

This Impact Report was produced by IIX on 05 December 2024 Verified on 26 February 2025. and is valid till 26 February 2026.

The information in this report was provided by Svasti Microfinance Private Limited and has been verified by its customers.

Svasti Microfinance Private Limited is a Financial Inclusion organization operating in India.

COMPANY OVERVIEW



KEY FACTS

| | |
|--------------------------|-----------------------------|
| YEAR FOUNDED: | 2008 |
| ENTITY TYPE: | Financial Insitution |
| LEGAL REGISTRATION: | For Profit |
| COUNTRY OF OPERATION(S): | India |
| SECTOR: | Financial Inclusion |



IMPACT SCORE

7.69

out of 10

VERIFICATION LEVEL*



Low

High

Verified by 95 customers

* The verification level represents the voices of the customers and reflects the extent to which customers agree with the company's impact score.

IMPACT OVERVIEW

Our mission is to help transform the lives of 10 million women, and an average of 4 others in each of their families, which would be a total of around 50 million people, by 2030.



Impact

Svasti Microfinance Private Limited has achieved the following impacts for its customers and beneficiaries, leading to direct impacts , including Beneficiaries are able to buy more/ better food for themselves, Beneficiaries have experienced improvements in their health, Beneficiaries have increased skills and knowledge, Income of beneficiaries has increased, Beneficiaries feel safer to travel alone, Beneficiaries have experienced fewer accidents or safety incidents, Beneficiaries have better relationships with the people around them, Beneficiaries have access to more information, Beneficiaries are more confident, Beneficiaries have more time to do other (recreational) activities. and Beneficiaries are able to think beyond their immediate needs and plan for their future:

- Increased income
- Improved access to clean water, sanitation, and hygiene
- Increased food security
- Local communities empowered to drive sustainable environmental practices more effectively
- Increased time savings
- Increased access to finance
- Improved shelter
- Increased (natural) resource efficiency
- Improved air quality
- Increased assets ownership
- Improved health
- Improved quality of life for women and dependent family members (young children, elderly parents)
- Increased agricultural/ livestock productivity
- Reduced water consumption / improved water efficiency
- Increased productivity

The impacts that Svasti Microfinance Private Limited creates extend to their customers' and beneficiaries' families and community as well. Some of the indirect impacts include:

- Children are able to eat more/ better food
- Family/ community members feel safer to travel alone
- Family/ community members are able to access more information
- Family/ community members have improved water sources and sanitation
- Family/ community members have experienced fewer accidents or safety incidents
- Family/ community members have experienced improvements in their health
- Children are going to school
- Daughters are going to school and have more time to study



Svasti Microfinance Private Limited has achieved the **STAKEHOLDER-VERIFIED ORANGE SEAL**. This shows a demonstrated commitment and progress towards gender equality and climate action in the organization's mission, practices, policies and outcomes.

By verifying gender and climate impact with customers, Svasti Microfinance Private Limited has achieved a higher level of trust in disclosures. As a result, Svasti Microfinance Private Limited is highly suitable for gender-lens investment.

Orange Seal Certification is considered valid for one year from date of qualification. To retain certification, Svasti Microfinance Private Limited is required to reassess policies and practices on IIX Values annually to renew the Orange Seal holder status and uphold the credibility of the organization's gender and climate impact.

METHODOLOGY

| Orange Dimension | DEI in Mission & Intention | DEI in Human Capital | Transparency, Policies and Reporting Procedures |
|------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| | How core is Diversity, Equity, and Inclusion (DEI) to the organization? | Is the organization practicing DEI internally and across its entire business value chain? | Is the organization being transparent and consistently committed about its DEI practices and Environmental sustainability? |
| Weightage | 40% | 30% | 30% |

DIMENSION-WISE PERFORMANCE

Max performance

Can improve

Not fulfilled

DEI in Mission and Intention

- 1.1 Inclusive and impact focused mission or intention
- 1.2 Inclusive organizational governance (Board of Directors)
- 1.3 Public commitment to DEI



DEI in Human Capital

- 2.1 DEI in leadership and workforce representation
- 2.2 DEI in management practices for accountability to DEI goals
- 2.3 DEI in operational activities through an inclusive work environment and pay parity
- 2.4 DEI in recruitment process through interviewer training
- 2.5 Reduced gender-based disparities in workplace



Transparency, Policy and Reporting Procedures

- 3.1 Gender-inclusive policies, standards, and regulations on discrimination, bias & harassment



The *Orange Seal* helps corporations and SMEs demonstrate commitment to diversity, equity, and inclusion (DEI) in leadership, products, services, and supply chains. By adopting the Seal, organizations commit to prioritizing gender equality and diversity in their operations, strategy, and mission.

ORGANIZATION IMPACT & RISK MITIGATION SCORING

Svasti Microfinance Private Limited's products & activities

Svasti Microfinance Private Limited provides certain products/ services to its customers/ beneficiaries, including:

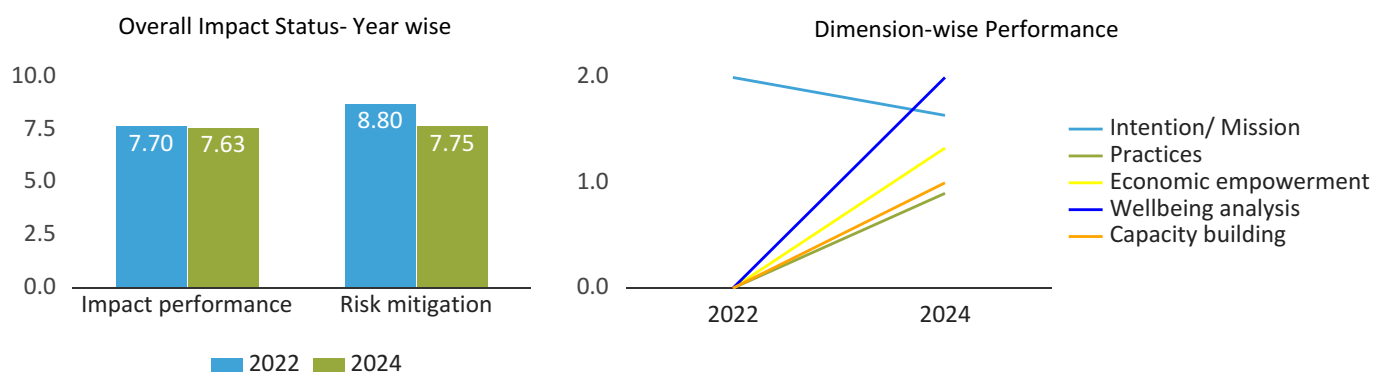
- Group loans
- Business loans
- Water, sanitation, and hygiene loans
- Individual/ household loans
- Energy loans
- Insurance
- Agriculture loans
- Housing loans

To create positive impact, Svasti Microfinance Private Limited strives to:

- Create employment opportunities
- Facilitate access to goods and services
- Provide trainings
- Help clients manage their finances better, improve their quality of life, their children's education, improve overall financial resilience and transform the clients' lives
- Provide goods and services
- Conduct climate transformation activities
- Conduct negative externality abatement activities

Svasti Microfinance Private Limited provides training (i.e.). It has conducted training session(s) in the last 12 months, equipping people with new skills and knowledge. The duration of each session is hours on average. Customers are to practice their learnings after receiving training.

Svasti Microfinance Private Limited's Year-Wise Impact Performance



IIX Values™ assesses impact across two areas:

- (1) **Impact Performance:** IIX Values™ emphasizes poverty alleviation and social and environmental sustainability
 - (2) **Risk Mitigation:** IIX Values™ encourages risk mitigation to reduce the likelihood of customers/ beneficiaries falling back into poverty (and undertaking undesirable environmental practices) due to shocks and stresses
- The overall impact score is derived from taking an average of the impact (1) and risk mitigation (2) scores.

See Appendix 1 for more information about the IIX Values™ impact assessment approach and scoring methodology.

Detailed Performance Breakdown

Max performance

Can improve

Not fulfilled

Impact Mission/Intention

Focus on social/environmental impact in mission statement/intentions to do so

Measurement and management of impact

Social and Environmental Impact Practices

Measurement and management of impact

Activities including increasing income and improving quality of life through better access to resources

Efforts towards climate mitigation, adaptation, transformation, and biodiversity conservation

Economic Empowerment

Access to employment opportunities, goods or services, new and stable markets

Wellbeing analysis

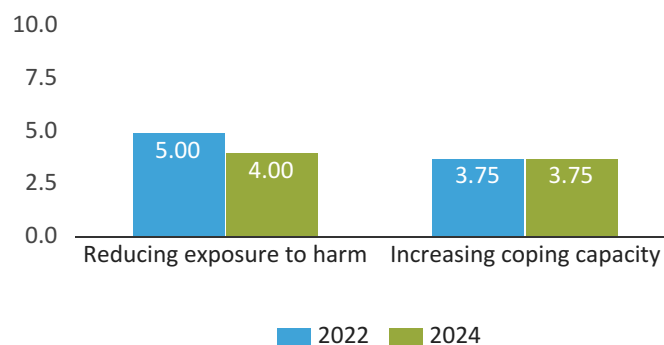
Personal wellbeing of the beneficiaries – nutrition, health, skills, safety, and relationships

Impact on indirect beneficiaries – wellbeing of families and children in beneficiaries' households

Capacity building of employee

Build capacity to increase delivery efficiency, and promote diversified and inclusive culture

2. Risk Mitigation



‘Risk Mitigation’ assesses the extent to which Svasti Microfinance Private Limited is reducing the micro and meso risks facing individuals, households, and communities. Specifically, the main types of risks mitigated by Svasti Microfinance Private Limited are **environment, health, economic and natural-disasters** risks. This is done by reducing both the sources of hazards as well as the vulnerability of customers/ beneficiaries to prevalent hazards.

Additionally, to enhance the ability of customers/ beneficiaries to adapt or respond when disasters strike, Svasti Microfinance Private Limited contributes towards their **social, human and financial** capital. Possession of these assets (or capital) gives households a wider range of options and livelihood opportunities in times of crisis, and it can speed up their recovery from shocks (although the most extreme events may still be highly destructive).

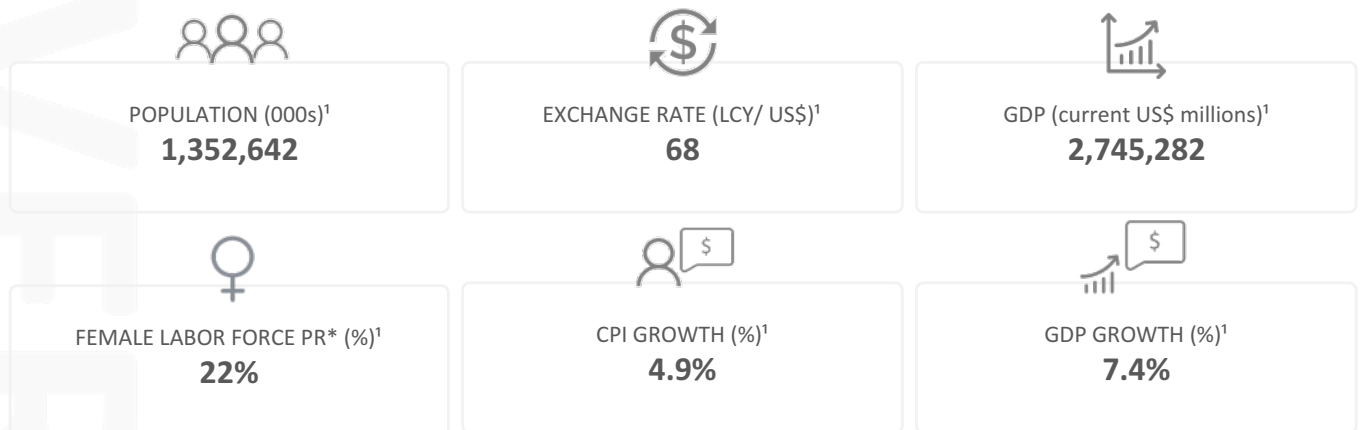
Potential areas for improvement in Impact Score

In order to improve its impact performance, **Svasti Microfinance Private Limited** can consider

- Measuring outcomes and impact along with outputs of the organization's activities
- Starting to Generate savings/ cost savings, and Provide access to new or stable markets
- Ensuring that it makes effort to Biodiversity conservation, Conduct climate adaptation activities (e.g.enable communities and their environment to anticipate, absorb and recover from shocks and stresses triggered by climate change), Conduct climate mitigation activities (e.g.removal or reduction of direct contributors toward climate change), and Conduct resource and/or biodiversity conservation activities

BACKGROUND: INDIA | FINANCIAL INCLUSION

General overview of India



¹ 2018 data; *PR = participation rate

Source: UNCTAD STAT (2018), The World Bank (2018)

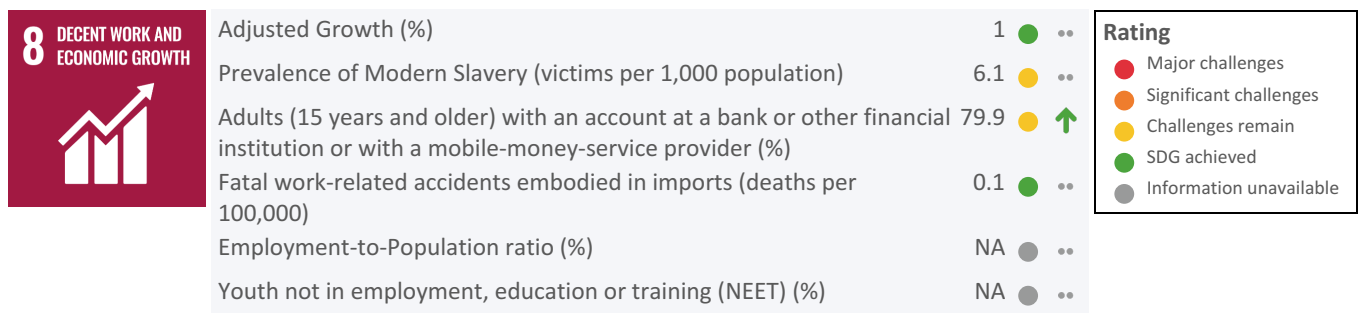
Country SDG Assessment



Direction of Country SDG Performance



Performance of India on Key SDG for Financial Inclusion



Source: Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G. (2019): Sustainable Development Report 2019. New York: Bertelsmann Stiftung and Sustainable Development Solutions Network (SDSN).

Key Findings of Svasti Microfinance Private Limited's Customer Surveys

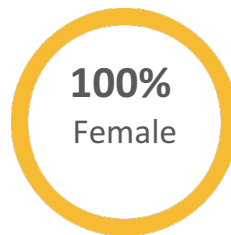
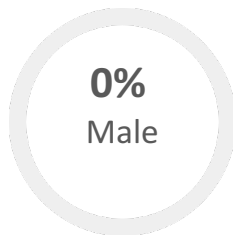
As part of the verification on its impact creation, Svasti Microfinance Private Limited has obtained customer feedback on the affordability, accessibility and equity of its products and services.

Statistics Profile

95
Surveys Sent

GENDER
*0% of respondents selected "Other" or "Prefer not to say"

0
Respondents



Sector-specific: Access to Finance

150,000,000 USD

The gross amount of loans received by its customers



7% of customers
Found it easy to get the first loan



71% of customers
Found it easy to repay the loan



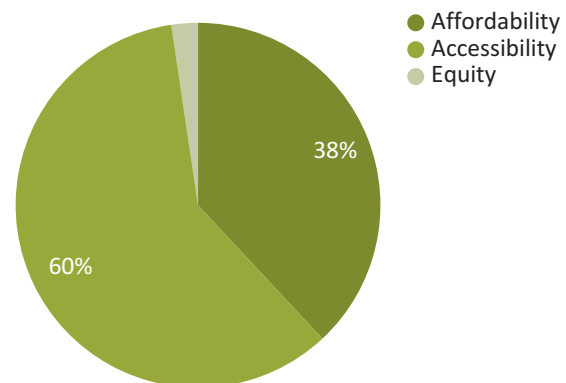
18% of customers
No longer have to borrow money from
other people and/or microfinance
institutions

Women Empowerment



100% of female customers
Have better access to resources, treated with
respect by their family/community and participate
more actively in decision making at home and in the
community

Customer Feedback on products/ services offered



Affordability Feedback was obtained from Svasti Microfinance Private Limited's customers that through the affordable loan terms and other product/service offerings provided by Svasti Microfinance Private Limited, it has benefited both the customers as well as their families and communities through increased income/ savings/ asset ownership and productivity, etc.




Accessibility Feedback was obtained from Svasti Microfinance Private Limited's customers on the ability to pay back the loan, the ease on obtaining the loan from Svasti Microfinance Private Limited and whether Svasti Microfinance Private Limited's has improved accessibility for women.

Equity Feedback was obtained from Svasti Microfinance Private Limited's customers that they were treated with respect and dignity, obtained satisfaction and value from Svasti Microfinance Private Limited's products and services and experienced a sense of empowerment as a result.

SECTOR-SPECIFIC INFORMATION: FINANCIAL INCLUSION

Overview

Svasti Microfinance Private Limited operates within the Financial Inclusion sector. This organization provides group loans, individual/ household loans, agriculture loans, business loans, energy loans, housing loans and water, sanitation, and hygiene loans. In addition, Svasti Microfinance Private Limited provides insurance. As a result, 450,000 people have experienced improved access to finance, of which are women.

|  | LOANS |  | SAVINGS ACCOUNTS |  | INSURANCE |
|-----------------------------------------------------------------------------------|-----------------------------|-----------------------------------------------------------------------------------|---------------------|-------------------------------------------------------------------------------------|------------|
| GROSS LOAN PORTFOLIO: | US\$ 150,000,000 | NEW ACCOUNTS OPENED: (last 12 months) | N/A | % OF BENEFICIARIES PURCHASING INSURANCE: | 90% |
| AVERAGE INTEREST RATE: | 2%¹ | VALUE OF NEW DEPOSITS: (last 12 months) | N/A | | |
| AVERAGE TENURE: | 22 months | | | | |

Products

Loans

Customers are better able to take care of their basic/intermediate needs after receiving a loan from Svasti Microfinance Private Limited. Moreover, Svasti Microfinance Private Limited has special loan provisions for women.

Insurance

Svasti Microfinance Private Limited offers its customers various insurance coverage, including accident insurance, credit insurance, health insurance, life insurance, etc.

Outcomes

Through Svasti Microfinance Private Limited's provision of group loans, individual/ household loans, agriculture loans, business loans, energy loans, housing loans, water, sanitation, and hygiene loans and insurance, customers/ beneficiaries have experienced an increase in:

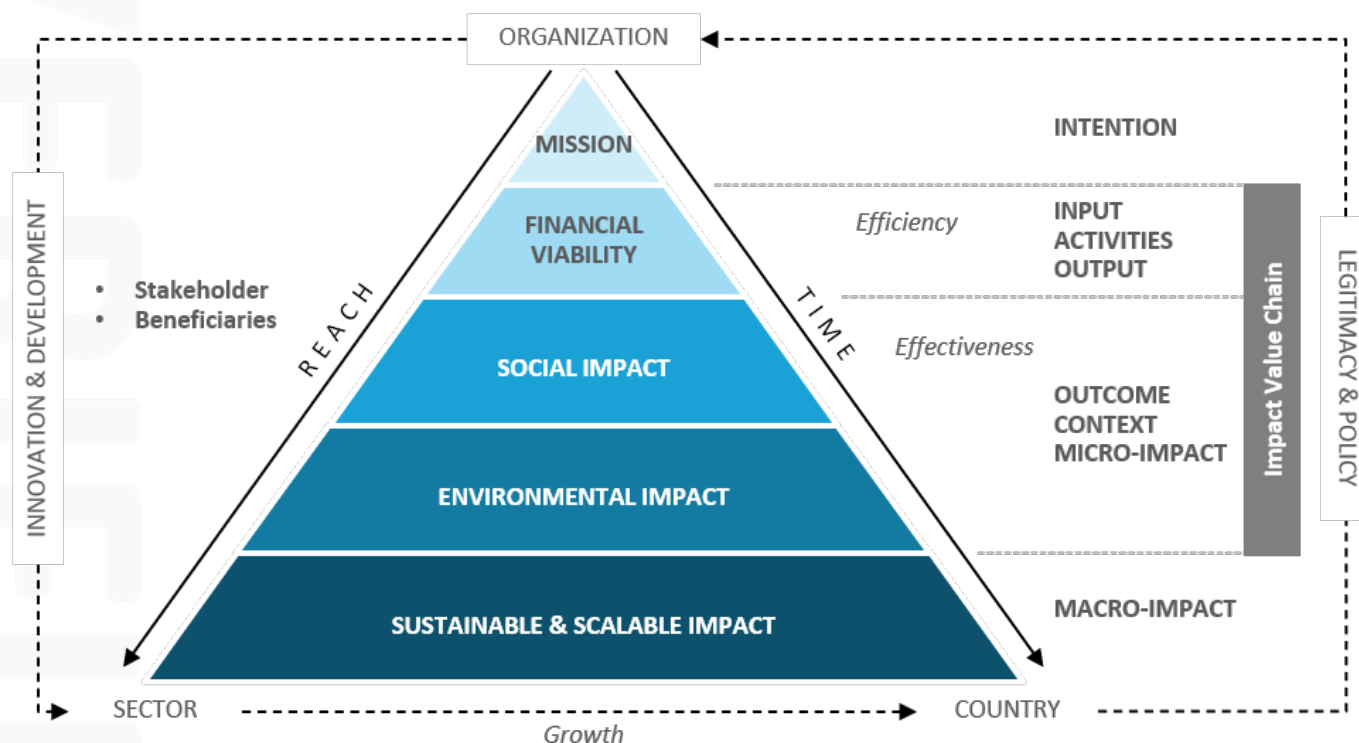
- Economic resilience
- Income levels
- Assets ownership
- Productivity
- Time savings

¹Compared to the industry average of between 2% and 4% on a monthly basis and 20% to 80% per annum, depending upon the package, in emerging countries

APPENDIX 1: IIX VALUES™ IMPACT ASSESSMENT APPROACH

IIX Values™ utilizes the IIX Sustainability Pyramid™ which takes into consideration the organization's mission, financial viability, and positive social and environmental impact to assess its contribution toward the United Nation's Sustainable Development Goals. The Pyramid is built on the information reported by the organization.

IIX Sustainability Pyramid™



Mission

The bottom-up approach of IIX's analytical framework begins by considering the goal and objectives of the organizations (e.g., its central purpose, strategies, and values). Highlighting the basic principles that guide the actions of employees, partners, and management, the mission statement offers a point of reference to examine the strategy that the organization uses to accomplish its goal and objectives.

Activities

The framework investigates the intricacies of the organization's business/ operational model and how its activities align with the mission of creating social and environmental outcomes. This involves understanding the products and services provided by the organization as well as the stakeholders and the type of target customers it serves. The survey ensures the link between the mission to impact customers and the model used to deliver this impact.

Outcomes

It is key to link outputs to outcomes. The survey employs a broad set of sector-, country-, and enterprise-specific indicators to assess the social and environmental impact of the organization, its contribution to the Sustainable Development Goals (SDGs), and the resultant empowerment of stakeholders. Outcomes can then be verified amongst the organization's customers/ beneficiaries to confirm actual positive impact is created.

IIX VALUES™ SCORING METHODOLOGY

Organizations are scored on a scale of 0-10. Points are allocated to certain positive answers, and every point reflects incremental positive impact; or an ESG standard or sub-standard complied with for the Impact and ESG scores respectively.

An Impact Score of 0 suggests a traditional business that does not create any social and/ or environmental change while an Impact Score of 10 denotes an all-rounded impact enterprise creating maximum social and environmental impact. Similarly, a Risk Mitigation Score of 0 implies that the organization's operation does not contribute towards risk reduction while a Risk Mitigation Score of 10 denotes maximum risk mitigation, i.e. the organization is reducing exposure to harm and increasing coping capacity in most, if not all, aspects. The overall impact score is derived from taking an average of the impact (1) and risk mitigation (2) scores. The organization's impact score is weighted across three dimensions – Mission (20%), Practices (30%), and Outputs & Outcomes (50%). The risk score is weighted across two dimensions – Exposure to Harm (50%) and Coping Capacity (50%).

For ESG+, an ESG Score of 0 suggests unsatisfactory ESG performance, no ESG standards are incorporated and that the organization is not aligned to key ESG criteria. An ESG Score of 10 denotes the organization is aligned to majority of ESG standards and criteria and has satisfactory ESG performance. A positive score means the organization has incorporated the required ESG policies, activities, roles & responsibilities and risk management strategies in place to do good socially or for the environment.

ALIGNMENT OF IIX VALUES REPORT WITH GLOBAL STANDARDS AND FRAMEWORKS

IIX Values draws on the global standards set by the following key players in the ecosystem. These standards play a highly significant role in helping organizations analyze their commitment and progress towards impact standards and goals. This enables decision makers to better evaluate their strengths and weaknesses to identify areas of improvement and the next steps of action to amplify their impact.



The **Impact Reporting and Investment Standards (IRIS)** system, designed with input from hundreds of leading impact investing practitioners from around the world, provides investors and companies with a common understanding of how to effectively measure, manage improve impact over time. Managed by the GIIN since 2009, IRIS+ combines impact investing's most widely used impact performance metrics with research, evidence, and practical implementation guidance into a single, curated system. **Prof. Durreen Shahnaz, Founder & CEO of IIX, advised and supported the development of the IRIS system, incorporating the IRIS catalog of metrics into IIX Values™.**



The **SDG Impact Standards** are voluntary internal management standards designed to help businesses and investors embed sustainability and the SDGs into their management systems and decision-making practices. They are management practice standards similar to ISO standards - not external reporting or performance standards. They are designed to help Enterprises integrate operating responsibly and sustainably and contributing positively to sustainable development and the SDGs into organizational systems and decision-making practices, using a common language and shared approach to do so. **SDG Impact is a global UNDP Initiative, catalyzing investment to achieve the SDGs by 2030.**



The **United Nations Sustainable Development Goals (UN SDGs)** are 17 goals with 169 targets that all UN Member States have agreed to work towards achieving by the year 2030. The SDGs aim to be relevant to all countries – poor, rich and middle-income – to promote prosperity while protecting the environment and tackling climate change. They have a strong focus on improving equity to meet the needs of women, children and disadvantaged populations in particular so that “no one is left behind”. **IIX Values Sustainability Pyramid™ leverages the UN SDGs to map the organization's commitment and progress towards global sustainability goals.**



The **Impact Management Project (IMP)** provides a forum for building global consensus on measuring, managing and reporting impacts on sustainability. It is relevant for enterprises and investors who want to manage environmental, social and governance (ESG) risks, as well as those who also want to contribute positively to global goals. They also facilitate standard-setting organizations that, through their specific and complementary expertise, are coordinating efforts to provide comprehensive standards for measurement, management and reporting of impacts on sustainability. **IIX Values™ is a Strategic Partner to the IMP.**

VERIFIED

ABOUT IIX VALUES™

Impact is the change experienced by people or the environment due to certain product, service or activity. Impact Assessments measure that change. IIX Values™ is a platform solution that values it all. Building on our decade of experience in impact measurement and data analytics, IIX Values™ is about giving value to impact.

ABOUT IIX

IIX is a global organization dedicated to building a more inclusive world by changing financial systems and innovating solutions for women empowerment, climate action, and community resilience. Over the past decade, we have built the world's largest crowdfunding platform for impact investing (Impact Partners), created innovative financial products such as the Women's Livelihood Bond, operated award-winning enterprise technical assistance programs such as IIX ACTS, and established an Impact Institute for training and education. To date, our work has spanned 46 countries, unlocked US\$200+ million of private sector capital to support 150+ enterprises, avoided over a million tons of carbon and impacted over 80 million direct and household lives. The foundation of IIX's work is its proprietary Impact Assessment which effectively measures the social and environmental impact of the investment and gives value to the voices of the underserved. IIX has received numerous awards for its work including the Oslo Business for Peace Award, the 'Nobel Prize for Business.'



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