



















Amicus Capital

2020 IMPACT REPORT

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AMICUS CAPITAL PARTNERS

ATHENA INFONOMICS

Foreword

Dear Reader,

We are excited to present the Amicus Capital 2020 Impact Report. This is our first report on the social impact by Amicus Capital's investee companies and our role as a partner and capital provider.

Our fund derives its name from the Latin word "amicus", which means "friend". The mission of the fund is to be a friendly partner who provides capital and management support to enterprises to accelerate their growth. It is our firm belief that support to young enterprises in a capital-constrained environment will encourage innovation, industry, and employment. We have been fortunate to partner with visionary founders who have utilized our capital to create valuable and long-term sustainable businesses. This will result in a virtuous cycle as our investors redeploy the returns to support more such enterprises.

'Responsible Investing' is a guiding philosophy for us. Focus on environmental, social and governance (ESG) factors not only reduces the risks to our investments but also has a positive effect on returns. We have therefore woven ESG considerations into our investment process and work closely with investee companies to formulate and implement policies in line with best practices. Further, to build more capacity and expertise on ESG related matters, the fund has expanded its investment team to include an experienced ESG professional. We are delighted to report that the founders and management teams of our investee companies have wholeheartedly embraced ESG principles to run their businesses.

We have looked back at the first four years to assess the impact our capital and deep engagement have had on the fund's investee companies. To bring independence and objectivity to the assessment process, we engaged Athena Infonomics, a global data-driven consulting firm in the areas of ESG and impact measurement. Athena helped us design, document, and assess the impact of the portfolio of five companies for the period ended December 31, 2020. Going forward, we plan to present to you the impact outcomes of our investee companies on a regular basis.

We hope that you will enjoy reading this report. Your feedback, comments and suggestions will only strengthen our commitment to Responsible Investing and ESG initiatives. We look forward to hearing from you.



Sunil Theckath Vasudevan



Mahesh Parasuraman

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List of Abbreviations

ABAC: Anti-Bribery and Anti-Corruption
bn: Billion
BCP: Business Continuity Planning
BFSI: Banking, Financial Services, and Insurance
CEO: Chief Executive Officer
CSR: Corporate Social Responsibility
DTH: Direct to Home
ESG: Environment, Social and Governance
FDA: Food and Drug Administration
FY: Financial Year starting April 1 and ending March 31
GDP: Gross Domestic Product
INR or ₹: Indian Rupee
IT: Information Technology
KCC: Kisan Credit Card
mn: Million
MSME: Micro, Small and Medium Enterprise
PETA: People for Ethical Treatment of Animals
PoS: Point of Sale
RBI: Reserve Bank of India
SDG: Sustainable Development Goals
TV: Television
tn: Trillion
UN: United Nations
USD or $: United States Dollar
UT: Union Territory
2W: Two-wheeler

Responsible Investing at Amicus Capital

At the heart of Amicus Capital is the belief that a business with strong fundamentals can drive socio-economic change through its operations. Amicus Capital endeavours to be a good corporate citizen by investing responsibly and engaging with communities where we operate. 'Responsible Investing'[1] is a key guiding philosophy for Amicus Capital. We recognize that Environmental, Social and Governance (ESG) aspects are among the key influencers of long-term value creation and risk management of any company. ESG planning is therefore closely integrated into core business strategy and we are committed to implementing ESG policies within our own organization and the organizations that we invest in.

Amicus Capital has drawn-up a set of responsible investing guidelines adopted from the UN Principles of Responsible Investing, the Private Equity Growth Capital Council, and other internationally recognized norms. These guide the decision-making process at Amicus Capital. Based on these guidelines, Amicus Capital drew-up its "Policy on Management Of Environmental, Social And Governance Aspects" (ESG Policy) in 2016. Our ESG Policy is a comprehensive document which mandates that all our operations are in strict compliance with globally accepted best practices on ESG related matters. We are committed to improving ESG aspects within our investee companies and have outlined a clear framework and process to improve ESG measures and to ensure continuous compliance with our ESG Policy.

ESG Principles

Amicus Capital is committed to adhering to the highest standards of ethical and legal conduct of its business operations. Integrity, transparency, and trust form part of the core beliefs at Amicus Capital. We require all our people to observe high standards of business and personal ethics in the conduct of their duties and responsibilities, practise integrity in fulfilling their responsibilities, and comply with all applicable laws and regulations.

We ensure that fund operations (including that of Investment Managers and Investment Advisors) are in full compliance with all applicable local laws and are guided by the principles of Responsible Investing.

1 Responsible Investing is an approach to investing that aims to incorporate environmental, social and governance factors into investment decisions, to better manage risk and generate sustainable, long-term returns.

Integrating ESG Principles into Investments

Incorporation of ESG factors into the investment process and the ownership of investee companies has many direct benefits ranging from social benefits (such as improved community impact, fewer safety related incidents, increased job satisfaction and a more productive workforce) to financial benefits (such as reduced energy costs, employee turnover related-costs, and reduced worker's compensation costs). By understanding and reducing risks, companies can become more resilient and sustainable.

Amicus Capital has thus integrated ESG factors into its investment process wherein the various aspects of ESG are assessed and identified through the different stages of the investment process. This includes: (i) Initial Screening; (ii) Due Diligence; (iii) Investment Decision; (iv) Legal Documentation and Definitive Agreements; and (v) Investment Monitoring. We check for relevant ESG requirements which need to be considered and met at every stage of the investment life cycle before moving on to the next stage. The following is a schematic representation of the various ESG related checks conducted at each stage of the investment process at Amicus Capital. These actions are crucial to our philosophy of supporting profitable, sustainable businesses that promote inclusive economic growth.

Integrating ESG into our Investment Process

	Initial Screening	Due Diligence	Investment Decision	Legal Documentation / Definitive Agreements	Investment Monitoring
Activities	Check businesses against Exclusion List Media search & reference checks Look for other negative factors- high level of political connections, dubious founder, multiplicity of businesses, high level of government contracts/ intervention, high levels of labour intensity etc Plan Due Diligence & allocate resources	Reputation & background check on Founders & key management team members ESG factors in accounting & financial due diligence ESG factors in legal due diligence, including administration of anti-corruption questionnaire ESG due diligence using external consultant, where applicable Identify issues and develop Action Plan	Assessment of ESG & anti-corruption matters Reporting findings to Investment committee along with Action Plan and feasibility/ cost implications Investment decision to be made considering ESG factors	Negotiate ESG terms with the investee company Incorporate appropriate clauses & undertaking in definitive agreements including implementation of Action Plan where needed Formal undertaking on implementation of ESG policies & standards	Get investee to adopt formal ESG policy and identify dedicated officer Periodic review of ESG policies, compliance & secretarial audit Compliance certificate at Board meetings Conduct site visits, if necessary Collect ESG information on periodic basis

Source: Policy on Management of Environmental, Social and Governance Aspects, Amicus Capital, 2016

Overview of ESG Initiatives at Investee Companies

Amicus Capital is keen to better understand, articulate, and promote the socio-economic changes effected by our investee companies. We encourage them to implement ESG initiatives by building awareness about the potential impact of ESG risks and benefits for the business by being proactive on ESG related matters.

The process starts with identifying ESG related issues during the due diligence phase and is translated into an Action Plan in discussion with the management of the investee company. The initial focus is to prioritize the critical and important items to be taken-up for resolution in a time bound manner. Further, we work with the management teams of the companies to strengthen their governance and processes including management information systems, internal audit, compliance, and data driven decision-making. The management team or the designated compliance officer of the investee companies submits a certification regarding compliance to the Board of Directors on a quarterly basis.

During the first six months of the investment period, the Amicus Capital team assists the investee companies in a detailed review of all key policy documents such as Whistleblower / Vigilance Policy, Ethics Policy, Code of Conduct, Anti-Corruption and Anti-Bribery Policy, Policy on Prevention of Sexual Harassment, Fair Practices Code, etc., with a view to incorporating best practices. These policy documents are then reviewed on a periodic basis.

We have developed several resources and have taken portfolio-wide initiatives to assist our investee companies and their employees in their ESG related efforts as provided in the infographic on the following page. Further, our team also supports investee companies on specific initiatives some of which are outlined below:

Mental Health: During the COVID-19 pandemic, our top priority has been health and well-being of all personnel. We facilitated a partnership between a specialised mental health support services provider and the employees of our investee companies.

Local Sourcing: Our team played an important role in identifying two dedicated manufacturers in India for Wonderchef's key product range which make up substantial portion of their imports. This initiative provided several benefits: allowed better product availability, lowered procurement cost, saved foreign exchange, and provided direct employment to the locals.

Building Assessment Audit: We encouraged RenewBuy to conduct a building assessment audit which suggested best practices to reduce energy costs and water consumption.

Amicus Capital publishes a yearly ESG report which outlines the ESG status of the investee companies and any improvements undertaken in the previous business year. We have a dedicated ESG officer who is responsible for ensuring compliance with the ESG policies by the investee companies, ensuring employees are made aware of Responsible Investing guidelines and updating our ESG approach. The ESG officer is a part of the investment team, undertakes regular training programmes, and tracks periodic improvement in the performance of investee companies on ESG factors.

In summary, our approach to ESG focuses on governance and strategy of the investee companies, with the objective of preparing them for long-term sustainable growth.

ESG Measures Undertaken by Amicus Capital

	RenewBuy	WONDERCHEF	Capital Small Finance Bank	BERAR FINANCE LIMITED	caffeine
Review & Strengthen Key Policies					
Anti-Bribery & Anti-Corruption	●	●	●	●	●
Whistleblower					
Prevention of Sexual Harassment					
Code of conduct & ethics policies					
Institutionalize Governance Processes					
Customer grievance redressal	●	●	●	●	●
Whistleblower committee					
Internal Complaints Committee					
Quarterly ESG & tax compliance					
Employee & Third-Party Contracts					
Standardization of contracts	●	●	●	●	●
Introduction of ABAC & ethics clauses					
IT Initiatives					
Review of IT policies, systems & security	●	●	●	●	●
Data back-up & disaster recovery					
Other Initiatives					
BCP & COVID-19 policies	●	●	●	●	●

● **Completed** ● **In Progress** ● **Not Started**

Assessment Methodology

Amicus Capital provides capital and industry expertise to build scalable and sustainable businesses. As a socially responsible firm, we aim to build a secure, resilient, and sustainable foundation for our investee companies to have positive impact on all our stakeholders - employees, customers, investors, communities, and the environment. The Amicus Capital 2020 Impact Report aims to define and assess the parameters for the positive social impact made by our investee companies. Further, the report presents a systematic approach to articulate and track the socio-economic change pathways of each of the investee companies. We intend to use this framework in our future Impact Reports to track and assess on an on-going basis the impact of the investee companies across the socio-economic metrics.

Impact Measurement Approach



Source: Modified from Measuring and Managing Impact-A Practical Guide, EVPA, 2019

To ensure objectivity and independence in the assessment process, Amicus Capital brought on-board Athena Infonomics, a data-driven global consultancy firm. Given that each investee company has a unique change story that could not be captured by a standard tool, Athena Infonomics helped develop a measurement framework that articulated the current outcomes of the investee companies, while retaining the flexibility to adapt to measurement in subsequent years with an expanded set of investee companies.

Based on the objectives, a logic model framework was adopted after multiple rounds of consultation between Athena Infonomics, Amicus Capital, and the investee companies. The logic model framework is a representation of the relationship between the input resources, activities or processes involved and their expected outcomes (AVPN, 2016). The framework used in this study was modified to align with the change thesis of each company.

Based on the sector and nature of operation, thematic impact narratives were outlined for each investee company and relevant indicators were developed in alignment with the logic model to assess the company's impact. Once the indicators were defined, relevant stakeholders were identified for data collection. A combination of quantitative and qualitative methodologies was used to collect data for this exercise. This included collating secondary data from the investee companies, a brief survey and in-depth beneficiary interviews. The data collected, along with the company specific administrative data, was analysed to verify and validate the impact of each investee company.[2]

The following sections elaborate the impact of Amicus Capital and five of our investee companies.

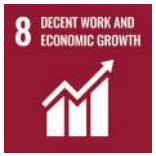
2 More detail on the survey and interviews can be found in the Annexure

Fund & Portfolio **Impact**

















₹ 2,314 mn
Total investment



5 Investee companies



Integrate ESG factors across investment life cycle



5,537
Jobs generated*



₹ 42,265 mn
Loans outstanding



28 States and 8 UTs
Geographical reach



2,509,212
Lives touched

Date of measurement: December 31, 2020
* Includes direct and indirect jobs created



₹ 1,200 mn
Value of goods manufactured locally



2.1 mn
Insurance policies issued since inception



9,882 MSME and small business owners supported



705
Women employees



20
Local manufacturers engaged



15,700
Farmers reached



172,670
Vehicle loans outstanding



11,244
Women insurance advisors engaged



16
MSME manufacturers engaged



71,000+
Women entrepreneurs supported



56,695
New to credit customers



21,979
Women borrowers



RenewBuy employee supporting advisors



Local manufacturing of Wonderchef products



SME loan customer of Capital Bank



Berar-financed customer taking delivery of 2W



Local manufacturing facility of mCaffeine

Company **Impact**

RenewBuy



Impact Snapshot

RenewBuy was founded in 2015 by Balachander Sekhar and Indraneel Chatterjee with a vision to 'make insurance simple and accessible to all'. Today, the company is one of India's leading digital insurance marketplaces. As a full-stack 'InsurTech' platform, RenewBuy distributes a variety of motor, life, health, and travel insurance products through a pan-India network of over 42,000 Point of Sales (PoS) insurance advisors spread across 643 districts of India. The digital platform enables the insurance advisors to serve customers through their entire life cycle, viz. policy discovery, issuance, post-policy customer service and claims processing.

Amicus Capital invested in RenewBuy initially in October 2017 and subsequently across multiple tranches.

42,000+
advisors on the RenewBuy platform

₹1,700mn
earnings for advisors*

1,261
direct jobs created

11,244
women advisors (27% of totoal)

2.1mn
policies issued since inception

643
districts

Date of measurement: December 31, 2020
*Period of measurement: April 2017 - December 2020

Key Impact Themes

Access to Insurance

Insurance is an important financial instrument that helps individuals better manage financial risks, and deal with unexpected events such as illness, accident, death, etc. The insurance market in India in 2020 was estimated at INR 4.2 tn ($55 bn) and is expected to grow to INR 10.5 tn ($140 bn) by 2026, a compounded annual growth rate of 17%. Despite this growth, the country's insurance penetration at 3.7% (Swiss Re Institure, 2020) is considerably low compared to other developing economies. Key reasons cited for the low penetration are lack of awareness among people, and the tedious processes involved in accessing insurance (Sharma, 2021).

India today lacks a scalable model to serve both the insured and the uninsured. Insurance distribution in India today is targeted at the top 100 mn the population in the metropolitan cities[3] and is serviced by an inefficient branch-led distribution model. As a result, the rest of the population across non-metropolitan areas that need insurance is yet to be serviced due to lack of awareness and cost of distribution.

RenewBuy's platform addresses these issues by digitizing the entire policy journey for a customer and insurance advisor. The scalable platform allows customers to be serviced digitally by their trusted insurance advisor by providing them with a choice of insurance products in a transparent and efficient manner. An insurance advisor, using the RenewBuy App, can service customers in remote locations without the need for a physical branch office in its vicinity.

Since 2015, RenewBuy has issued nearly 2.1 mn policies. The company has been able to increase its presence from 24 districts in March 2017 to 643 districts as on December 31, 2020. The total number of policies issued on the platform has increased over 5-fold from 165,000 in 2017 to 863,000 policies in 2020. The total policy premium issued on the platform increased nearly 9-fold from INR 758 mn ($10 mn) in 2017 to INR 6,704 mn ($89.4 mn) in 2020.

In 2017, nearly 51% of the premium was

3 As per Insurance Regulatory and Development Authority classification, the top eight metropolitan cities are Delhi, Mumbai, Chennai, Kolkata, Bangalore, Hyderabad, Pune, Ahmedabad.

Key Indicators

₹ 8.3 bn
of premium is from non-metro cities
(59% of total)

84%
of advisors surveyed stated that RenewBuy
helped reduce time spent and operating costs

77%
of advisors surveyed stated that RenewBuy
helped them reach more customers, offer better service

Interviewed advisors highlight
ease of accessing insurance through RenewBuy's digital platform

concentrated in the 8 metropolitan cities. By 2020, only 40% of the premium was from the metropolitan cities indicating growing insurance penetration outside these areas. The above data points have strengthened our belief in RenewBuy's technology platform and its value proposition of contributing to increased access to insurance beyond the top 8 metropolitan cities.

The two-wheeler insurance market is a prime example of a market that benefits from RenewBuy's core value proposition. The market has been traditionally underserved, as low premiums and the resultant smaller commission income did not justify the cost of servicing. As a result, nearly 66% of the two-wheelers on the road in India in FY 2019 remained uninsured after the first cycle of insurance (Insurance Information Bureau of India, 2019). Since RenewBuy's digital platform significantly reduces the cost of distribution and is efficient relative to the traditional model, insurance advisors now find it economically viable to sell two-wheeler insurance policies using the platform. This is evident from the increase in sale of two-wheeler insurance policies on the platform which increased from 124,000 in 2017 to 502,000 in 2020, a growth of over 300% in 3 years. The total sum assured on these policies increased from INR 185 mn ($2.5 mn) in 2017 to 721 mn ($9.7 mn) in 2020 –an increase of 290%. Given these benefits, RenewBuy's share of the two-wheeler insurance market increased 2.4 times in just 2 years.

'It is very easy to frame and process policies on RenewBuy. I can do it from anywhere and it takes very less time to process endorsements which keeps our customers happy'

Advisor from Maharashtra

RenewBuy's role in improving access to insurance was further corroborated by the insurance advisors on RenewBuy's platform. Athena Infonomics carried out an online survey of 288 advisors and conducted telephonic interviews with 5 advisors.

Respondents to the interviews highlighted that RenewBuy's platform has helped streamline the process of selling and buying insurance policies. Most respondents felt that RenewBuy has reduced their operating costs and saved time, thereby, enabling them to service a wider customer base.

'In this business, time is money. Now I don't need to waste time in simple tasks.'

Advisor from Gujarat

'Earlier it would take hours to get documentation and process the final endorsements. Now I am able to do it within minutes and it makes my customers happy'

Advisor from Haryana

A majority of the respondents emphasised the importance of the platform in enabling them reach out to more customers and in offering better service. RenewBuy's digital platform also enabled the advisors to eliminate the hassle of procuring physical documentation for policy issuance and the travel costs related to physical submission of the policy to the insurer.

'RenewBuy portal is very friendly. If someone needs a quotation then they can directly get from the app, no need to call anyone'

Advisor from Telangana

'Customers don't have to wait; they get information really quickly and directly. They don't have to wait for quotations.'

Advisor from Maharashtra



Strategy discussion at RenewBuy

Employment and Livelihood Generation

Over 62% of India's population is between the ages of 15-59 years (Observer Research Foundation, 2020). The median age of India's population is less than 30 years making India one of the younger demographics in the world. For India to leverage its demographic dividend, it needs to ensure that its population is skilled and gainfully employed.

RenewBuy with its assisted digital distribution model is helping provide a steady income stream to advisors who are mostly self-employed. Each of these advisors need to have completed at least a secondary school education. The prospective advisors' onboarding, training, and certification on RenewBuy's platform is completely online without any physical intervention. Additional training is provided regularly for selling health, life, and motor insurance products through RenewBuy's digital

platform. All these trainings upgrade the skill levels of these advisors thus enabling them to pursue a completely contactless, digital mode of insurance distribution.

As on December 31, 2020, the company had over 42,000 advisors on its platform across 643 districts covering 34 states and union territories of India. RenewBuy continues to add 1,500 - 2,000 advisors per month on its platform with a goal of reaching 100,000 advisors in the next few years. The following are some compelling statistics on the advisors on RenewBuy's platform:

- 82% of advisors are located outside the 8 metropolitan cities;
- 37% of advisors are graduates;
- 12% of advisors are below 24 years of age; and
- 27% of advisors are women.

Balachander Sekhar, Co-Founder and CEO, believes that RenewBuy has used technology to disrupt and demystify sale of insurance products. According to him, anyone with a secondary school education and a smart phone eager to earn can make a livelihood using the RenewBuy app as an advisor.

RenewBuy has been able to onboard and retain advisors since the platform is able to generate significantly higher income for the advisors. On average, nearly 35% of the advisors triple their income and nearly 43% of the advisors double their income, after completing 12 months on the platform based on income generated for advisors as on March 2020. The higher income was driven by the advisors' ability to cater to a larger customer base, provide multiple insurance products, and generate savings in costs and time. Earnings for advisors on the company's platform grew over seven-fold between 2017 and 2020. The earnings for advisors on the platform increased from INR 75 mn ($1 mn) to INR 572 mn ($7.6 mn) during this period.

'I am getting almost double of what I used to get before. My customers have doubled since I joined RenewBuy.'

Advisor from Maharashtra

Key Indicators

13x

increase in monthly income generated

by advisors since Amicus Capital's investment

92%

of respondents stated that RenewBuy had **helped improve their income**

76%

of advisors surveyed stated that RenewBuy has **enabled training and skill development**

75%

of advisors surveyed stated that RenewBuy has **improved their customer retention rate**

Testimonials from advisors confirm the positive impact of the RenewBuy platform on their livelihood and overall living standard. An overwhelming majority of the surveyed advisors mentioned that partnering with RenewBuy has substantially helped them improve their financial standing.

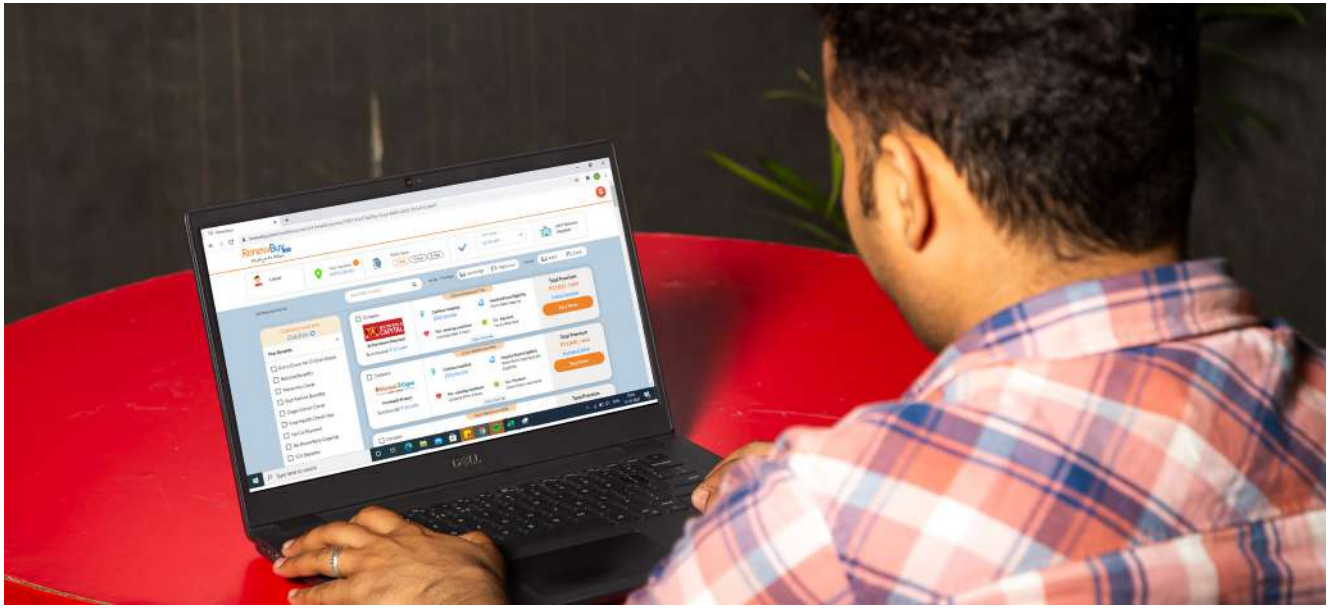
‘My income has increased after joining RenewBuy. This is very motivating.’

Advisor from Haryana

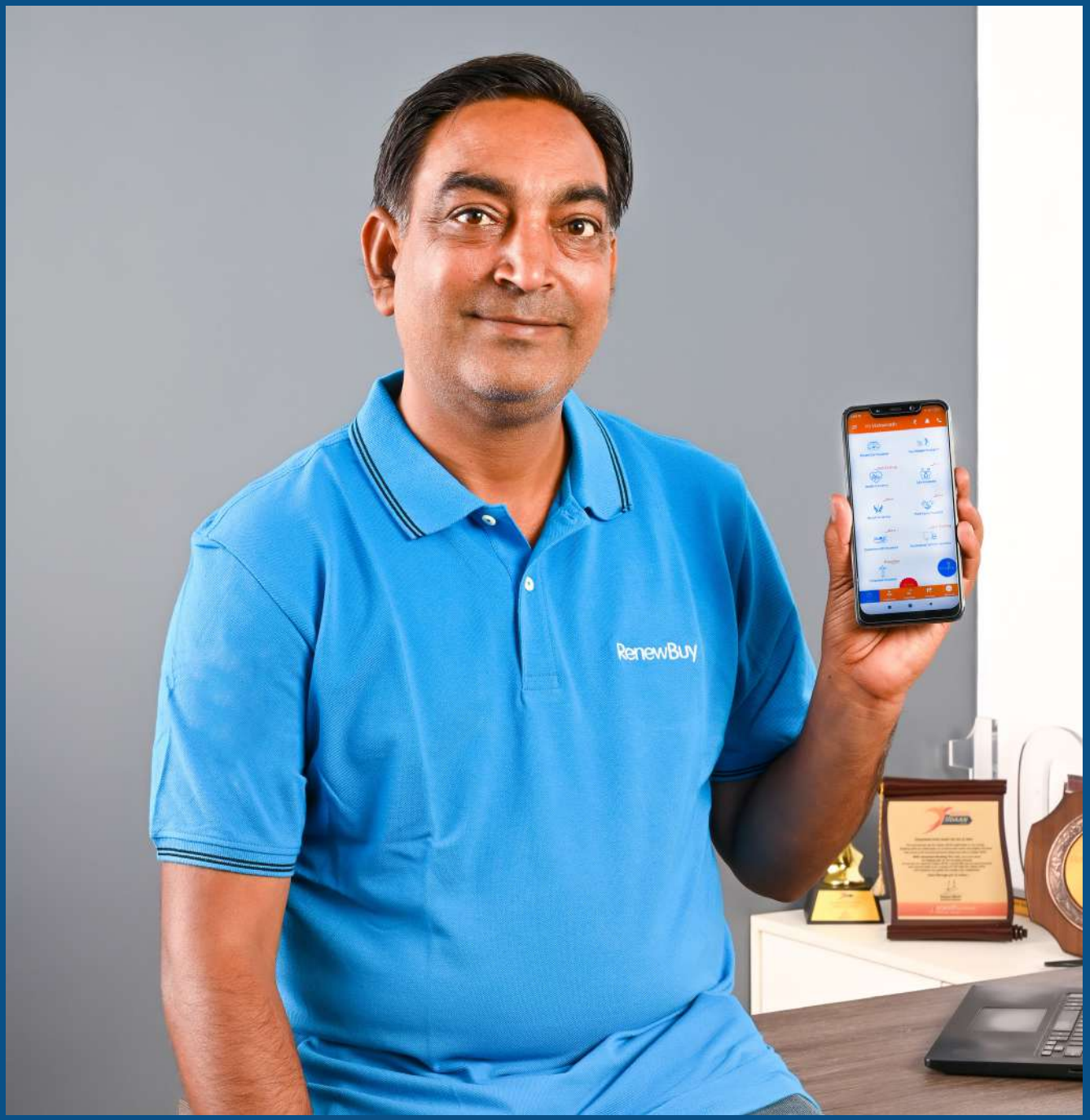
Data collected indicates that RenewBuy has not only increased the income of the advisors but also facilitated their growth by providing knowledge enhancement and skill development training on their platform. A majority of the advisors surveyed stated that RenewBuy provides regular trainings for them through their advisor app. These trainings have benefited advisors by keeping them updated with changing market trends, helping them to effectively cater to customer needs and contributing to higher customer retention. Interviewees also expressed that trainings were conducted online during the COVID-19 crisis and were helpful in carrying out their duties.

‘I joined the insurance business after a gap of few years. The market had changed during this time and RenewBuy helped me immensely with upgrading my product knowledge’

Advisor from Maharashtra



RenewBuy employee supporting advisors



'Insurance is a game of loyalty. RenewBuy helps us in providing the customers with multipleoptions, best rates, and comparative policies. This attracts them and helps us with customer retention. Financially, I have grown a lot because of RenewBuy.

Vishwanath Raghav, 41 (Advisor in Bhondsi, Haryana)

How long have you been associated with RenewBuy?

I have been working with RenewBuy for the last six years (since 2015). I have been in the insurance business since 2005 and have had my independent business since 2010. Earlier, I used to find it difficult to provide quality service to my customers. One day, I got a call from RenewBuy asking me to join them as a Point of Sale advisor. After learning about the platform and it's features, I realized that the platform was a solution to most of my issues and therefore I joined RenewBuy in 2015.

What are your customers' views on RenewBuy?

My customers are very satisfied with RenewBuy. They are always informed about the updates on their insurance policy, the process is very fast and easy, and the platform is a one-stop-shop for all kinds of policies which they find to be very helpful.

How has RenewBuy helped you professionally?

RenewBuy has helped me immensely in my business. It has reduced the time I spend on this work by a huge margin. Earlier I could only cater to 2-3 clients in a day, but now I am able to cater to 10-15 clients as the process is really fast and smooth. This gives me more time to focus on new business and promoting my business which is crucial. Every department at RenewBuy handles different things which makes the process easier for advisors like us. Time is precious.

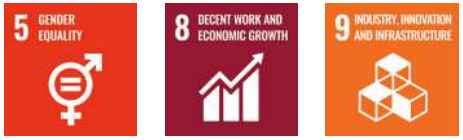
Did you receive any training from RenewBuy?

Yes, we receive regular trainings on insurance products. Most trainings are concentrated on health and life insurance products as these involve many intricate details that we need to be aware of. They used to conduct regular trainings in the offices before the pandemic. Now most trainings are conducted online, and videos are also uploaded on RenewBuy's portal. Insurance is about having good conversational skills and these trainings have helped me immensely in communicating better.

How has RenewBuy helped you with your customer reach and income?

The platform has helped me in reaching many customers. Insurance is a game of loyalty. RenewBuy helps us in providing the customers with multiple options, best rates, and comparative policies. This attracts them and helps us with customer retention. Financially, I have grown a lot because of RenewBuy. Earlier when I started out, I used to make around INR 15,000 ($200) per month. Now I make a round INR 150,000 ($2,000) a month which is a huge jump.

Wonderchef



Impact Snapshot

Wonderchef is a leading kitchen appliance and cookware brand offering stylish products catering to the aspiring Indian middle-class. The company markets an extensive line of over 400 stock keeping units across cookware, small kitchen appliances, blenders, mixers, pressure cookers, kitchen tools, cooktops, chimneys, microwave ovens, grills and large appliances. The company has an omni-channel approach to product distribution and caters to its consumers through physical stores, online channels and other specialized channels such as direct-to-home (DTH), TV Shopping and dedicated stores for defence and police personnel.

Amicus Capital invested in Wonderchef initially in June 2018 and subsequently across multiple tranches.

71,000+
women entrepreneurs supported

₹292mn
total income paid out to female entrepreneurs*

480
direct jobs created

63
women employees

16
local manufacturers engaged

₹1,107mn
value of locally sourced goods*

Date of measurement: December 31, 2020
*Period of measurement: April 1, 2018 to December 31, 2020

Key Impact Themes

Local Manufacturing

Prior to the investment by Amicus Capital, Wonderchef was sourcing nearly 90% of its products from abroad. In the financial year immediately preceding the investment (FY 2018), Wonderchef sourced INR 959 mn ($12.8 mn)[4] of products from outside India.

One of the key objectives after the investment was to help Wonderchef increase the quantum of products sourced from local manufacturers in India. This was expected to help the company reduce working capital, mitigate stock-outs, and also help create jobs locally in the manufacturing sector. The company's initiative also coincided with the Government of India's flagship programme, 'Make in India', which is aimed at encouraging domestic manufacturing and promoting economic growth. The focus on the manufacturing sector has the potential to provide large scale employment and bolster skill development among the workers in India.

With a clear plan of action, the team at Amicus Capital identified two manufacturing vendors who set-up dedicated production facilities for the company. These manufacturers are directly employing a total of 60 employees dedicated towards producing cookware and appliances for Wonderchef.

The success of these two initiatives provided the management with the confidence that India can be a stable and long-term manufacturing source. Today, the company sources nearly 47% of its total products from India. Since the investment by Amicus Capital, the cumulative value of products sourced from local manufacturers is INR 1,107 mn ($14.8 mn). This number is expected to increase significantly as the company scales in size and increases the proportion of local sourcing. Increased local sourcing will have a direct positive impact on the number of dedicated employees hired by the company's manufacturing vendors.

In addition to working with local manufacturers, Wonderchef prioritises sourcing from Micro, Small and Medium Enterprises (MSMEs) where possible. MSMEs have been described as the 'growth engines' of the Indian economy,

4 The exchange rate used for US Dollar to INR calculations is $1 = INR 75.

Key Indicators

16

manufacturing plants in India

12 out of 16

are MSMEs

2

new dedicated manufacturing facilities set up

Increasing domestic production

April 2017 - December 2020

9.3% to 47%

contributing to employment especially in semi-urban and rural India (Vasal, 2020). Wonderchef is currently sourcing from 16 manufacturers in India, 12 of whom are small enterprises with an annual turnover of less than INR 100 mn ($1.4 mn). Of these, 9 vendors were added after March 2018. The company procured products worth INR 591 mn ($8 mn) from MSMEs during the period April 1, 2018 to December 31, 2020.

By actively championing local production and sourcing from MSMEs, Wonderchef is promoting local employment opportunities and economic growth.

Women Empowerment

Ratio of female labour force participation in India is extremely low, impacting overall economic growth. This can be attributed to several reasons including social norms, gender gaps in education and skilling, and domestic labour performed by women. A study examining the low rates of female labour participation found that a significant number of women were willing to seek employment if the work hours were flexible and if they were allowed to work, to some extent, from their household premises (Verick, 2014). Promoting employment opportunities for women is therefore crucial for achieving gender equality and the economic growth in India.

Wonderchef's DTH channel promotes female entrepreneurship by enrolling women from across the country as DTH members. This program enables women to run an independent business - marketing and promoting Wonderchef products within their social network from their homes. As of December 31, 2020, the programme had over 71,000 women entrepreneurs in 33 states and union territories across India.

The DTH channel holds a special position at Wonderchef. Ravi Saxena, the CEO & Founder of Wonderchef, believes that the DTH channel is unique and has played an integral role in the growth and success of the company. According to him, the channel allows the company to test new products, obtain direct customer feedback, conduct demonstrations of its products to prospective customers, and to reach out directly to the decision makers;

Key Indicators

89%

of respondents agreed that Wonderchef **has encouraged women in their area to become entrepreneurs**

92%

of respondents stated that Wonderchef had **helped improve their income**

89%

of respondents felt that Wonderchef had **helped them become more independent**

91%

of respondents stated that Wonderchef had **helped them socially and professionally**

all of which are important in strengthening the brand and growing the business.

Given the importance of this channel, the company invests substantially in training and skill development. The women entrepreneurs undergo structured training programmes for product launches and demonstration, sales and communication, and other soft skills. The training programmes provide a platform for these women entrepreneurs to upskill themselves and become financially independent.

The impact of the above can be directly measured by the income earned by DTH members from their association with Wonderchef. The cumulative income generated by the DTH members from sale of Wonderchef products since investment by Amicus Capital is INR 292 mn ($4 mn). This represents additional disposable income in the hands of the DTH members.

Athena Infonomics carried out an online survey of 672 DTH members to evaluate the impact of being a Wonderchef DTH member.

The data from the quantitative survey and qualitative interviews suggest that Wonderchef's DTH programme enables the members to realize their full potential and positively affects the lives of DTH members – financially and socially. Key excerpts from interviews with DTH members carried out by Athena Infonomics is provided below.



DTH demonstration meeting

Professional Impact

'Trainings help with confidence. Confidence is important to being successful.'

DTH member from Madhya Pradesh

Respondents in our qualitative interviews indicate that Wonderchef's DTH programme has equipped them with better communication skills, increased levels of confidence, improved knowledge about the products and the industry. 76% of women surveyed stated that Wonderchef conducted regular training sessions which helped improve their sales and communication skills.

Most of the women who join the programme are homemakers, who are looking for a livelihood option that allow them flexibility to work from home. Respondents noted that the programme has allowed them to engage in

gainful economic activities while giving them the flexibility of time and level of commitment.

‘My kids tell me that my English has improved a lot, and this makes me happy. I was not able to speak so well or so confidently earlier.’

DTH member from Manipur

Financial Impact

‘Today, I can give my mother money monthly and I can go anywhere with confidence’

DTH member from Karnataka

Financial independence emerged as a strong theme amongst DTH members. In the interviews many respondents highlighted that this role had helped them step out of their domestic responsibilities and earn a living for themselves. Some of the interviewees also noted being able to make significant financial contributions to their homes, along with meeting their personal financial needs.

‘I am now able to contribute towards my kids’ education and support my husband in household expenses’

DTH member from Manipur

Social Impact

The programme helped members develop a sense of individuality, beyond their family and household. Respondents indicated an increase in self-confidence, social interaction, and public speaking. Most of the DTH members interviewed noted that working with Wonderchef has increased their confidence to meet new people. There was also an improvement in their ability to manage the finances. One respondent mentioned that her association with Wonderchef has helped her become financially literate and has given her the confidence to operate her own bank account.

‘Before I was a housewife. More phone-calls used to come for him. Now that has changed and I am more popular, I have developed my own identity.’

DTH member from Madhya Pradesh

The interviewees remarked that the programme helped them become independent and entrepreneurial, invoked a feeling of pride among their family members, and has resulted in an improvement in interviewees’ social status and self-worth. Interviewees also stated that they have been able to encourage other women within their circle to join the programme creating a chain reaction in their communities, leading to social and economic benefits to more women.



‘Before I didn’t do much but now, I am confident. I am able to buy things for my family, mingle confidently with my friends. I am independent now.’

Thounaojam Lakshmi Devi, 35 (Woman Entrepreneur in Imphal, Manipur)

How did you become a Wonderchef member?

I joined Wonderchef as a member in 2016. A friend of mine who was a member introduced me to the programme. Together with my friends, and under the guidance of the Divisional Manager of the company, I started this business.

Can you tell us about the impact that Wonderchef has had in your professional life?

There have been so many changes in my life. Today, I am able to speak in English much better than before. My kids tell me that my English has improved a lot, and this makes me happy. I was not able to speak so well or so confidently earlier.

Before I was a housewife, my life revolved around cooking and the kids. Now because of my work with Wonderchef I can carry out banking activity; there has been a lot of improvements in my life.

Has this had an impact on your social life?

Before I didn’t do much but now, I am confident. I am able to buy things for my family, mingle confidently with my friends. I am independent now.

What have been the financial merits of being a Wonderchef DTH member?

I can contribute financially to our household now. I am able to help my husband and the household. There is a lot of difference between someone who has financial independence and someone who does not. I know it.

Capital Small Finance Bank



Impact Snapshot

Capital Small Finance Bank (Capital Bank) started operations as a Local Area Bank[5] in the year 2000 to cater to the credit and banking needs of the three districts of Kapurthala, Hoshiarpur and Jalandhar (Punjab). Given the important role played by the bank in enabling access to credit and banking services, the Reserve Bank of India (RBI) allocated two additional adjoining districts to Capital Bank in 2013. To further accelerate availability of credit in unbanked and under-banked regions, RBI granted Small Finance Bank licences to 10 entities in 2016, and Capital Bank was one of the first entities to be granted a Small Finance Bank licence.

As a Small Finance Bank, Capital Bank provides finance for agriculture, MSMEs, vehicle purchase, mortgages, and personal loans at competitive rates of interest. The bank

₹42bn
deposits from rural and semi-urban areas

₹23bn
loans to agri & MSME sectors

1,630
direct jobs created

841
rural and semi-urban employees

650,000+
customers serviced*

115
branches in semi-urban, rural and unbanked rural areas

Date of measurement: December 31, 2020
* Since 2012

5 As per the RBI, local area banks were conceived as low-cost structures which would provide efficient and competitive financial intermediation services in a limited area of operation, i.e., primarily in rural and semi-urban areas.

pioneered the introduction of low-cost loans and modern banking facilities in its region. The bank has 156 branches across the states of Punjab, Haryana, Delhi, and Rajasthan.

Amicus Capital invested in Capital Bank initially in June 2019.

Key Impact Themes

Access to Finance and Banking Services

Access to formal credit and banking services is crucial for ensuring equitable economic inclusion, especially in developing economies. It creates a safety net for the most vulnerable groups, who in the absence of formal financial sources depend on informal lenders further exacerbating their economic vulnerability (Bhattacharya, 2018). Capital Bank has played an important role by making affordable credit and banking services available to customers in rural and semi-urban areas. Provision of small ticket loans at affordable rates has been one the key focus areas for the bank since investment by Amicus Capital.

Of Capital Bank's 156 branches, 74% are in rural, semi-urban and unbanked rural areas. It is noteworthy that 28% of the branches of the bank are in unbanked rural areas.[6] Provision of banking facilities in these areas enables access to formal credit and formal channels for savings and investment. 78% of the bank's depositors are from rural, semi-urban and unbanked rural areas.

Agriculture and MSME sectors face challenges in obtaining credit from formal lending channels. While agriculture is an important contributor to employment and economic output, access to credit has been lacking in this sector (World Bank, 2019). It is estimated that nearly 50% of small and marginal farmers in the country find it difficult to access formal financial institutions (Naik, 2020). Similarly, MSMEs are a critical element of the Indian economy generating 33% of GDP and providing employment to 120 mn people (Confederation of Indian Industry, 2021). Approximately 40% of credit to the MSMEs is from the informal sector where interest rates are very high (Omidyar Network, 2020).

6 Rural, Semi-Urban and Unbanked Rural classification of regions is based on the RBI classification basis population.

Key Indicators

96%
loans less than INR 2.5 mn
($0.03 mn)

28%
of branches in unbanked rural areas

92%
of respondents said Capital Bank was their
primary banker

92%
of respondents confirmed Capital Bank 's loan
helped expand business

Capital Bank helps overcome these industry challenges by offering loans at competitive rates. Agriculture loans and loans to MSME customers form a majority of Capital Bank's loan book. As of December 31, 2020, 64% of Capital Bank's loan book consisted of loans to MSMEs and agricultural borrowers. 84% of agricultural borrowers and 31% of MSMEs are from rural and unbanked rural regions. By providing access to credit for agriculture and MSME sectors, Capital Bank is contributing to agricultural productivity and economic growth in rural and semi-urban areas.

Sarvjit Singh Samra, Founder and Managing Director of Capital Bank, is keen to increase the share of MSME loans in the bank's portfolio. While the bank's operations are largely in the state of Punjab, he is focussed on expanding into neighbouring states and expects the bank to contribute to increased access to credit and banking in those regions as well.

Athena Infonomics administered an online survey to 100 current borrowers of the bank. Telephonic interviews were conducted with 13 borrowers. This data collection exercise was aimed at better understanding the impact of Capital Bank on access to credit and its impact on the business growth of the borrowers.

'Yes, the staff deals with the problems very well. We have established a great relationship with them.'

Customer with Agri loan

'The process is very simple and straightforward; staff is younger and more educated so it's easier to work with them. Capital Bank's process is faster than other banks in my locality.'

Customer with MSME loan

An overwhelming majority of respondents noted that Capital Bank was their primary banker. The survey and interviews indicate that respondents had positive views on the bank's rate of interest, customer service and branch proximity.

'The loan sanctioning process was very smooth, and the staff treats us with respect. Anytime I have had a problem with payment transfer and account number, the bank was able to rectify it immediately.'

Customer with MSME loan

A significant number of respondents with an MSME loan stated that the loan from the bank had helped them expand their business.

‘After availing the loan, my business has increased, and stock volume has also increased. We have bought some modern things in our grocery store. I have started keeping electronics, kitchenware, dairy products, etc. The things that you get at a multi-purpose store.’

Customer with MSME loan

96% of the total number of loans by the bank as on December 31, 2020 comprised of small ticket loans under INR 2.5 mn ($33,300) and 72% of the total number of loans comprised of small ticket loans under INR 1 mn ($13,300). Small ticket loans to agriculture and MSME borrowers has amplified the bank’s contribution towards local economic development.



Agri-loan customer of Capital Bank

‘Before availing the credit from Capital Bank, I had to buy material on seller’s terms. This has changed after I have accessed credit from the bank, and I can now afford better quality inputs.’

Customer with Agri loan

Employment Generation

Unemployment in the northern states of Punjab, Haryana, Delhi, and Rajasthan is over 7.5% (Statista, 2021). Rural and semi-urban areas in these states show even higher unemployment rates. Local hiring has been at the heart of Capital Bank’s human resource policy and it has contributed towards local employment generation. As a significant proportion of the bank’s branches are in rural and semi-urban areas, it provides employment opportunities to the local population.

Total employment at the bank has grown from 1,433 in March 2019 to 1,630 in December 2020. Over 77% of Capital Bank’s total employees are located at the branches. As of December 31, 2020, 67% of Capital Bank’s branch employees were from semi-urban, rural, or unbanked rural areas. A total of 17% of the employees were employed in unbanked rural areas and 20% of the bank’s branch employees are female employees.

The bank has invested in mentorship programmes and experiential learning platforms, initiatives that have contributed to skill development for the employees and enhanced the bank’s reputation as a preferred workplace. Capital Bank has been consistently ranked as one of the top workplaces to work in the financial services sector and is placed among India’s 25 best workplaces in Banking Financial Services, and Insurance (BFSI) sector. (Great Place to Work, 2020).

Capital Bank thus plays a very important role by (a) enabling indirect employment by providing access to credit for labour intensive sectors like agriculture and MSMEs; (b) promoting entrepreneurship and innovation; and (c) contributing towards local employment and economic development.

Key Indicators

Ranked amongst India’s 25 Best Workplaces

in BFSI Sector in 2020

321

women employees

52%

of employees in rural and semi-urban areas



'Usually, farmers would require middlemen to avail money. But ever since my association with Capital Bank, I have not felt that need'

Nirmal Singh (Agri-loan customer in Malsian, Punjab)

How has your business changed post-getting in touch with the bank? How has the bank helped with your business?

I had my account in another bank before I opened my account in Capital Bank. But they didn't provide good service – Capital Bank provided much better service. The withdrawal and deposit system in this bank is really good, I received a lot of benefit from my association with the bank. I've never had any problem.

And how has the bank benefitted you?

My entire farm runs because of Capital Bank - the KCC (Kisan Credit Card) and it is extremely good. I've never had any problem – even if I'm in need of INR 0.5 - 1 mn (~$6,500 - $13,000) they just take a second to help. There has never been any issue.

How has the KCC helped you progress your business?

A. The belt where I'm speaking from, we mostly farm potatoes. We have three crops throughout the year, and we have to spend a good amount of money for it. We use KCC to make these expenses, and as and when we get the money, we use it. For farming land, we cannot get the money from our own pockets, so it is only because of this bank system that our farming is going so well.

How accessible is the bank to you? From your house or your farm?

A. It's about 1 km away from my house. But for whatever reason, we are not able to go to the branch – they deliver whatever we need at our house. We just have to make a call. If we don't have the time to withdraw or even deposit money, they come home to collect/deposit.

How has the bank helped during the current COVID-19 situation?

They extended the deadline for depositing our instalments for my auto-loan. They said that even if we delay the payment a bit, they wouldn't put us in the defaulter list. Apart from this, we've never had any problem ever since we have associated with the bank.

Usually, farmers would require middlemen to avail money. But ever since my association with the bank, I have not felt that need.

How is the customer service provided by the bank?

If you see a bank employee sitting on a chair in the bank, the same chairs are kept in front for the customers. When you are in the branch, they offer water, tea, coffee and then, ask for our concern. They respect us so much. None of us farmers go to any other bank, due to the respect we get, their behaviour towards us. During the summer heat if we go to the bank even for 10-15 minutes, our day brightens up. It has been 18-19 years, but I've never heard a complaint from anyone.

Berar Finance

Impact Snapshot

Berar Finance is a vehicle financier operating in semi-urban and rural India by providing access to credit resulting in better mobility and higher earnings. The company primarily finances new two-wheeler vehicle (2W) purchases. It also provides other loans such as personal loans, 2W refinance, and used car loans. Berar Finance has a network of 75 branches spread across the states of Maharashtra, Chhattisgarh, Madhya Pradesh, Telangana, Gujarat, and Karnataka covering a network of over 820 vehicle dealers and sub-dealers. A significant proportion of these branches are in rural and semi-urban areas[7] enabling customers in these markets to access credit at competitive interest rates. The company is involved in several Corporate Social Responsibility (CSR) initiatives that work towards enhancing the lives of underprivileged communities and environmental conservation.

Amicus Capital invested in Berar Finance initially in February 2020.

221,900
loans disbursed*

₹8,300mn
loans disbursed in semi-urban & rural areas

1,725
direct jobs created

114
women employees

56,695
new to credit customers*

75%
of branches in rural and semi-urban areas

Date of measurement: December 31, 2020
*Period of measurement: April 2018 – December 2020

7 Each branch of Berar Finance covers an areas of upto 100 kilometres. The lending is done at the dealer / sub-dealer location. Accordingly, classification of regions into Urban, Semi-Urban and Rural is based on Berar Finance's internal assessment considering factors such as exact location of dealer / sub-dealer, address of customer, population of the region, occupation of borrower, etc.

Key Impact Themes

Financial Inclusion & Access to Credit

Financial inclusion and providing access to credit at competitive rates is a key focus area for public policymakers, especially in low and middle-income countries. For equitable economic growth, it is important that the advantages of financial intermediation and markets are accessible to all. Access to financial services allows individuals and businesses to leverage market opportunities, insure themselves against risks and invest in goods such as education (Demirgüç-Kunt, 2008).

Berar Finance is focused on improving access to formal financial credit for 'financially excluded communities in semi-urban and rural India'. The people living in these areas have been historically underserved by traditional financial institutions, resulting in them having no access to formal credit and a high dependency on informal lenders at high rates of interest (Bhattacharjee, 2010). Over the years, Berar Finance has developed a strong network of branches and dealers in semi-urban and rural markets to address the challenges of availability of organized credit. Amicus Capital was drawn by the ability of Berar Finance to build a strong franchise in semi-urban and rural India with limited access to organized/institutional credit.

Berar Finance has demonstrated strong growth in operations in the short period of time since Amicus Capital's investment. Berar Finance has expanded its network from 52 branches in March 2019 to 75 branches in December 2020. During this period, the number of rural and semi-urban branches increased from 36 to 56, and the loans provided to these markets increased from INR 2,317 mn ($31 mn) to INR 4,583 mn ($61.1 mn).

Berar Finance's customer profile comprises of farmers, agricultural traders, construction workers, small shop owners, tailors, government employees, etc. A significant proportion of the customers purchase the two-wheelers for their occupation and these products are essential to their livelihood. Sandeep Jawanjal, Managing Director at Berar Finance, believes that customers prefer Berar Finance because

Key Indicators

33%

of all customers are **new to credit**

80%

of surveyed dealers reported that a **majority of customers need financing for two wheelers**

76%

of surveyed dealers reported that a **majority of vehicles sold at their showroom were financed by Berar Finance**

88%

of surveyed sub dealers reported that **Berar Finance is prompt in loan sanctioning**

it offers flexible repayment options compared to others and is willing to operate at village and tehsil[8] locations where only sub dealers are present. By providing access to credit, the company indirectly contributes to supporting their livelihood and improving their standard of living.

The company has made 400,000 loans since inception. The total count of active customers as on December 2020 was 171,000+, a 44% increase from March 31, 2019. As of December 2020, 33% of total loan accounts were held by customers who were new-to-credit i.e., those who have not had access to any formal credit prior to their loan from the company. Access to formal credit enables customers to build a credit profile thereby enhancing their ability to access affordable credit in the future. This highlights the important role played by Berar Finance in financial inclusion and in making credit easily available. As the company scales in size and expands its operations to other states, the number of such new to credit customers is expected to increase manifold.

Berar Finance also supports its dealers and sub-dealers by providing interest free advances to support their business. The total amount of such advances outstanding as on December 31, 2020 was INR 215 mn ($2.9 mn).

Athena Infonomics administered a survey to 200 dealers / sub-dealers associated with Berar Finance to study the impact of the company's operations on financial inclusion and access to credit. Additionally, telephonic interviews were conducted with 6 sub-dealers.

'Berar Finance's service is very smooth, and the process is very fast and easy. Their EMI payment and dues options are very flexible in comparison to other financiers.'

Sub-dealer from Karnataka



Sub-dealer showroom of Berar FInance

8 A tehsil is an administrative unit in India which is smaller than a district.

Interview respondents suggested that easy loan processing and presence in interior locations are important attributes of Berar Finance

‘The customer is attracted to the showroom because he knows that he can get finance from Berar Finance. The financing is instant, within half hour.’

Sub-dealer from Madhya Pradesh

‘Berar Finance provides services in interior rural areas and helps people in my region. People in this area are predominantly rural agriculturalists. Presence of Berar Finance has helped us a lot.’

Sub-dealer from Maharashtra

Employment Generation

Unemployment rate in India was reported at 7.8%, as of April 2021 (CMIE, 2021). Lack of non-farm employment opportunities in rural areas is adding to a widening economic gap. Berar Finance’s branch operations generate employment in rural and semi-urban areas, which offer alternative employment opportunity and contribute to local economic growth.

Berar Finance has increased its employee count by 72% from 1,003 in March 2019 to 1,725 in December 2020. The number of employees at branches in rural and semi-urban areas nearly doubled from 592 in March 2019 to 1,107 in December 2020. 71% of all incremental employees added during this period was in rural and semi-urban areas. Between March 2019 and December 2020, the number of female employees increased from 65 to 114.

In addition to direct employment, Berar Finance drives significant indirect employment in semi-urban and rural locations where it has a branch presence. The biggest beneficiary of this are the sub-dealerships associated with Berar Finance

Key Indicators



64%

of employees from rural areas and semi-urban areas

87%

increase in employees

between FY19 to FY21 from rural and semi-urban areas



56%

of dealers operate in rural and semi-urban areas

and freelance collection executives who support the company in collection of monthly instalments. Most of these sub-dealerships are small enterprises employing less than 20 people. Berar Finance currently employs over 450 sales executives and 180 collection executives in rural and semi-urban areas.

“Good financing service is important to retain customers. Berar Finance’s service and their consistent presence at the store helps me run my dealership successfully and retain my customers”

Sub-dealer from Madhya Pradesh



Berar-financed customer taking delivery of two-wheeler



'My customers are extremely satisfied with Berar Finance and their service. They are rural people and they prefer Berar because it requires limited documentation and their process is expedited and takes only 10-15 minutes.'

Sanjay Gaikwad, 29 (Sub-dealer in Nasik, Maharashtra)

Since when have you been associated with Berar Finance as a sub-dealer? Can you provide us with a short profile of your dealership and your customers?

I have been associated with Berar Finance as their sub-dealer for the past 5 years. I have been dealing with Berar Finance since the first year of operation of my business. Around 90-95% of the vehicle financing I do is for Berar Finance.

My dealership is based out of a small village called Peth near Nasik. My customers are predominantly rural people who are predominantly agriculturists.

What do you customers feel about Berar Finance and their service?

My customers are extremely satisfied with Berar Finance and their service. They are rural people and they prefer Berar Finance because it requires limited documentation and their process is expedited and takes only 10-15 minutes. Basic documents like ID proof, address proof etc., are the only requirement and customers do not need to look for extra documentation. Their cash instalment payment option makes it easier for rural people to pay. In addition, their interest rate options are also reasonable that attract many customers.

Can you share an example of how Berar Finance has made the process easier in comparison to other financiers?

One of my customers could not get car financing in Nasik because they required him to provide cheques and being a rural customer, he did not have one. On my suggestion, he opted for Berar Finance and is very satisfied with the experience. The process was very quick and easy for him. He also went on to recommend Berar Finance to his friends who then have come to my dealership for their vehicle financing.

How has Berar Finance helped you in your business?

My business has largely been very good with Berar Finance. Their service helps sub-dealers like me attract more customers. Especially during festivals and special occasions, the business performs exceedingly well. My only recommendation would be provision of trade allowance for sub-dealers like us, which would help us immensely in attracting more business during high demand periods.

mCaffeine



Impact Snapshot

mCaffeine is India's first caffeine-based personal care brand, with products for hair care, body care and face care. The company's unique product proposition is the presence of 'caffeine' as the active ingredient, which is derived from agricultural produce. Hence all the products of mCaffeine are value added personal care products from agricultural produce like coffee, cocoa and tea.

mCaffeine is India's top brand in coffee-based personal care products and is a digital-only brand, selling through online channels including its own website. The company's products are primarily aimed at millennials[9]. All of mCaffeine's products are vegan and cruelty free (PETA certified), dermatologically tested and approved by the Food and Drug Administration (FDA).

clean products with no animal testing

100%
local manufacuring

221
direct jobs created

1 out of 4
senior leaders is a woman

Date of measurement: December 31, 2020

9 Millennials, also known as Generation Y, is a term used to refer to people born between 1981 to 1996

mCaffeine gets all its products manufactured locally. In addition, all the agricultural commodities which go into its products are sourced from local producers or aggregators.

Amicus Capital invested in mCaffeine in September 2020. This is the most recent investment as on the measurement date of this report.

Key Impact Themes

Ethical Production

Investment in ethical industrialisation is crucial to drive economic growth, employment generation and social development (United Nations, 2019). Balancing economic growth and sustainable development requires mindful and responsible production as well as consumption of goods. Increasingly, consumers are demanding transparency in ingredients and sourcing practices. Ethical production practices ensure that the production activities reduce adverse impact on the environment and the consumer. Benefits of ethical production practices also extend to improved traction among consumers.

mCaffeine prioritizes ethical and safe production practices as an integral part of their product development and manufacturing processes and are conscious of the impact the brand has on the environment. According to Tarun Sharma, co founder of mCaffeine, the identity of being a 'clean' brand has been central to the company since its launch and this has attracted and retained customers that are increasingly becoming conscious of ethical consumption.



Local manufacturing facility of mCaffeine

Key Indicators

All products are
FDA approved

100%
vegan and cruelty free
(PETA certified)

Toxic free and made safe
certified by Safe Cosmetics Australia

Ethical production practices, responsible production

Local Manufacturing and Employment Generation

Incentivising local manufacturing to generate employment for skilled and unskilled labour has been a key national priority for India. The MSME sector is an important contributor to employment and economic growth in the country. Investing in local production capacities has been a central tenet for mCaffeine. The company is a strong champion for local manufacturing and gets all its products locally manufactured. The company engages four manufacturing units, all of which are MSMEs with revenues of less than INR 50 mn ($0.7 mn) each. 40% of the workforce in these manufacturing units derive their jobs from the production for mCaffeine production. Furthering its commitment to sustainable production and employment generation, mCaffeine is looking to source its ingredients directly from local farmers and contribute meaningfully to their livelihoods.

mCaffeine has prioritised creating a safe and inclusive workspace for women and youth. The company currently has 77 employees. 55% of its total workforce and over a quarter of the



Local manufacturing facility of mCaffeine

senior management are women. 60% of the company's employees are aged below 24 years.

Being a digital-only brand, mCaffeine sells only through online channels and hence all the units sold are delivered to the consumer using delivery executive. On a full-time equivalent basis, the company provides indirect employment to 155 delivery executives across the country to deliver its products to customers. This number is expected to increase manifold as the company scales in size, providing valuable opportunities for livelihood.

Key Indicators

4

local manufacturers who are all micro-enterprises with annual turnover of less than

₹50 mn

40%

of workforce in manufacturing units dedicated for mCaffeine

38%

of employees (full-time and contractual) are under the age of 24

155

jobs for delivery executives on a full-time equivalent basis created (Indirect impact)

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Annexure A:

Responsible Investing Guidelines at Amicus Capital

Responsible Investing Guidelines at Amicus Capital

1 Commitment to compliance with IFC Performance Standards, applicable labour laws in the countries in which Amicus Capital operates and/or invests in.

2 Commitment to continuous improvement with respect to management of ESG matters.

3 Consider environmental, public health, safety, and social issues associated with target companies when evaluating whether to invest in a particular company, as well as during the period of ownership.

4 Seek to be accessible to, and engage with, relevant stakeholders either directly or through representatives of investee companies, as appropriate.

5 Seek to improve and grow companies in which Amicus Capital invests for long-term sustainability and to benefit multiple stakeholders, including on ESG issues.

6 Seek to use governance structures that provide appropriate levels of oversight in the areas of audit, risk management and potential conflicts of interest, and to implement compensation and other policies that align the interests of owners and management.

7 Support payment of competitive wages and benefits to employees, provide a safe and healthy workplace in conformance with laws, and apply international best practice standards in workplaces.

8 Maintain policies that prohibit bribery and other improper payments to public officials consistent with The Prevention of Corruption Act, 1988, US Foreign Corrupt Practices Act, 1977, UK Bribery Act, 2010, similar laws in other countries, and the OECD Anti Bribery Convention.

9 Respect human rights of those affected by investment activities and take steps to ensure that investments do not flow to companies that utilize child or forced labour or maintain discriminatory policies.

10 Encourage investee companies of Amicus Capital to advance these same principles in a way which is consistent with the fiduciary duties of Amicus Capital.

11 Provide timely information to Amicus Capital's limited partners on the matters addressed herein, and work to foster transparency about the activities of Amicus Capital.

Annexure B:

Methodology Note

Methodology note

The impact framework used for this report is based on the logic model framework which is a representation of the relationship between the input resources and their expected outcomes (AVPN, 2016). The input factors include resources invested and activities conducted by the organisation. Outputs are defined as the immediate result of the activities or initiatives. Impact is the change or difference seen in the actions or experiences of individuals because of the initiative.

For example: The training conducted by an organisation would serve as its input, the number of people attending the training would be its output, and the impact would be the improved skills and knowledge gained by the attendees.

Using this, a detailed framework was created for each investee company to analyse their impact. Key impact themes were identified for each company through an iterative process that involved understanding the investee company's nature of business, beneficiaries reached, geographical presence and other business-related factors like employee profile, production sources, etc.

Based on these, a set of indicators were developed for each investee company. These indicators comprised of measurable factors that were used to quantify the impact created by the respective company. Some examples of these indicators are presented in the table below. These were then mapped to relevant SDGs to ensure that the design of this exercise conforms to international frameworks.

Development of this framework was done through multiple interactions with Amicus Capital and the investee companies. Stakeholder identification and engagement have been vital steps in this exercise.

A combination of both quantitative and qualitative survey methodologies was used for data collection. Methods used included:

Secondary data from the company with information on key themes such as employment, geographic reach, domestic production, financial inclusion, etc.

A brief survey was designed after several discussions and multiple iterations, and was administered by Athena Infonomics. The survey was designed to capture the direct impact on the beneficiaries of each company and was administered through both online and offline modes.

A detailed snapshot of the survey questionnaire for each company is available in the weblink provided.

Qualitative interviews were conducted with a smaller set of beneficiaries from each company to understand impact and to validate the quantitative analysis. All interviews were conducted over telephone. The interviews were conducted in the language of preference of the respondent and included Hindi, English and Punjabi.

The data collected from the above methods were used to validate the impact framework and outline each investee company's impact story. No survey was conducted for one of the investee companies (mCaffeine) given that it was a recent investment as on the date of this report.

Table 1: Sample indicators used in this exercise

Particulars	Representative Indicators	Key Data Sources
Input Indicators	Total number of employees Number of female employees Number of DTH members/ insurance advisors / sub-dealers Number of employees from rural and semi-urban areas Number of youth employees (under 24 years) Provision of skill development and training	Survey and internal data as shared by the company
Output Indicators	Number of loan accounts Number of loan accounts held by women Number of New-to-Credit customers Value of loans given Number of insurance policies issued by category Premium of insurance policies issued by category Value of good produced/sourced locally Number of MSMEs engaged	Internal data as shared by the company
Process Indicators	Presence of, and adherence to, Anti-Corruption and Anti-Money laundering regulations Presence, of and adherence to a Whistleblower policy Presence of, and adherence to policy on 'Prevention of Sexual Harassment' Adherence to local labour and other applicable laws Adherence to safe and ethical production practices	Internal data as shared by the company and documents shared
Impact Indicators	Improved income of beneficiaries Improved access to insurance, access to credit or access to banking services Improved quality of life for employees and beneficiaries Improved economic growth and employment in rural and semi-urban areas	Surveys, internal data as shared by the company and qualitative interviews

RenewBuy:

The key impact themes identified for RenewBuy were access to insurance, and employment and livelihood generation.

An online survey was administered to 288 Point of Sale Person insurance advisors who use the RenewBuy platform. The survey investigated the impact of RenewBuy on the advisors' business, income, skill development and daily life.

Key respondent characteristics:

- 75% of the respondents were male;
- 74% were between the ages of 26-45 years;
- 16% were over 45 years; and
- 10% were between the ages of 18 and 25 years.

Interviews were conducted with 5 insurance advisors. These advisors were selected based on geographic location and length of association with RenewBuy.

Wonderchef:

The key impact themes identified for Wonderchef were local manufacturing and women empowerment.

An online survey was administered to 672 DTH partners of Wonderchef. The survey was conducted to understand the financial, social and professional impact of the DTH programme on the women.

Key respondent characteristics:

- All respondents were female;
- 70% were between the ages of 26-45 years;
- 23% were over 45 years; and
- 7% were between the ages of 18 and 25 years.

The respondents were spread across most of the states in India.
In addition, 5 respondents were interviewed. The respondents were identified based on geographic diversity and length of association with Wonderchef.

Capital Small Finance Bank:

The key impact themes identified for Capital Bank were access to finance and banking services, and employment generation.

An online survey was administered to 100 borrowers of the bank. This was done to understand their experience with the bank and impact on their businesses.

Key respondent characteristics:

- 99% of the respondents were male;
- 44% were farmers;
- 56% owned small business owners;
- 39% of respondents were between the ages of 26 and 45 years; and
- 61% were over the age of 45 years.

In addition, 13 borrowers (farmers and business owners) were inter-

viewed. They were shortlisted based on type of loan taken and tenure of the loan or engagement with the bank.

Berar Finance:

The key impact themes for Berar Finance were financial inclusion and access to credit, and employment generation.

200 sub-dealers associated with Berar Finance were surveyed for this exercise. The survey was conducted to understand the impact of Berar on access to credit in the sub-dealerships.

Key respondent characteristics:

- 95% of the respondents were male;
- 84% were between the ages of 26-45 years;
- 12% were over 45 years old; and
- 4% were between the ages of 18-25 years.

In addition to the online survey, 6 sub-dealers were interviewed to understand the impact in detail. They were shortlisted based on the length of their engagement with Berar Finance and their geographic location.

More details on the survey responses can be found at:
https://www.amicuscapital.in/impact-report-annexure-c/

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