurement and Valuation

Outcome	Evidence from Survey (n=200)	Value Applied (Annual)	Gross Annual Social Value (₹ lakh)	Primary Source
Increase in Monthly Income	101 beneficiaries (50.5%) reported increased income	₹24,000 per beneficiary	**24.24**	Beneficiary-reported before–after income change from survey
Improved Income Stability	88 beneficiaries (44%) reported improved stability	₹6,000 per household	**5.28**	RBI, *Trend and Progress of Banking in India* – informal rural credit costs
Household Well-being (Education, Health, Assets)	129 beneficiaries (64.5%) reported such expenditure	₹4,000 per household	**5.16**	NSS 75th Round – Average rural out-of-pocket health & education expenditure
Women's Economic Participation and Financial Agency	88 women owners/managers	₹3,000 per woman	**2.64**	UN Women (2018) – Valuation of women's economic agency (partial proxy approach)
Household Employment Generation	Approx. 60% households involved family labour	₹6,000 per household	**7.2**	MGNREGA notified wage rates (₹200–₹330/day) as lower-bound labour benchmark
Total Gross Annual Social Value	—	—	**44.52**	

➢ Adjustments

To ensure credibility, the following adjustments were applied uniformly across all outcomes:

- **Deadweight: 30%** – reflecting the likelihood that some beneficiaries would have undertaken livelihood activities even without the programme
- **Attribution: 20%** – accounting for the role of family labour, household savings, local markets, and SHG/NRLM ecosystems
- **Displacement: 5%** – recognising minor potential competition effects at the village level
- **Drop-off: 20% per year** – applied in Years 2 and 3 to reflect potential reduction in benefit intensity over time

After applying deadweight (30%), attribution (20%), and displacement (5%), approximately **45% of the gross outcome value** was conservatively attributed to the programme (net attribution factor).

➢ Net Social Value Created

Year 1 (Post-adjustments)
Gross annual social value: ₹44.52 lakh
Net attribution (45%):
→ ₹20.03 lakh

Year 2 (20% drop-off applied)
₹20.03 lakh × 80% =
→ ₹16.02 lakh

Year 3 (20% further drop-off applied)
₹16.02 lakh × 80% =
→ ₹12.82 lakh

Total Net Social Value (3 Years)
→ ₹48.87 lakh

SROI Ratio

SROI=₹48.87 lakh/₹20.00 lakh
SROI = ₹1 : ₹2.44

The SROI analysis indicates that the Entrepreneurship Development Programme generated substantial and sustained social value for the surveyed beneficiaries. For every ₹1 invested, the programme generated approximately ₹2.44 in social value over a conservative three-year period.

KEY LEARNINGS AND RECOMMENDATIONS

Thematic Area	Key Learning	Strategic Recommendations
Enterprise Selection & Viability	Low-capital, locally relevant enterprises proved to be the most sustainable, especially when aligned with daily consumption needs. However, enterprise types tended to cluster around familiar trades, limiting income growth in some locations.	Introduce guided enterprise diversification by encouraging value-added activities and differentiated services, supported through feasibility assessments and exposure to alternative enterprise models.
Seed Capital Support	Seed capital emerged as a critical trigger for enterprise initiation, particularly for households with no prior access to savings or credit. Beneficiaries consistently cited financial support as enabling initial stock and asset purchase.	Consider flexible or tiered seed capital norms linked to enterprise type and maturity, while maintaining safeguards to ensure responsible use and reduce dependency.
Training & Capacity Building	Training improved confidence and basic enterprise management skills, enabling beneficiaries to operationalise businesses effectively. However, training largely focused on entry-level needs rather than growth-oriented skills.	Introduce phased capacity-building models, combining entry-level training with advanced modules on pricing, inventory management, and market expansion for enterprises that demonstrate stability.
Post-Establishment Handholding	Six-month handholding played a crucial role in stabilising enterprises during the initial phase, particularly for first-time entrepreneurs. Continued support beyond this period was informal and inconsistent.	Institutionalise light-touch follow-up mechanisms at later stages (12–18 months), using peer mentors, SHG platforms, or digital check-ins to support adaptive problem-solving.
Women's Economic Participation	Women's involvement in enterprise ownership and management significantly contributed to income stability, household decision-making, and confidence. Women-led enterprises also showed strong commitment and continuity.	Design gender-responsive enterprise support, including women-centric training schedules, collective marketing models, and linkages with women producer groups to enable scaling without increasing time burdens.
Financial Literacy & Record-Keeping	Most enterprises operated with informal financial practices, sufficient for survival but limiting visibility into profitability and growth potential. Low record-keeping constrained access to formal finance.	Embed simplified bookkeeping and financial literacy tools within SHG processes, focusing on practical, low-literacy methods that can be sustained without external support.
Monitoring & Learning Systems	Early-stage monitoring helped address operational challenges, but long-term enterprise performance data was limited. This constrained programme-level learning on enterprise trajectories.	Develop a lightweight longitudinal monitoring system to track enterprise continuity, income trends, and graduation outcomes, enabling evidence-based programme refinement.
Risk and Shock Resilience	Enterprises provided households with a buffer against income shocks arising from agriculture or wage labour volatility. However, preparedness for external shocks varied across beneficiaries.	Integrate basic risk preparedness, savings promotion, and social security linkages into enterprise support to strengthen resilience against health, market, and climate-related shocks.

CASE STUDIES...

From a Village Kirana to a Multi-Income Household Enterprise

Name: Ramesh Kumar

Location: Sandila Block, Hardoi District

Enterprise Type: General Store → Flour Mill (Chakki)

Ramesh Kumar started a small general merchant shop (kirana) in his village with support under the Entrepreneurship Development Programme. Prior to the intervention, his household depended largely on irregular wage work and agriculture, which offered limited and uncertain income. The seed capital enabled him to stock essential goods and establish a stable retail presence within the village.

Over time, disciplined savings from the shop allowed Ramesh to expand his livelihood portfolio. Recognising local demand for milling services, he invested in a small chakki (flour mill) adjacent to the shop. This diversification not only increased household income but also created employment for two to three local individuals, who now work regularly at the mill.

Interestingly, Ramesh himself has taken up a salaried role as a security guard at Samuday's Handicraft Hub in Sandila, while the day-to-day operations of the shop and chakki are managed by his family members. This arrangement has ensured multiple income streams—a fixed salary, retail earnings, and service income—making the household financially resilient.

The enterprise's evolution reflects a shift from survival-based self-employment to strategic livelihood diversification, demonstrating how initial micro-enterprise support can catalyse broader economic stability and local employment generation.

A Roadside Momo Cart That Became a Family Livelihood

Name: Sunita Devi
Location: Ahirori Block, Hardoi District
Enterprise Type: Food Cart (Momo Thela)
Support Received: Financial support, basic training, handholding

Sunita Devi started a roadside momo cart as a supplementary income activity for her family. Before joining the programme, the household relied on daily wage labour, with income fluctuating sharply across seasons. Limited capital meant that even small food businesses were difficult to initiate at scale.

Through EDP, Sunita received financial support that was used to purchase essential utensils and cooking equipment, significantly improving both hygiene and production capacity. With better utensils, the family was able to increase the quantity of momos prepared and sold each day, directly translating into higher sales.

What distinguishes this enterprise is its family-based operation. Sunita, her husband, and other family members collectively manage preparation, selling, and sourcing. This has ensured regular engagement for all working members and reduced dependence on external labour markets.

Today, the momo cart has become a reliable and well-recognised roadside food outlet, generating steady income and improving the family's financial condition. The case illustrates how small, low-cost food enterprises—when supported at the right moment—can evolve into sustainable family livelihoods.

Financial Independence Through a Dual Enterprise Model

Name: Meena Sharma
Location: Bharawan Block, Hardoi District
Enterprise Type: Cosmetic Shop + Tailoring
Support Received: Seed capital, training, mentoring

Meena Sharma's household depended primarily on her husband's daily wage labour, which was irregular and insufficient to meet family needs. Seeking financial security, Meena established a cosmetic shop within her village with support from the Entrepreneurship Development Programme.

Alongside the shop, Meena leveraged her existing tailoring skills to take stitching orders, allowing her to run two income-generating activities simultaneously. The shop caters to everyday cosmetic needs in the village, while tailoring provides additional earnings, particularly during festive and wedding seasons.

The combined income has enabled Meena to become financially independent, contributing significantly to household expenses and taking primary responsibility for her children's education and healthcare. She now manages savings and makes financial decisions independently, reflecting a marked shift in household dynamics.

Meena's case highlights how women-led micro-enterprises, especially when combined with existing skills, can create stable livelihoods and enhance women's agency, dignity, and decision-making power within rural households.

ANNEXURE

आजीविका संवर्धन कार्यक्रम

उत्तर प्रदेश राज्य
ग्रामीण आजीविका मिशन
विकास खण्ड– सण्डीला
जनपद– हरदोई

www.sgs.com
4B, Adi Shankaracharya Marg, Vikhroli (West),
Mumbai, Maharashtra 400083