



AAVISHKAAR  
GROUP  
IMPACT REPORT  
2020

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## Risk Capital TRANSFORMATIVE FOR IMPACT

The 20<sup>th</sup> century, using the interplay of markets and business, coupled with technological progress delivered major upward shifts in the income and livelihoods of communities worldwide. The global GDP increased 19-fold, while the world's population quadrupled from 1.6 to 6.3 billion, making it the most astonishing century of wealth creation in human history. However, this came at a cost – an unequal distribution of wealth and contributed to social, economic, and environmental damage. Global income inequality, as measured by the Gini Coefficient, just in the last decade of the 20<sup>th</sup> century rose from 0.59 to 0.73. Over the same period, the concentration of CO<sub>2</sub> in the atmosphere had gone up from 325 parts per million (ppm) to more than 415 ppm and continues to rise.

In India, we watched from the sidelines seeing the world race forward and generate wealth. India lurched from one crisis to another before the 1990 Balance of Payments crisis, which forced ushered economic reforms of 1991 unshackling Indian economy and unleashing the chained entrepreneurial spirit. This awakening was followed by the Information Technology revolution, emergence of a strong private sector, promotion of small and medium enterprises, and increased government spending on development programs. The inequity of growth started showing up as urban India accounted for most of the progress while rural India struggled to deal with its challenges of access to opportunity and basic social needs of healthcare, education, access to livelihoods, water, energy, and sanitation. Nothing exemplified this inequity more than the statistic that 84.4 percent of rural households did not have toilet facilities compared to 23 percent of urban households<sup>[1]</sup>. Access and affordability were becoming increasingly critical to bridge this rural-urban development divide.

This challenge needed a new thinking, a new vision that could offer a new solution to the vexed old issues of hunger, poverty, and inequity. Aavishkaar emerged as one such solution seeking to use a humane approach to deploying capital, unleashing the entrepreneurial exuberance of young India onto these complex social problems. Aavishkaar's approach sought to forge a winning partnership between the young entrepreneurs and the underserved, excluded and the needy, with Aavishkaar acting as the ecosystem builder and provider of risk capital.

At the turn of the century in 2001,  
**Aavishkaar was born** to give an  
institutional shape to this thought process.



**“ Vineet and I felt obliged to act. We believed then, as we believe now, that Entrepreneurs can be changemakers, and profit and purpose can co-exist. We wanted to harness the entrepreneurial energy to solve humanity’s greatest challenges. Twenty years on, our bold vision is termed ‘Impact Investing’ and here we are sharing our Impact learnings through the eyes of powerful women leaders who are the architects of this impact. ”**

## In 2001, we boldly challenged the **DEVELOPMENT PARADIGM**

Over two decades ago, my husband and business partner, Vineet Rai, came to me with a vision to harness the power of entrepreneurship to serve the needs of the unserved or underserved people of India. We had witnessed the lack of livelihood and severe vulnerability of people in remote rural geographies, firsthand, when we lived in the Eastern Indian state of Odisha as foresters. In 1998, Vineet was appointed to set up probably India’s first Incubator in Ahmedabad called GIAN<sup>[2]</sup>, and there we learnt the critical role of risk capital in catalyzing impact focused entrepreneurship.

The ambition to provide risk capital to Impact entrepreneurs and removing obstacles from their path led us on our pioneering journey in building India’s Impact Investing story – much before the term “Impact Investing” was even coined.

It was hard work, but we continued on this path, undaunted. It took us six years to raise our first million dollars. We invested in first-generation entrepreneurs, who were building businesses that generated livelihoods locally, where they lived, and/or reduced risk and vulnerability in people’s lives. We looked at our impact as a capital provider distinct from our entrepreneurs. We were catalysts in supporting entrepreneurs and in improving the entrepreneurial ecosystem, attracting other stakeholders to join this journey, while our entrepreneurs impacted the low-income population, directly.

In 2012, we diversified to add digital microfinance and tech-led, cashflow-based financing to our offering. The transition from an impact investor to a full-service impact platform started taking shape and culminated in the creation of the Aavishkaar Group in 2017. Our outreach covered India, South Asia, South East Asia, and East Africa.

Our growth, and our vision is built on a partnership between Vineet and me. While he brought the idea, I financed his vision, early on. I took the risk of exposing a young family to his entrepreneurial vision and quietly dealt with his absence. Our success lies in this partnership approach, and this extends to every aspect of the impact that our approach has crystalized.

To me, celebrating gender equality is critical, if we are to achieve the stated vision of the Aavishkaar Group, “We exist to bridge the opportunity gap for the emerging 3 Billion”. Our impact report of 2020 is dedicated to the silent humanity of women leaders across Asia and Africa, over 55 million of whom have been part of Aavishkaar Group’s Impact Journey. I am delighted that our Group Impact report features twelve such bold, resilient women who embraced risks to impact their communities.

**-Swati Rai**

When waste is an environmental and health hazard...



“ We are cleaning the country and turning waste to wealth. Our jobs now give us respect and remove the social prejudices against waste workers. ”

...We are the fearless frontline. We are the waste supply chain.

## WE ARE ARUNA AND URMILA.

**M**y friend, Urmila, and I belong to a community whose profession, historically, has been waste picking. As young girls, we helped our families sift through waste in the mornings before going to the government school. We both got married at an early age and moved to Ahmedabad, Gujarat, where we began working at a factory in the hope of a more dignified profession. Unfortunately, that didn't last long, and we were soon back to waste picking.


Just as our parents and grandparents did before us, we began our days at 4 am, picking up solid waste discarded on the streets and in dumps, and sometimes from households. We sold the scraps to *kabadiwallas* or scrap dealers. *Kabadiwallas* are notorious for exploiting waste pickers; they negotiate the lowest price possible, rarely pay on time, and often trick us by using tampered waste weighing systems to lower the worth of our sales. Our informal community has never had any rights, or access to resources, to claim a fair wage for our labor.

Five years ago, we learnt about Nepra, a company that provides fair and transparent wages to waste pickers on a consistent basis. We started selling our scraps to them instead, and have not stopped since! It has been such a huge relief for us to not negotiate with *kabadiwallas* or anyone else for our dues. Our scraps are weighed accurately by machines and we receive our payment immediately. We also earn 20-25 percent more than we did before. We now have a dignified livelihood, which allows us to take care of our household expenses and children's education. We feel empowered.

We understand that Nepra is expanding its operations to other parts of the country. We are thrilled to hear this, as we believe this will help remove the stigma that plagues the essential, yet underappreciated waste picker community.

 **85,987 MT**  
Waste Managed

 **1,542,739 MT**  
CO<sub>2</sub> Emissions Reduced

 **1,913 (39% women)**  
Waste-Pickers Supported with Improved Livelihoods

 **1,149,815**  
Number of People Provided with Clean Cookstoves



COMPANIES AND INITIATIVES IN THE CIRCULARITY AND CLIMATE CHANGE SECTOR SUPPORTED BY AAVISHKAAR GROUP:



When poor maternal care and infant mortality endanger motherhood...



“ I exist to make sure new and expecting mothers receive the right care. ”

...I nurture.  
I am life-saving natal care.  
**I AM MUZALEMA.**

When I was pregnant with my first child, I had a hard time accessing quality healthcare in Zambia, despite being a white-collar professional living in an urban area. For every monthly antenatal care visit, and even during my delivery, I was required to bring sterile gloves, surgical blades, disinfectant and so on, as my local healthcare facility had limited supply. Heavily pregnant, I had to make countless exhausting trips to various pharmacies to find the supplies. As the expenses mounted, I considered using a Traditional Birth Attendant (TBA). I ultimately decided not to for my own safety, and that of my unborn child, as most TBAs are inadequately trained.

After I delivered, I dreaded the thought of repeating this whole process if I chose to have another child. Curious about why the system was so broken, I dug deeper and found that 64 percent of expecting mothers in Zambia lacked appropriate care for the same reasons that I did. This devastating revelation compelled me to start the Safe Motherhood Alliance in 2017 to develop a low-cost, single-use baby delivery kit that contains all the items recommended by the World Health Organization for safe childbirth. New to the world of business, and in need of funds to realize my vision, Intellecap was instrumental in helping me create a market development plan and viable financial model. They also introduced me to investor networks.

Today, my organisation, with support from the United Nations International Children’s Emergency Fund (UNICEF) and the United States Agency for International Development (USAID), has distributed over 10,000 kits to expecting mothers. Recognizing the role that TBAs play, and in a bid to be culturally sensitive, I also trained over 50 TBAs to use the kits. I’m proud of the locally developed and contextually appropriate solution I’ve managed to create, and I’m determined to spend every single day of my life advocating for safe motherhood.



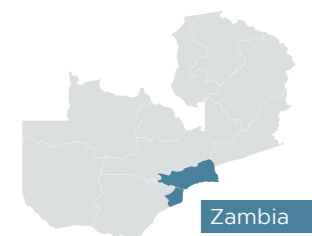
**2,129,133**  
People Provided with  
Affordable Healthcare  
Services



**1,197,536**  
Women Provided with  
Affordable Healthcare  
Services



COMPANIES AND INITIATIVES IN THE  
HEALTHCARE SECTOR SUPPORTED  
BY AAVISHKAAR GROUP:



When conflict destroys livelihoods...

...I conquer adversity. I am an entrepreneur.

## I AM THANUSHA.

I was born in Jaffna in 1985, at the peak of the Sri Lankan Civil War. As my family struggled to make ends meet, surrounded by death and destruction, it was hard for me to imagine a secure future. Even under these circumstances, I was committed to completing my basic education, which eventually helped me find a job as a pre-school teacher. I was happy to have a job that enabled me to support my family, but I was still surrounded by people in distress. The civil war had left the local economy crippled, with scant job and livelihood opportunities, as all industrial activity had come to a standstill. I felt a deep desire to do something that would help my community move forward.

It was around that time, when everything looked bleak, that Ma's Foods, a milk processing company, expanded their operations to our underdeveloped region. I saw an opportunity to move into something more enterprising and joined the company as a factory worker in 2017. While working there, I started supplying small quantities of milk to the factory from the cattle that my family owned. After spending some time working at Ma's Foods, I realized mobilizing milk supply from my community members could create livelihoods and an income for them. This was when I took the bold decision to move out of the company and start my entrepreneurial journey.

Initially, I started a small cooperative of just five farmers, and supplied 50 liters of milk a day. Today, I have expanded my business and set up a milk collection center with 25 farmer families supplying 150 liters of milk to Ma's Foods every day. While I've just started my journey, I believe I can grow my business that will help serve my community.

 **6,221,486**  
Farmers Supported with Livelihoods, Products, and Services

 **1,685,047**  
Women Farmers Supported with Livelihoods, Products, and Services



COMPANIES AND INITIATIVES IN THE AGRICULTURAL SECTOR SUPPORTED BY AAVISHKAAR GROUP:



“ I have seen the civil war destroy lives and livelihoods. Today, I am proud to help build back my family and my community. ”



Sri Lanka

When money-lending is predatory...

...I am security and reliability. I am the asset.

## I AM ARPITA.

Even when I was a teenager, I always imagined owning my own business. So, in 2000, when my husband, father-in-law, and I set out to start our own enterprise, it felt like a dream come true. Inspired by our religious beliefs, we started producing camphor tablets for prayer ceremonies out of our home in Pune, Maharashtra. In the initial days, we produced and packed everything ourselves, and my father-in-law even did door-to-door sales. By 2009, we had established five different brands and had connected with several distributors across Maharashtra state. As our business expanded, we were in urgent need of finance to purchase machinery that would automate our processes and allow us to meet the growing demand for our products.

However, we were hesitant to take a loan. We assumed the loan process would be cumbersome and would require a lot of paperwork and collateral. Our need, however, superseded our fear and led us to Ashv Finance, where we were able to quickly get a term loan. The team at Ashv was professional, and kept us informed at every stage of the procedure. Their seamless process completely dissipated our fear of a lengthy loan process.

With the help of this financing, we were able to complete all our pending orders, which boosted our revenue by approximately 30 percent. We aspire to expand further and be the best in our business.

I would like to also share here that our hard work and never say die attitude has had a positive impact on our children. They have seen it all – from working hard to sell our products, to maintaining product quality, and managing cash flows. I believe our efforts will inspire our children to become the next generation of entrepreneurs.

 **11,524**  
MSMEs Supported with Financial Services

 **52,086**  
MSMEs Supported with Products and Services



AAVISHKAAR GROUP COMPANIES PROVIDING MSMEs WITH FINANCIAL SUPPORT:



COMPANIES PROVIDING PRODUCTS AND SERVICES TO MSMEs SUPPORTED BY AAVISHKAAR GROUP:



“ I definitely think that our effort will inspire my children to become the next generation of entrepreneurs. ”



When finance deters ambition...

...I am conviction. I am an equal.

# I AM PRABHASINI.

A few years ago, I was just a housewife from a small town in the Ganjam District of Odisha. I was constantly worried about how my husband and I were going to be able to afford our daughters' education on my husband's meagre salary as a salesman. I had heard of women who sold groceries and other items from their homes to supplement their families' income. However, the idea of starting a business by myself made me nervous. While I wanted to support my family financially, I did not want to be away from my children, nor did I have the money to finance such an enterprise.

I then heard about Arohan's micro loans from a relative. While I had my misgivings, my cousin assured me of Arohan's transparent and customer friendly processes. So, a few days later, I contacted Arohan, all the while wondering how I, a housewife with no assets, could be granted a loan, or whether the home-based store I wanted to start would even be viable.

A week later, my application was processed, and I was granted a loan of INR 20,000 (~USD 260). Overwhelmed with joy and with a renewed sense of confidence, I stocked up my little store with daily use items like soap, rice, biscuits, detergents etc. I soon started earning a daily profit of INR 300-400 (~USD 4-5.5). Inspired, I also started making and selling homemade vegetable chips.

Today, I feel a sense of pride in my ability to support my family. I have recently paid for tuition classes for my children, a luxury most in my neighborhood cannot afford. And I am certain that I will be able to support my daughters' college education when the time comes. I have also taken it upon myself to actively educate my family and neighbors about the value of being an equal bread-earner and being truly independent.

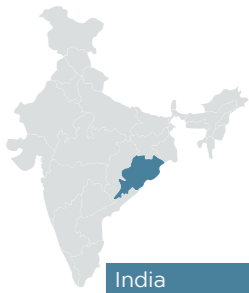
“ The best part about running my own store and generating an income is that I am truly independent. ”

 **12,536,227**  
People Provided with Affordable Financial Services

 **12,379,052**  
Women Provided with Affordable Financial Services



COMPANIES IN THE FINANCE SECTOR SUPPORTED BY AAVISHKAAR GROUP:



India



When markets are underserved,  
and opportunities scarce...

...I unlock markets.  
I unlock knowledge.

## I AM SHIVANGI.


I come from a middle-class family in a small town called Jetpur in the Indian state of Gujarat, where my father works as a farmer. Watching my parents work hard every day, throughout the year, on their farmland motivated me to work even harder. With their support, I was able to complete a Master's Degree in Agriculture despite the persistent gender stereotypes in my hometown, where very few girls had the liberty to even study. I wanted to make my parents feel proud of me.

Soon after I completed my studies, I was struggling to find a job that complemented my background in agriculture. It was during this time, I discovered Agrostar, a company that provides high-quality, low-cost farming inputs, and agronomy advice directly to farmers in my village. I have witnessed, firsthand, my parents struggle with low yields and incomes because they were using poor quality, and sometimes expensive, farm inputs. They were also using traditional farming methods, and were not aware of progressive farming practices relevant to current times. I wanted to support my family, and many other farmers like my parents, to increase their income, so I decided to join the company.

As a customer service provider, I am responsible for providing farmers with the latest scientific advice to help grow healthy crops and improve yields. Today, I am immensely proud to share that I support several farmers from across the country, and most importantly, my own father. I envision a fulfilling career in the agriculture space, and I believe I have also grown as a leader, and have inspired the youth in my village to take up farming.

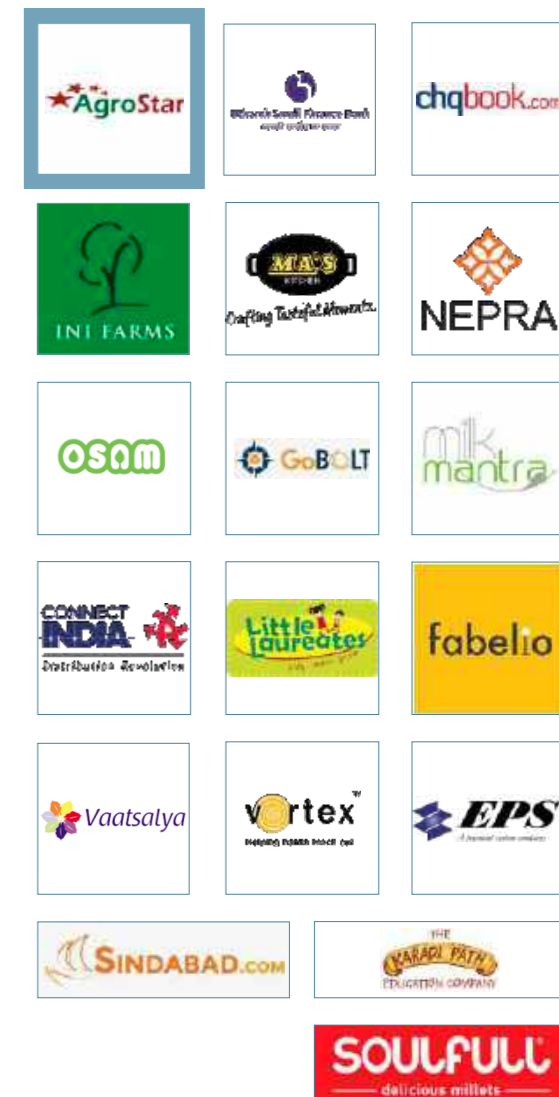
“ I am proud to support my father and other farmers in improving their yield and incomes. ”

 42,498  
Jobs Created

 4,167  
Jobs Created for Women



COMPANIES FOCUSED ON  
GENERATING JOBS SUPPORTED BY  
AAVISHKAAR GROUP:



When open defecation imperils...



“ I’m proud to share that I was among the first few women in my village to have a toilet at home. My daughter and I now have privacy and safety. ”

...I am dignity. I am the hygiene and sanitation movement.

## I AM SHIMPI DEVI.

I live in a small village, called Khagaria, in the underdeveloped state of Bihar. Growing up with the absence of basic sanitation facilities, I was forced to defecate openly, which caused me immense trauma. I had to wait for long hours and walk a long way to find a suitable time and place to relieve myself. A lot of people in my village, who also defecated openly, fell critically ill due to the long wait. My daughter, too, faced the same struggles, as we could not afford to construct a toilet. As my daughter turned 15, I feared for her safety, especially since my husband works in a different state. I wanted more than anything to have a toilet in my home.

A few years ago, I learnt about Arohan’s Sanitation Loan Facility from a customer service representative of the company. He told me the loan was specifically designed to support rural women to construct a toilet in their home. So, I became one of the first few women in my village to avail of a loan of INR 15,000 (~USD 200) and successfully construct a sanitation unit at my home.

Because of the sanitation unit, I now have privacy and feel like I have regained my dignity. We receive a direct water connection in our home through a hand pump and motor and find it very easy to maintain the sanitation unit. I am so happy with my experience that I have also encouraged others to avail of Arohan’s scheme. So far, 15 families from my village have subscribed to this facility. We are building a local hygiene and sanitation movement.

 **15,526,371**  
People Supported with Sanitation Facilities

 **6,920,000**  
People Supported with Potable Drinking Water



COMPANIES AND INITIATIVES IN THE WASH SECTORS SUPPORTED BY AAVISHKAAR GROUP:



India

When women farmers are excluded...



“ Traders would not look me in the eye because I am a woman. Today, I am proud to have built a company that has opened up India to the USD 130+ Mn industry of fruit export. ”

...I give rural women a voice. I create opportunities. **I AM PURNIMA.**

I started my entrepreneurial journey at the age of 18 at my father's business in Calcutta, India. I was managing the sales and marketing for Indian Railways, and this first experience taught me a lot about how to contribute and engage in a male-dominated, traditional industry. Later on, as my career evolved and I became an agri sector consultant, I realized there was a lot of fragmentation in the horticulture value chain, which if corrected, presented an opportunity to both become a vital player in the sector and create social impact. In 2009, I co-founded INI Farms with my husband, Pankaj. We focused on growing pomegranates, bananas, and other fruits.

Over the past several years, despite the challenges of breaking into a male-dominated industry as a woman CEO, I have strategically addressed several issues across the traditional horticultural supply-chain. I am most proud of the fact that we, at INI Farms, have reduced wastage in our supply-chain to less than two percent, compared to the industry norm of 20-45 percent. We currently work with 5,000 small-holder farmers across eight states in India and have changed the farmer-distributor relationship to instill trust and increase farmers' incomes by up to 30 percent. My engagement with farmers is not driven by contracts, but by partnerships based on mutual trust and personal connection. I have also restructured systems to actively involve women in high-skill and traditionally male-dominated parts of the supply chain, such as within INI's fruit packaging plant, as supervisors, management team members, and board members.

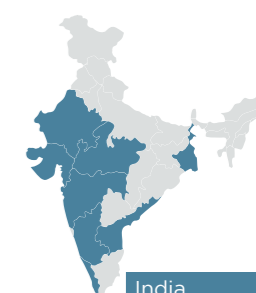
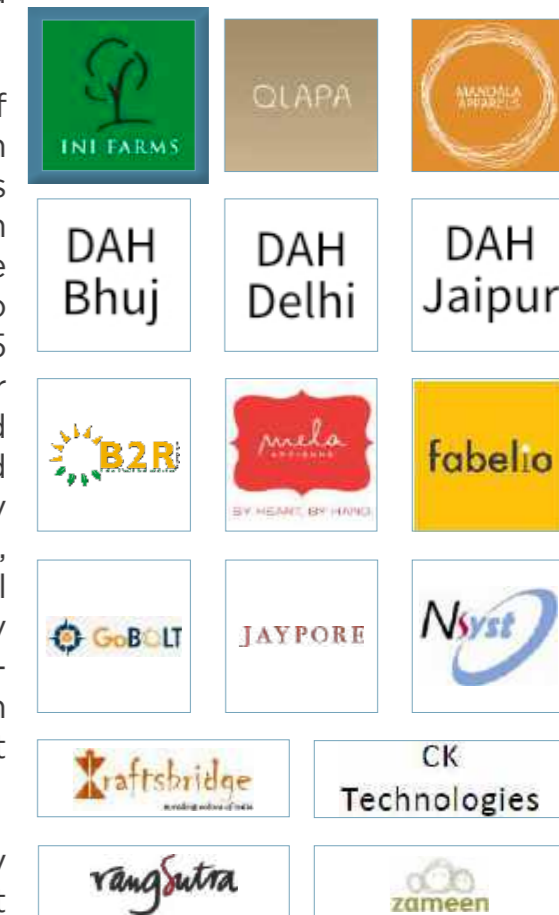
Today, INI's position in the industry has exceeded my wildest expectations. We are one of India's largest fruit exporters, retailing in 35 of the most stringent international markets. This achievement would not have been possible without the investment and proactive engagement we received from Aavishkaar Capital. INI shares a strategic vision with Aavishkaar vis-a-vis both growing our businesses and creating impact, especially when it comes to supporting women. As I proceed to transform the horticulture sector in India with the launch of our local brand, I want to continue to work on our core competencies as a company, and instill transparency across all our systems.

 **533,379**  
Livelihoods Created

 **284,781**  
Livelihoods Created for Women



COMPANIES FOCUSED ON GENERATING LIVELIHOODS SUPPORTED BY AAVISHKAAR GROUP:



When societal norms and glass ceilings stifle...

...I create safe spaces for women. I ensure equity.

## I AM SUSHMA.


When I started my career, as an entrepreneur, I was among a handful of women in the real estate industry. I, more often than not, found myself having to stand up tall for my voice to be heard in a room dominated by men. Even after four years of entrepreneurial experience, when I started business school, my male peers often joked that I was granted admission just to fulfill a diversity quota. I could have simply accepted my privileged status as the only woman in the room, but that was not my idea of enlightened leadership. These first experiences of the workplace drove me to work harder and create more opportunities for myself and other women.

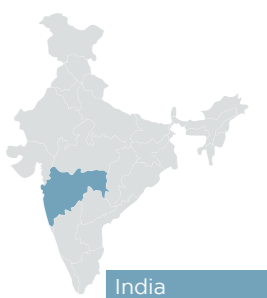
In 2007, I started hearing a lot about “impact investing” and Aavishkaar. I read an article in Business World magazine titled ‘Men Investing in the Other India’ and wondered why there weren’t any women in the field. A few months later, I started what would become a 10+ year journey at Aavishkaar. I joined as an Investment Manager and quickly moved up the ranks to become Aavishkaar Capital’s first woman partner. The recognition of merit regardless of gender, being heard regardless of the hierarchy, and working in a team with other highly qualified women, has encouraged me to achieve even more.

As a partner, I use my position to ensure that the companies Aavishkaar Capital invests in maintain gender diversity, and are poised to integrate women into leadership roles. There have been several incidents with potential investees where I have had to fight to secure the inclusion of women in the workplace. Navigating the cultural and socio-economic barriers to make workplaces more inclusive for women is something I will continue to do every single day. I have been recognized as “40 under 40 Alternate Professionals” and one of the “Top 100 women in finance in the leading category”, which motivates me to support women entrepreneurs and professionals, and play an instrumental role in inspiring more women to enter the workforce and succeed at work.

“ We invest in women to create a more equitable society, and support businesses that are both profitable and purposeful. ”

 **20%**  
Women in Management Positions at Aavishkaar Group

 **19%**  
Women Board Members at Aavishkaar Group



When economic growth beckons...

...I enable entrepreneurs. I am innovation.

## I AM KARNIKA.


I joined Intellecap in 2017 after an extensive international career in both the public and private sectors. I was drawn to Intellecap because I had witnessed the inherent lack of sustainability of aid-driven solutions. I discovered that Intellecap, and Aavishkaar Group were building an impact ecosystem, and solving developmental challenges through impact capital and entrepreneurship.


As a senior partner, and one of the first members of Intellecap's Africa team in Kenya, I have worked on ~50 different projects, rendering Intellecap a self-sustaining organization – a departure from its grant-based origins. I actively work towards creating opportunities and systems that enable women employees at Intellecap to rise through the ranks. I see emotion and compassion as an asset, and encourage my peers to view them as strengths rather than weaknesses. My approach to a healthy workplace centers on allowing others to take ownership of, and responsibility for, their work.


I am a proud woman leader supporting others in leading their own communities. One of my first projects at Intellecap was rehabilitating a displaced Maasai community in a remote part of Kenya while I, myself, was eight months pregnant. It showed me how drive and self-motivation characterize the entrepreneurial spirit, and how with just a little help, the leaders of the Maasai villages were instrumental in uplifting their entire communities. Entrepreneurs are creating livelihoods for themselves, their employees, and entire communities. This is critical, especially in the Global South where unemployment is a huge challenge. Entrepreneurs are also the people who will lead the way to innovation and change at national scales.

In enabling entrepreneurs and innovation, I am indistinguishable from Intellecap.

“ **Entrepreneurs support themselves and others in living life with dignity and independence.** ”

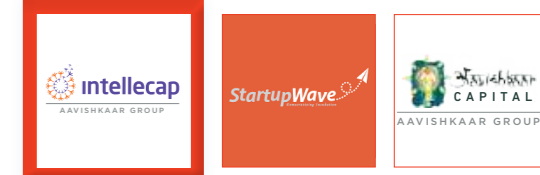
 **3,156,483**  
People Provided with Educational Services

 **1,576,414**  
Women Provided with Educational Services

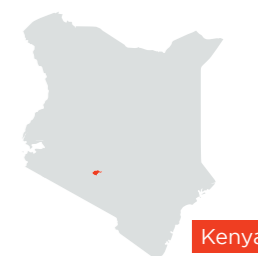
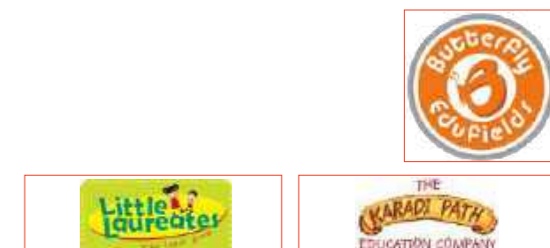
 **1,534**  
Early-Stage Enterprises Incubated and Supported



GROUP COMPANIES AND INITIATIVES INCUBATING AND SUPPORTING EARLY-STAGE ENTERPRISES:



COMPANIES PROVIDING EDUCATIONAL SERVICES SUPPORTED BY AAVISHKAAR GROUP:



Kenya

When women leaders are rare...

... I shatter stereotypes.  
I am undisputed meritocracy.

## I AM KIRAN.

From early on, I knew I wanted to spend my career working to improve the access and inclusion of marginalized communities. So, I spent the first decade of my career in the affordable housing sector. As I kept abreast of other innovations on improving the lives of the poor, I became increasingly interested in the financial revolution that non-banking finance companies (NBFCs) and microfinance institutions (MFIs) were creating for small-scale businesses. It was during this time that I found an opportunity to become a part of this revolution that aligned with my aspirations to do something meaningful. I joined Ashv Finance, becoming both part of the one percent of female Chief Financial Officers (CFOs) in the country, as well as a banker to the historically “underserved”.

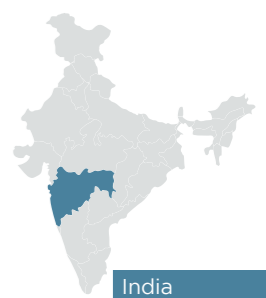
My first order of business, when I joined Ashv two years ago, was to strengthen the business. As a senior leader, I also worked very closely with the management team to redefine Ashv’s focus on providing MSMEs with the best possible opportunity at participating in India’s growth story, and creating livelihoods in Tier II and III cities. We decided to achieve this by providing finance to impactful businesses that reduce income inequality, promote the use of renewable energy, conserve natural environments, and provide more sanitary living conditions to the masses, and especially, to those that are led by women. I’m proud to share that around 30 percent of the MSMEs in our portfolio are women-led, and this number continues to grow.

The work that I do at Ashv continues to excite me every day, as I witness the positive impact of small businesses on the livelihoods of the underserved communities. In 2019, I supported Ashv in achieving another key milestone - we received a rating upgrade that helped us further expand our capital pool to enterprises. I hope to continue to play an integral part in building innovative financial platform to bridge the gap between what Ashv is today and what the company envisions for itself - to be among the top five NBFC MSME lenders in the next five years.

“ Impact means creating relevant solutions to problems which pose a risk to our environment, society, and people. Impact is transforming every social and environmental challenge into an investment opportunity. ”

 **USD 2.1 Bn**  
Capital Disbursed by  
Aavishkaar Group

 **USD 393 Mn**  
Equity and Debt Capital  
Facilitated for Enterprises



When the underserved need a champion...

... I rise to the challenge. I provide capital.

## I AM CHAITALI.


In 2006, when I saw a poster that read ‘Work towards the betterment of women at Arohan’, in Ananda Bazaar Patrika in Kolkata, I knew I had found my calling. Those six simple words embodied everything I stood for as a woman, and as a single mother. Having come from a family of strong, working women who taught me the value of hard work and independence, becoming one of the first five branch heads of Arohan – and the only woman in the cohort – seemed almost natural. And that was just one of many firsts. My branch was the first to make disbursements for Arohan’s flagship product, *Sara*, and since then I have been part of the launch teams of several other key products that helped create livelihoods for poor women.

In my 14 years at Arohan, I’ve never shied away from a professional opportunity on the pretext of being a woman. On the contrary, I took it upon myself to instill teamwork, mentor my colleagues, and ensure their voices were being heard. I’ve been proactive in asking for training support to improve the effectiveness of my teams, and have conducted trainings myself as well. My job entails navigating many complexities and nuances on a daily basis; I remember the first time I was out in the field, it took me several days to convince women slum-dwellers that a low-interest, collateral-free loan was possible, and that they didn’t have to depend on predatory money lenders.

I’m currently the Zonal Coordinator for the Recovery Vertical of West Bengal. Besides being proud of my own achievements, I’m happy to have been able to set an example for my daughter, who now also works at a bank. On the back of numerous accolades and promotions, I am determined to contribute to the Arohan family in the years to come because I truly believe that the work we do leads to growth and innovation in local economies, social mobility, and independence for women.

“ My work is more than just about a salary. It has given me a sense of belonging and an opportunity to add value to the lives of others. ”

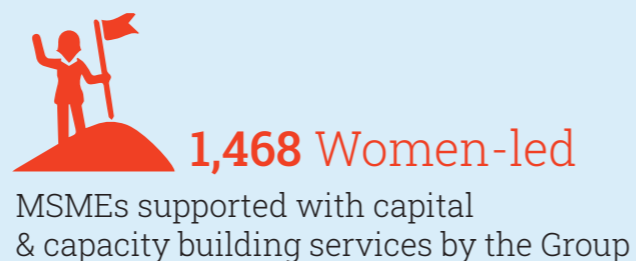
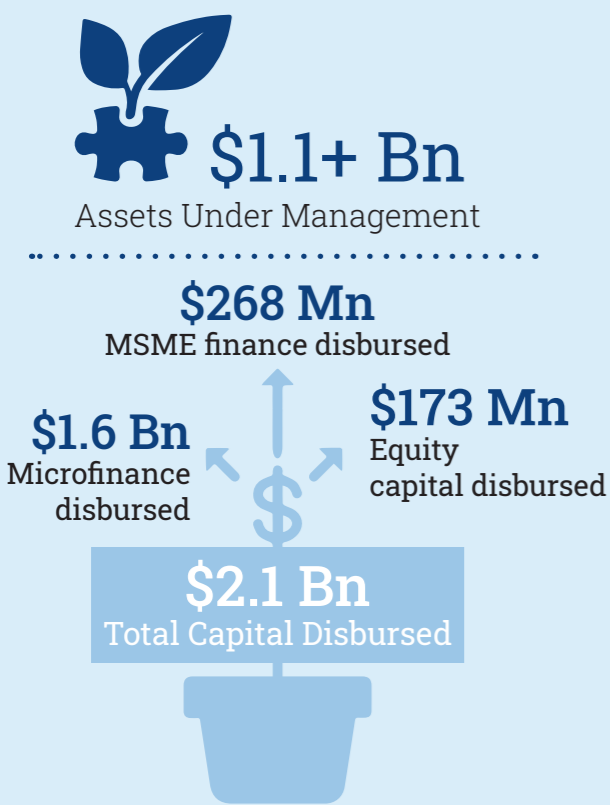
 **100+ Mn**  
Underserved Customers Supported by Aavishkaar Group

 **~55%**  
Underserved Women Customers Supported by Aavishkaar Group

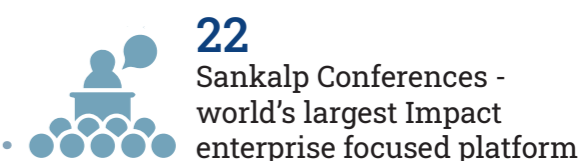


# Impacting With Integrity

## OUR IMPACT IN NUMBERS



### Global South Footprint



### Underserved Clients & Impact Output



**29%** Women-led enterprises  
**80%** First time institutional capital seekers



**97%**  
Women MFI clients



**28%**  
Women-led MSME clients



### Industry Bodies



### Sectors: Outcome & Impact



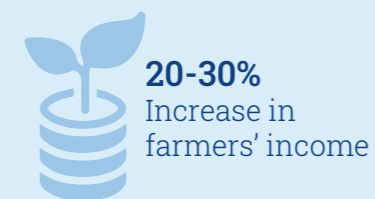
**10.2 Mn** People supported with affordable financial services via investments

**99%** Women clients



**6.2 Mn** Farmers supported via investments & engagements

**27%** Women farmers



**1.5 Mn MT** CO<sub>2</sub> emission reduced by the group and via investments

**1 Mn** People provided with clean cookstoves via the Group and its investments

**85K MT** Waste managed & recycled via investments and engagements

**30-40%** Increase in waste pickers' income



**28 Mn** People provided with essential services via investments

**50%**  
Women



**585K** MSMEs supported & livelihood generated via investments

**49%** Women



### Group Initiatives



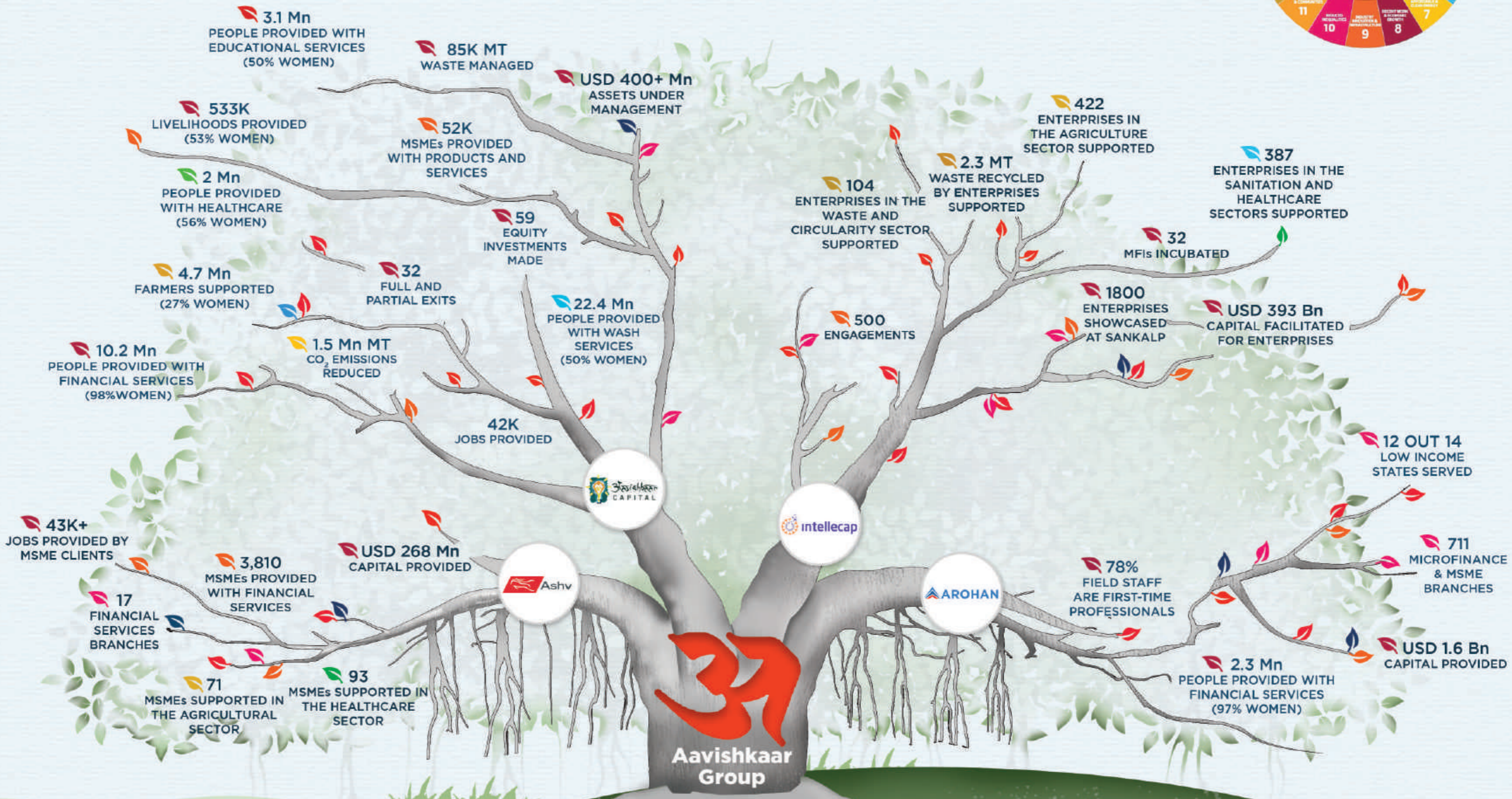
Per **\$1** invested, **enterprises raised \$3.4X**



# Building Our Impact Ecosystem

## THE AAVISHKAAR TREE

The Aavishkaar Group is diverse and the tree forms a perfect metaphor of our attributes like growth, resilience, grounded, inclusion and sustainability. The Group companies - Aavishkaar Capital, Arohan, Ashv and Intellecap, have their own distinct characteristics but are rooted in these common attributes. While they individually address a significant part of the journey of low-middle income customers, together they form an enabling ecosystem for the emerging 3 billion. Impact is in the DNA of our Group Companies. Each leaf represents the impact we have been able to create through our journey and takes the colour of the United Nations Sustainable Development Goals (SDGs).



# Conversing With Our Conscience - **A MANIFESTO FOR US**

Why is the world still unequal?  
Why doesn't everyone have the same opportunity?

These are the questions that we face  
And these questions have no easy answers.  
At Aavishkaar, we chase problems worth solving.

We're driven to create choices for the emerging 3 billion,  
Choices that allow them an opportunity to a better life,  
Choices that shape the future for all of us, not just some of us.

We do this by fuelling entrepreneurs & building businesses  
By creating an eco-system of change-makers,  
The ones who don't submit to the tough reality of today,  
But the risk-takers who have the vision for a better tomorrow.

We back them with capital – financial & intellectual,  
We back them with conviction.

**We are the Aavishkaar Group.**  
**We exist to bridge the opportunity gap for the emerging 3 billion.**





“ The past two decades at the Aavishkaar Group have been characterized by grit, innovation, and learning to build the impact ecosystem. In the next decade, we will transform the Aavishkaar Group into an ‘Impact Unicorn’, changing a billion lives across the Global South. ”

## Impact as the New Mainstream **AAVISHKAAR GROUP VISION FOR THE NEXT DECADE**

As a forester, it was natural for me to look at everything around me from an ecosystem perspective. At the turn of the century when we laid the foundation of the Aavishkaar Group, we wanted to make an impact and transform lives. We had to choose between making an impact ourselves or using leverage to build an impact ecosystem and nurture entrepreneurs to deliver impact.

The past two decades at Aavishkaar Group have been characterized by enormous learning as we chose the difficult option of building the impact ecosystem. The documentation of this journey of delivering impact to more than 100 million lives over the two decades is our salute to these exceptional leaders within our ecosystem. We are grateful to the 2.2 million women who borrowed a microloan from Arohan and supported their families and communities; the small entrepreneur who took a cashflow-based loan from Ashv and created jobs to support her community; to impact entrepreneurs who shared ownership with Aavishkaar Capital and let us have the privilege of reporting the impact they made on ground, to our collaborators, and partners who helped Intellectap build an ecosystem for impact in India, South East Asia and East Africa. We salute the not-for-profits who helped Aavishkaar Foundation feed the hungry during the Covid induced lockdown as millions walked home to their villages. All this has been made possible by the amazing investors, shareholders and Limited Partners of Aavishkaar Group who have shown an unparalleled passion towards building an inclusive and sustainable future by supporting us in this impactful endeavor.

As you flip through the pages of this report and read the inspiring stories of leaders, we urge you to look at this as Aavishkaar’s way of explaining the context of impact while we discuss hard numbers. We have always believed impact is contextual and while numbers are important, the stories lie in the context of the intervention.

In a world where a global health crisis has left many with no means to reconstruct their lives, we are grateful to say the impact investing model offers an opportunity with innovation and entrepreneurship to address the most pressing challenges the pandemic has presented. The impact investment sector has grown into a nearly USD 715 billion industry because the world has irrefutable evidence that it works. Together, with support from our investors, entrepreneurs, colleagues and stakeholders, we pledge to keep our integrity around impact high, while we grow our platform and impact faster than the industry.

As we plan the new decade, we are hopeful that we will be able to transform Aavishkaar Group into an ‘Impact Unicorn’, impacting a billion lives across Asia and Africa.

**-Vineet Rai**

# Aavishkaar Group **LEADERSHIP**

This report wouldn't have been possible without the support from our esteemed Board of Directors, Advisory Council, Executive Council and the senior leaders from the Aavishkaar Group.

## **GROUP BOARD OF DIRECTORS:**

Rekha Unnithan (Nuveen), Marianne Tijssen (FMO), Swati Rai (Aavishkaar Group), UK Sinha (Independent), Arnold Ekpe (Independent), Sam Parker (Shell Foundation), Frank Streppel (Triodos), Vineet Rai (Aavishkaar Group), Anurag Agrawal (Aavishkaar Group), and Manoj Kumar Nambiar (Aavishkaar Group)

## **GROUP ADVISORY COUNCIL:**

Arun Maira (Former Member, Planning Commission), Kiran Karnik (Former Nasscom President)

## **GROUP EXECUTIVE COUNCIL:**

Swati Rai (Aavishkaar Group), Anurag Agrawal (Aavishkaar Capital), Manoj Kumar Nambiar (Arohan), Nikesh Kumar Sinha (Ashv), Vikas Bali (Intellicap), and Vineet Rai (Aavishkaar Group)



# GLOSSARY

## Affordable Financial Services/Access to Finance (Sector)

Enterprises whose impact value-proposition is focused on providing low-interest and/or collateral-free loans, or microfinance, as well as services such as affordable insurance and ATM access. Customers in this category can also be classified as people for whom indirect livelihoods are created, i.e. when Aavishkaar Group companies or investee companies offer customers an opportunity to increase their income or support their livelihood through microfinance, but leave the option of livelihood creation to the individual. For the purpose of this report, Arohan numbers have been included separately.

## Assets Under Management (AUM)

AUM of Aavishkaar Group is calculated as the summation of AUM of Aaviskhaar Capital, Arohan and Ashv. AUM of Aavishkaar Capital is calculated as the summation of NAV of unrealized portfolio + (committed capital - called capital) + NAV of unrealized co-investment.

## Clients

Entrepreneurs or individuals who have received debt or equity capital, enterprise-growth or consulting support from the Aavishkaar Group.

## Capital Facilitated

The quantum of capital received by social enterprises through investors via Aavishkaar group companies.

## Capital Disbursed

The quantum of capital directly provided by Aavishkaar Group companies in the form of debt or equity capital.

## CO<sub>2</sub> Emissions Reduced

The amount of CO<sub>2</sub> emissions reduced by way of solar or other renewable technology adoption by the Aavishkaar Group's investments and engagement/indirect clients and/or Group companies and their direct clients, in metric tons.

## Circularity

Circularity or a circular economy is an economic system that eliminates waste and the continual use of new resources. Circular systems reuse, repair, refurbish, remanufacture, and recycle to create a closed-loop system, minimizing the use of new resource, and the creation of waste, pollution, and carbon emissions.

## Engagements

Represent Aavishkaar Group's consulting projects, primarily through Intellectap.

## Environment Sustainability (Sector)

Enterprises whose impact value-proposition is focused on producing a product or service that is an eco-friendly alternative.

## Essential Services (Sector)

Enterprises whose impact value-proposition is focused on providing low and mid-income population with affordable, high-quality education services, healthcare, water, sanitation, clean energy access, etc. to improve access to basic services for a dignified life.

## Enterprises

Impact-driven, social enterprises to whom Aavishkaar Group companies have provided equity capital or growth-support.

## Jobs Created

Contract and permanent jobs created directly by Aavishkaar Group's investments/engagements/portfolio companies/clients, primarily in the organized sector. This excludes jobs created by the Group companies themselves and they have been included under employees of the Aavishkaar Group.

## Low-Income States (LIS)

As defined by the World Bank and Oxford Poverty Human Development Index as the following Indian states: Bihar, Jharkhand, Uttar Pradesh, Madhya Pradesh, Odisha, West Bengal, Rajasthan, and Chhattisgarh.

## Livelihoods Support (Sector)

Enterprises whose impact value-proposition is focused on generating sustained and fair livelihoods for individuals, such as for rural artisans, truck drivers or waste pickers, and so on, primarily in the unorganized sector. The impact created to help generate income for individuals are classified as direct livelihoods created.

## Micro, Small & Medium Enterprises (MSMEs)

Enterprises whose impact value-proposition is focused on including MSMEs, typically micro and small entrepreneurs in their supply chain, for example as delivery partners, or providing services to MSMEs, such as financial services, in order to support their livelihood generating activity. The impact created to help generate income or livelihood by providing finance to MSMEs are classified as direct livelihoods created.

## MSMEs<sup>[3]</sup>

**Micro:** Investment in Plant and Machinery or Equipment: Not more than USD 0.13 Mn and Annual Turnover: not more than USD 0.6 Mn.

**Small:** Investment in Plant and Machinery or Equipment: Not more than USD 1.3 Mn and Annual Turnover: not more than USD 6.6 Mn.

**Medium:** Investment in Plant and Machinery or Equipment: Not more than USD 6.6 Mn and Annual Turnover: not more than USD 33 Mn.

## Sustainable Agriculture (Sector)

Enterprises whose impact value-proposition is focused on supporting farmers with sustainable inputs (like seeds, fertilizers & irrigation), low-cost, high quality agronomy advice, fair & equitable pricing or market access, and/or including farmers through fair-wage and sustained supply-chains. The impact created to help generate income for farmers are classified as direct livelihoods created.

## Underserved Customers (People provided with products & services)

Represents underserved, marginalized or excluded customers, mostly from economically weaker sections or in poverty, who received a service or product through one or more of Aavishkaar Group investments and/or portfolio companies. This excludes any product or service provided directly from the Group companies.

## Waste Managed

The amount of solid waste managed or recycled by Aavishkaar Group's investments and engagements, in metric tons.

## Endnotes:

1. National Sample Survey (NSS) data (1998, 5<sup>th</sup> round).
2. Gujarat Grassroots Innovations Augmentation Network (GIAN) was set up in 1997 with support from Government of Gujarat, Society for Research and Initiatives for Sustainable Technologies and Institutions (SRISTI) and Indian Institute of Management Ahmedabad (IIMA) as India's first technology business incubator focused on incubating and commercialising grassroots innovations.
3. Ministry of Micro, Small & Medium Enterprises, GOI.

## ACKNOWLEDGEMENTS

We are deeply grateful and thankful to all the women leaders in this report who shared their journey with us.

We thank the teams from Aavishkaar Capital (Amol Ganu, Disha Gandhi, Divya Gupta, Janavi Papriwal, Neha Saraf, Pradeep Pathiyamveetil, Shashvat Rai and Subit Saurav), Arohan (Kamlesh Kumar, Reema Mukherjee and Srirupa Pal), Ashv Finance (Rahul Jaiswal), Intellectap (Charu Thukral and Vineeth Menon), Aavishkaar Group (Shilpa Maheshwari) for their support in building this report.

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## AAVISHKAAR CAPITAL IMPACT & ESG TEAM:

**Authors:** Sachi Shah, Sowmya Suryanarayanan

## SENIOR ADVISORS:

Amit Bhatia (Advisor), Anurag Agrawal (Aavishkaar Group), Atreya Rayaprolu (Ashv), Manoj Kumar Nambiar (Arohan), Nikesh Kumar Sinha (Ashv), Vikas Bali (Intellectap), Vineet Rai (Aavishkaar Group)

## MARKETING AND COMMUNICATIONS TEAM:

Kanishka Dasgupta, Sudhanshu Dikshit

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e-mail: [info@aavishkaargroup.com](mailto:info@aavishkaargroup.com)**

### AROHAN

PTI Building, 4th Floor  
DP-9, Sector V, Salt Lake  
Kolkata 700 091, India

### ASHV

12B, 3rd Floor, Techniplex II  
Off Veer Savarkar Flyover  
Goregaon (West), Mumbai 400 062, India

### AAVISHKAAR CAPITAL

13B, 6th Floor, Techniplex-II IT Park  
Off Veer Savarkar Flyover  
Goregaon (West), Mumbai 400 062, India

### INTELLECAP

13A, 6th Floor, Techniplex-II IT Park  
Off Veer Savarkar Flyover  
Goregaon (West), Mumbai 400 062, India

