



WE MIND THE GAP





INVESTING FOR  
BETTER LIVES

# IMPACT REPORT 2019



# INDEX

From the CEO's Desk	4
Our Story	5
Our Sector Focus	6
Investment Highlights	7
Our Approach	8
Our Impact So Far	9
C4D and the Sustainable Development Goals	10
New Initiatives	11
Meet our Investees	12
Methodology	36



# FROM THE CEO'S DESK

Too many people on this wonderful planet are left behind. They are poor, excluded from basic services, and offered little opportunity to develop themselves and improve their livelihood. Driving economic forces are still far from being inclusive, fair, and sustainable. With the Capital 4 Development Asia Fund, we want to contribute to making the economies of India, Indonesia and the Philippines more inclusive, and thereby improve the lives of vulnerable people and underserved communities. Every investment we make in inclusive SMEs and women-led businesses, takes us one step closer to our goal.

I am proud of our achievements in Asia. With only 24 investments made so far, the lives of many thousands of people have been positively impacted through better access to markets, products and services which they need to sustain and improve their livelihoods. Our investees contributed to sustainable food and energy production, financial inclusion, and a cleaner environment. People were provided affordable access to healthcare and medicines, and products and services which they otherwise would not have access to. Many more were trained and educated so they can start a career and support their families. And we're just getting started.

These achievements are important. They are a testimony of our work, for sure, but they are also a tiny contribution to what is needed to improve the lives of the billions of people that still remain underserved and excluded. The world and its economic system needs to change and it needs to change faster. Join us in helping to make the economy inclusive and sustainable. Let's bring about critical change. Together.





# OUR STORY



**Capital 4 Development Asia Fund** (“C4D”) is a USD 30 million Dutch impact fund focused on improving livelihoods in emerging countries by investing in promising, scalable, impactful small and medium enterprises (“SMEs”). We invest in India and Indonesia and have active investments in the Philippines, Cambodia and Nepal. Managed by Capital 4 Development Partners, we invest through tailored financing structures, which help in realizing social and environmental impact while providing for capital appreciation for our investors.

Together with our portfolio companies and investors we work towards:

- Creating decent and sustainable jobs and providing employees with (new) skills and stable incomes;
- Improving the market position of small, underserved suppliers and entrepreneurs;
- Offering affordable and quality products and services to low-income and vulnerable populations, by providing them access to better, innovative, more efficient, more sustainable solutions, which have the potential to improve their living conditions.
- Boosting the development of efficient and sustainable supply chains, by supporting supply chain integration as well as solutions to market inefficiencies; and
- Supporting gender equality, by encouraging gender balanced business strategies.

With the right mix of local and global experience, we are able to leverage our position to make balanced investment decisions, promote fair economic development and provide optimal returns to our investors.



# OUR SECTOR FOCUS

Below are our eight priority sectors for investment. However, we do consider investments outside these sectors with strong impact on underserved communities. Further, we believe in the aggregate economic and social benefits that can arise from unleashing women's economic empowerment - be it as entrepreneurs, employees, suppliers, or others - and hence we are committed to invest a portion of our fund in women-led and women-owned SMEs.

---

Agricultural Processing

---

Food Manufacturing

---

Financial Inclusion

---

Sustainable Consumer Goods

---

Renewable Energy

---

Education and Skilling

---

Retail

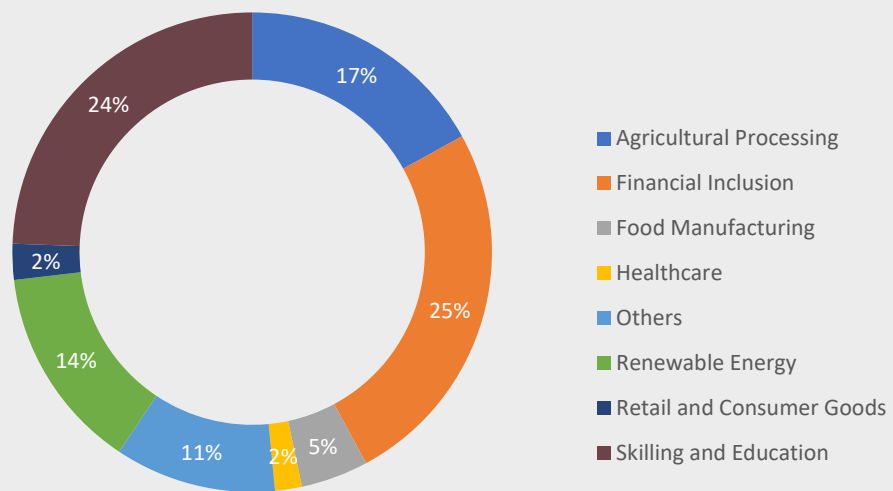
---

Healthcare



# INVESTMENT HIGHLIGHTS

## INVESTMENT BY SECTOR



24

## INVESTMENTS

In 2019, C4D committed to and undertook **nine** investments: through a mix of primary investments as well as follow-on rounds

5

## COUNTRIES

India  
Indonesia  
Philippines  
Cambodia  
Nepal

\$ 17M

## FUNDS DISBURSED

53% of which has been invested in Women-Owned and Women-Led businesses

## INVESTMENT BY GEOGRAPHY



INDIA



INDONESIA



PHILIPPINES



CAMBODIA



NEPAL



# OUR APPROACH

We are convinced that Small and Medium Enterprises can play an important role in uplifting developing countries. Through their innovative offerings and pioneering business models, SMEs have the potential to create strong impact in underserved and marginalized communities. We therefore fund and support early and growth stage for-profit enterprises that create a positive impact on the lives of the marginalized through their activities.

We, at C4D, are hands-on investment professionals and work closely with our investees to build lasting, trustworthy relationships. This approach has not only helped our portfolio companies through challenging times but also taught us the importance of mentoring. Over the years we have refined our model to comprise of different approaches and tools to enable our portfolio companies to create maximum impact. Some of these are listed below:

- Quarterly and Annual Financial Reviews
- Strategic Guidance
- Follow-on Funding
- ESG Assessments
- Access to experts and connection to networks
- Opportunities for Peer-to-Peer synergies
- Encouraging the institution of good Gender Inclusivity practices

In addition, we also offer business development support through our Portfolio Support Program under which investees receive focused support in the form of small financial contributions for specific (technical) assistance, coaching links to strategic partners, etc. This support is paid for from a separate facility.

Through our model, we aim to bridge the finance gap that commonly exists in developing economies, while contributing in our own way to building inclusive economies.



# OUR IMPACT SO FAR

A photograph of two women in a lush green field, likely a rice paddy. The woman on the left is wearing a green long-sleeved shirt and a red skirt, carrying a large bundle of harvested rice stalks. The woman on the right is wearing a blue long-sleeved shirt and a yellow skirt, also carrying a bundle of harvested crops. In the background, there are rolling green hills and another person working in the field.

**\$ 143M**

LOANS DISBURSED TO  
UNDERSERVED  
COMMUNITIES TILL DATE

**7.5k**

DIRECT AND INDIRECT  
JOBS SUPPORTED IN THE  
YEAR 2019 ALONE

**\$63M+**

PAYMENTS MADE TO  
FARMERS TILL DATE

**20k+**

SUPPLIERS ENGAGED IN 2019  
THROUGH SUPPLY CHAINS

**33%**

WOMEN EMPLOYED: OUT OF THE  
TOTAL DIRECT JOBS SUPPORTED AS  
ON DECEMBER 2019 THROUGH THE  
PORTFOLIO COMPANIES

**46%**

NUMBER OF PORTFOLIO COMPANIES  
THAT ARE EITHER CERTIFIED ORGANIC  
OR PROMOTE ORGANIC  
AGRICULTURAL PRACTICES

**128k+**

CLIENTS (UNDERSERVED COMMUNITIES)  
WHO WERE SERVICED IN 2019  
THROUGH PRODUCTS AND SERVICES OF  
THE PORTFOLIO COMPANIES

**36k+**

TONS OF WASTE MANAGED IN  
2019



# C4D AND THE SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs), were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. At C4D, we believe in the vital role that the private sector can play in achieving the SDGs. Further, we recognize the importance of funding to these organizations to drive progress towards fulfilling the global goals.

Impact is integrated throughout our investment processes: from pre-investment to exit. Prior to investment, our teams work with company management to identify the relevant impact metrics, which is then mapped to the SDGs. This exercise not only forms the basis of impact projections and data collection from the investees over the investment period but is also used to monitor and track the impact generated and progress towards the SDGs through our investments. The impact metrics identified are based on internationally accepted IRIS indicators taking into consideration the business of the company. Our impact assessment tools are inspired by the best practices and standards in the impact investing world, and have been polished over the years to efficiently meet our needs.

In the adjacent diagram are the list of SDGs that our investees contribute to, through their activities.





# NEW INITIATIVES

## ESG Assessment Tool:

Though ESG assessments formed a part of impact assessments, it lacked the depth that ESG assessments usually call for. Hence, we developed an ESG Tool **to gain deeper insights** into the environmental, social and governance risks that our investees are exposed to. The Tool consists of topics relevant to the Company and **investees are graded on the outcome** of the assessment. C4D then works with company management to **close any identified ESG gaps**.

The first phase of screening using the new toolkit has been completed. Going forward, annual assessments will be carried out and **outcomes will be tracked**.

## Quarterly Data Collection:

Impact measurement has always been complex and in our case even more difficult because of the diversity of our portfolio. We realized that measurement of impact on an annual basis was too far apart to produce accurate results and, in certain cases, gave rise to ambiguity in reporting. Therefore, in continuation with our best efforts on measuring and reporting **accurate data**, we have begun **collecting impact data from our investees on a quarterly basis**, with effect from December 2019. To simplify the process further, we have migrated to a **web-based reporting platform** on which investees will report impact data.

## Gender Self-Assessment Tool:

While we have been measuring quantitative gender related metrics, we developed a gender focussed self-assessment tool for a more **qualitative analysis**. The tool allows investee companies to self-assess their own businesses through a gender lens and covers key business topics. C4D intends to use the outcomes from the tool as a foundation to **promote gender inclusion among the investees**.

We intend to conduct a pilot by the end of 2020 on select portfolio companies before implementing it across the entire portfolio.

## Portfolio Support Fund:

We recognize the challenges SMEs face in their attempts to upscale their growing and inclusive businesses, and reach financial sustainability. These challenges limit the positive social-economic impact that SMEs can create. We seek to address these stumbling blocks through our Portfolio Support Program, under which investees will receive focused **business development support**. The support is paid for from a separate facility, the C4D Investee Support Foundation and different financing structures are adopted depending on the country of the investee.





# MEET OUR INVESTEES

A woman with long brown hair, wearing a light-colored straw hat and a purple jacket over a white shirt, is smiling and working in a field. She is surrounded by rows of green and red leafy vegetables, likely lettuce or similar greens, growing in a field. The background shows more of the field and some trees in the distance.

We invest in promising, scalable, impactful small and medium enterprises, primarily in India, Indonesia and the Philippines and neighboring countries. With our investments we aim for social and financial return optimization with the ultimate goal of fighting poverty and social injustice. The following pages give an overview of our portfolio companies and the positive social-economic impact they create through their business activities.





PROBLEM

Coffee is a relatively new crop in Nepal. Because of the low cost of production and high yield, it is considered to be an attractive investment and is mostly cultivated by small farmers. Despite the growing demand for Nepali coffee, competitors have gained momentum at a slow pace. There are a **few local brands** in the market and the level of **branding and marketing are still very basic**, only focused on price. Consumers do not have much knowledge about the quality of coffee and they are offered **little choice**.

SOLUTION

Alpine Coffee was set up with the aim of **developing the local market** by introducing a premium Nepali coffee brand. Alpine grows and processes coffee beans for the domestic and export market under the brand “Katman’du Coffee”. It also sources coffee beans from smallholder farmers. Through its activities, the company **creates jobs** in the local communities and **additional income streams for farmers**. It also **educates farmers** about sustainable coffee farming methods and are encouraged to join cooperatives which promote fair trading practices.

IMPACT

SDG ALIGNMENT



31

*Direct Jobs Supported*

Of which 16% are women

280

*Smallholder Farmers*

Associated with the Company

\$117k

*Farmer Payments*

Made in 2019 alone







#### PROBLEM

#### SOLUTION

#### IMPACT

#### SDG ALIGNMENT



As per CRISIL's Financial Inclusix Index, 2013, **only one Indian among seven had access to banking credit**. This number was lower in 2009, when Ananya was incorporated. Low credit penetration translates to loss of opportunities and subsidized economic activities. Unfortunately, the farmers and the working poor are often the ones who are financially excluded, resulting in them being affected relatively more than other sections of society.

**Ananya Finance** is a socially motivated, Non-Banking Finance Company, set up in India to **facilitate access to formal credit**. It is committed to reach those sections of society that remain excluded with a **focus on reaching out to underserved women**. They currently cater to enterprises in the microfinance and other impact sectors (Agri, waste management, clean energy etc.) who in turn cater to micro-borrowers and smallholder farmers. Apart from providing financial services, Ananya offers training and capacity building to smallholder farmers and is among the select few lenders in India that **combines credit support with technical assistance**.

## 33

*Direct Jobs Supported*

Of which 45% are women

## 12k+

*Smallholder Farmers*

Impacted in 2019 alone\*

## \$45M+

*Value of Loans*

Disbursed in 2019\*



\*Please refer to the Methodology adopted for arriving at this data, on pg. 37





#NEXTPIGIDEA

In India, the **pig farming sector is highly unorganized**. Except for a very limited number of semi-commercial pig farms, 70% of the pig population is reared under traditional smallholder, low-input demand driven production system.<sup>1</sup> As a result, most of the pork being consumed in India was being imported from neighboring or European countries.

Arohan Foods is one of India's largest pork processors with premium pork products being retailed nationwide. Pigs are **sourced directly from smallholder pig farmers** across Northeast India. The Company follows an inclusive model where the **gains are passed on to the farmers** in the form of a higher farm gate price for their animals, resulting in higher income for them. Going a step further, Arohan provides the pig farmers with **breeding support** (training and feed) and **veterinary services**.

40

*Direct Jobs Supported*

Of which 28% are women

200

*Smallholder Farmers*

100% of which are women

\$46k+

*Farmer Payments*

Made during the year 2019 alone\*



1. [Overview of the Piggery Sector](#), Department of Animal Husbandry and Dairying, Government of India





PROBLEM

SOLUTION

IMPACT

SDG ALIGNMENT



India Housing Finance Pvt Ltd

**Lack of access to finance** is one of the key deterrents of growth for the affordable housing sector in India. **Borrowers face loan rejections** due to several reasons such as age, income, credit scores, etc. Further, **lengthy processes** and agent commissions also disincentivize borrowers. All of this makes buying a house, especially when it comes to securing credit, a long drawn, intimidating process.

Aviom is a housing finance company that provides **affordable housing loans to low-income groups** from the informal and semi-formal sector. It aims to facilitate families in realizing their dream of owning their first house. Aviom Shakti is an initiative taken by Aviom, which **enlists rural women as partners** and empowers them with livelihood opportunities while providing effective sourcing for Aviom. Regular meetings are organized for Shakti women to **raise awareness and financial literacy**.

323

*Direct Jobs Supported*

50% increase in 9 months

5k

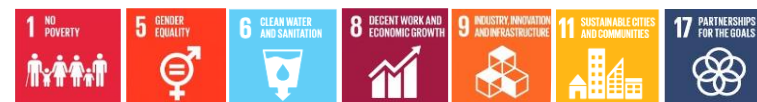
*Rural Indian Women*

Partnered with Aviom  
Under the Aviom Shakti  
Program

\$16M+

*Value of Loans*

Disbursed since  
investment\*







## PROBLEM

As a developing country, the Philippines has long battled with diseases associated with prolonged poverty. Despite this, **access to quality healthcare and life-saving medicines is difficult** with 99% of Filipinos not purchasing their prescription medication because they are expensive.<sup>1</sup> The situation is worsened for rural, remote areas. Not only do they not have access to medication since pharmaceutical **companies concentrate on distribution in major urban areas**, they also **do not have the means to access medicines**.

## SOLUTION

Bukidnon Pharmaceutical or Bupharco is a member owned cooperative formed for the distribution of affordable and quality medication. The cooperative establishes **rural medicine distribution networks** and regularly organizes **free medical missions**. Additionally, the cooperative offers a micro-lending program which provides **emergency medical loans** to members. Members can avail of discounts on medicines and are given opportunities to invest in the cooperative's business through time deposit products.

## IMPACT

**250**

*Direct Jobs Supported*

Of which 54% are women

**3743**

*Approved Applications*

For emergency medical credit

**3.7k+**

*Members*

73% of which are women

## SDG ALIGNMENT



1. [Press Release](#) by Department of Health, Republic of the Philippines, December 5, 2019.



# IMPACT TESTIMONIAL



*“With the help of Bupharco, I can now proudly say that we have a brighter future.”*

- Roberto

Roberto E. Ganza | Bupharco | Philippines:

“I am a proud member of Bupharco since 2011 and am one of the pioneering beneficiaries of the Bupharco Retail Outlet for Non-Prescription Drugs Program. To be honest, I never thought I could handle the pressure of operating this kind of business. We had a lot of discussions as to how to run this business and the possible plans to sustain the business. But Bupharco never failed to help and guided us on the strategies to be taken.

This program disciplined us financially, especially in terms of selling, budgeting and saving. Through the products and services offered by Bupharco, I was able to provide the basic needs of my family and send my daughter to a decent school. Bupharco helped me in uplifting not only my life but that of my whole family.”





#### PROBLEM



85% of the cinnamon in today's world market originates from Indonesia. However, there is **no direct link** between an Indonesian cinnamon farmer and the end user on account of **several middlemen in the supply chain**. This not only leads to inflation in cinnamon prices at the hands of the end user, but also **deprives the farmer of a fair gain**, which is pocketed by the middlemen.

#### SOLUTION

PT Cassia Co-op's mission is to export cinnamon and patchouli products while **removing middlemen from the supply chain**. The Company markets high-quality, 'Rainforest Alliance Certified' cinnamon in the export market which it sources directly from smallholder farmers who are located in the Kerinci region (Sumatra) in Indonesia. As a result, **farmers are linked directly with end-users** and a fair and efficient supply chain is built, creating transparency and interdependency. Cassia Co-op has also established a **training centre**, at which it educates farmers about sustainable agriculture, quality control, certifications, consumer products, and international market practices.

#### IMPACT

174

*Direct Jobs Supported*

Of which 18% are women

127

*Smallholder Farmers*

Associated with Cassia Co-op

\$5.5M+

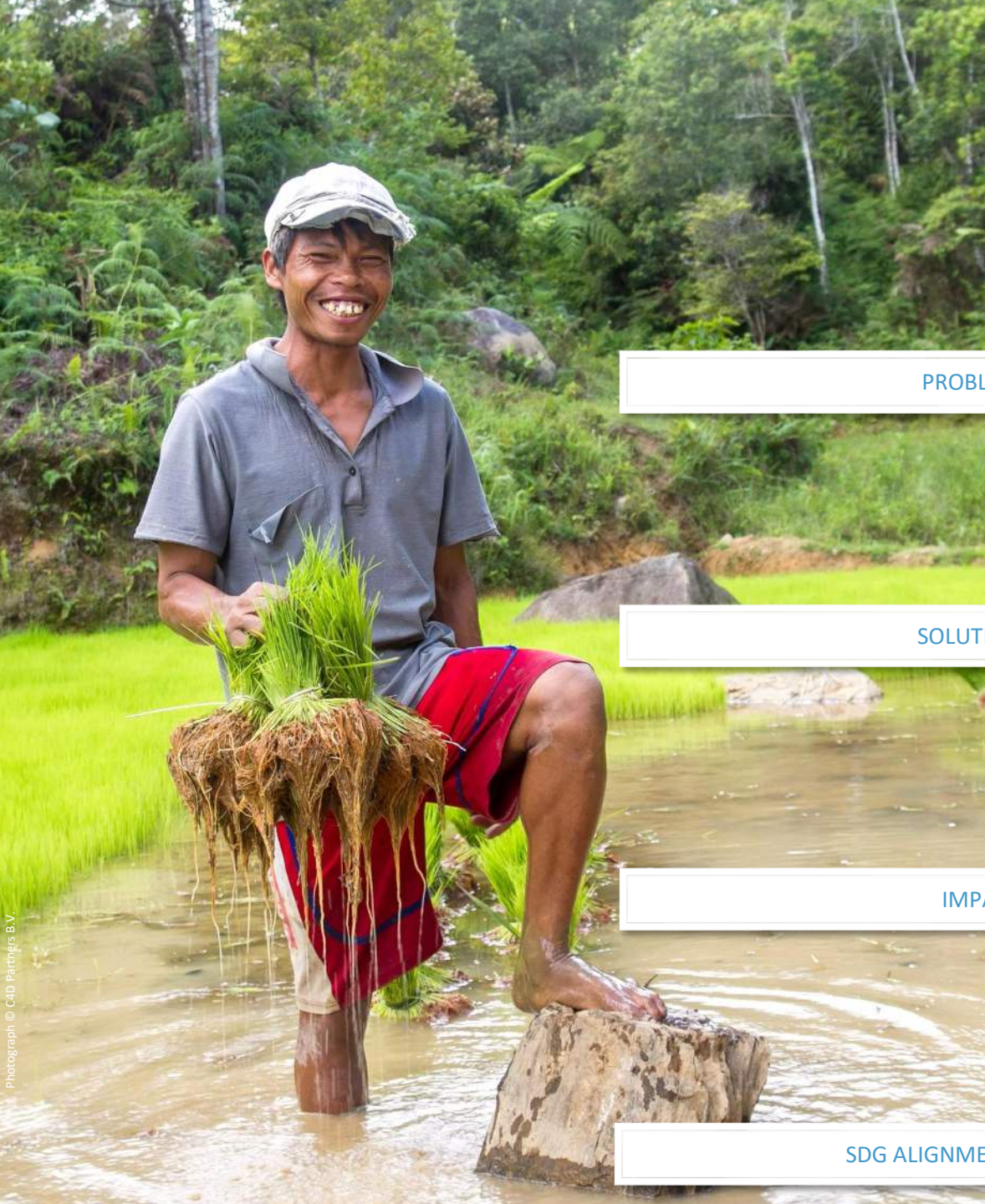
*Farmer Payments*

Made during the year 2019 alone

#### SDG ALIGNMENT







PROBLEM

SOLUTION

IMPACT

SDG ALIGNMENT



## FAMILY FARMS INCORPORATED

Rice is the staple food in the Philippines. Yet, ironically, it is **rice farmers who are starving as they do not earn enough**. Faced with long draughts, they often receive no government support or subsidy. They cannot command the price of their products and do not have access to leverage as their position in the market chain is weak.

Family Farms Inc. (FFI) produces and markets high-quality certified organic rice. They **engage farmers to shift to organic production**, thereby increasing the value of their crop and enabling them to sell at premium rates. Rice is grown under strictly adhered organic farming and processing methods, which includes the operation of a rice mill facility dedicated only to organic rice paddies. FFI also provides farmers with **technical and capital support to increase their overall production efficiency**. The rice is then marketed and distributed in domestic as well as export markets.

32

*Direct Jobs Supported*

Of which 22% are women

165

*Smallholder Farmers*

Certified Organic and  
Associated with FFI

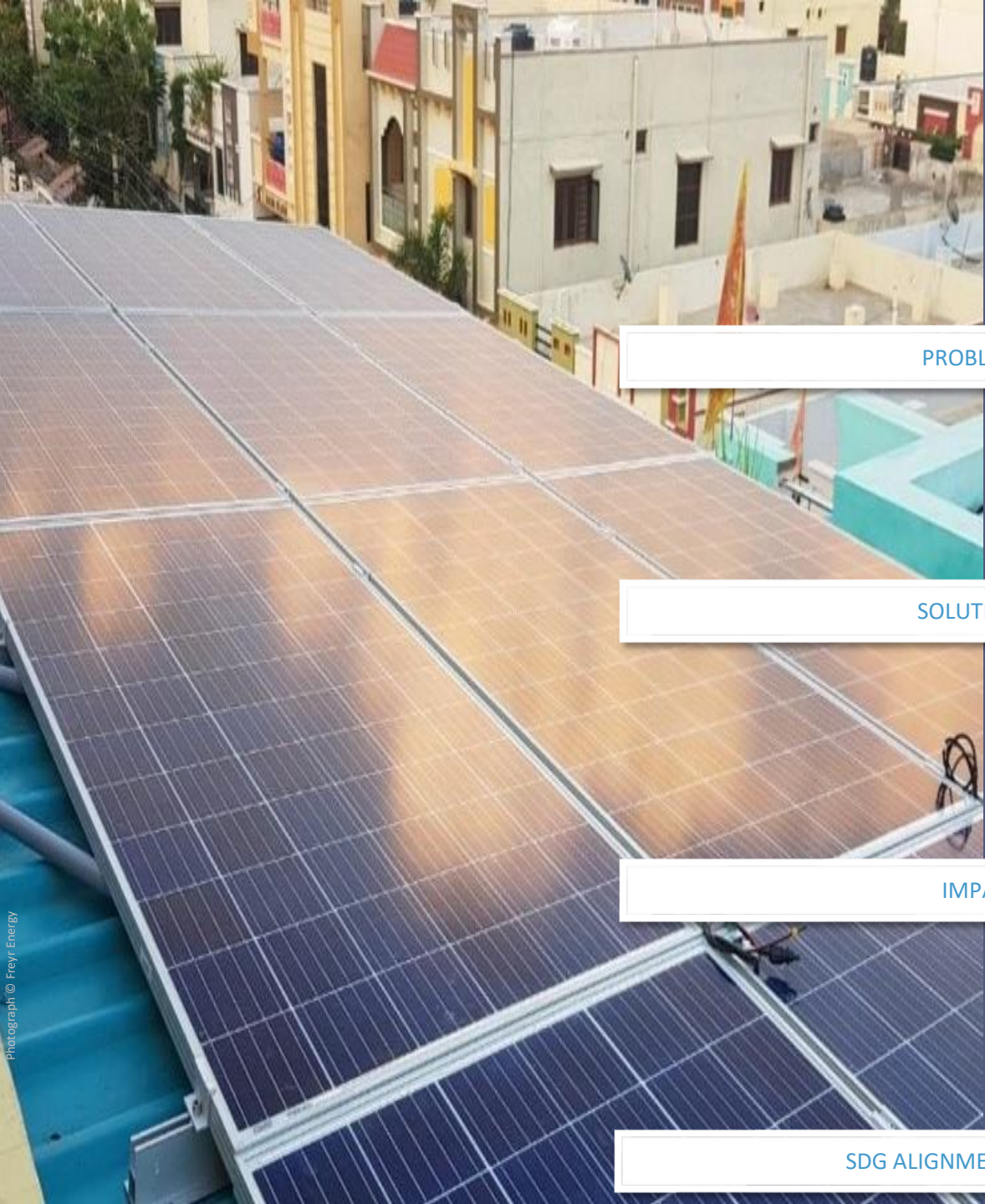
\$231k+

*Farmer Payments*

Made during the year  
2019 alone







Photograph © Freyr Energy

PROBLEM

SOLUTION

IMPACT

SDG ALIGNMENT



India is the third largest solar market in the world.<sup>1</sup> Despite this, the **solar industry in India continues to be fragmented**. To get a solar system installed, customers have to involve various companies (supplier, installer, etc.), instead of just one. This is a cumbersome process and leads to **loss of accountability** when something goes south.

Freyr Energy is a full-service solar systems integration and solutions company. It provides affordable turnkey solutions for distributed solar energy generation systems ranging from 1-200 kW. Freyr bridges the gap by **handholding customers from pre-sales to post installation** by partnering up with their enormous Indian network. The **end customers are involved in the entire process** through Freyr’s mobile application. Today, Freyr Energy has recorded thousands of solar power system installations across India, with an overseas customer base in the US, Nigeria and Ghana. One of its objectives is to **support micro entrepreneurs** across India through its products.

<b>62</b>	<b>12k+</b>	<b>9k+</b>
<i>Direct Jobs Supported</i>	<i>Individuals</i>	<i>Tons</i>
Of which 16% are women	Directly Impacted*	CO2 Emission Savings*



1. Mercom's India Solar Market Leaderboard 2020: Market Shares and Profiles





#### PROBLEM

Conventional agricultural practices bring along with it **negative consequences not only to the environment but also to the health of the consumer**. Further, conventional agricultural costs are high caused by the **high cost of agricultural inputs**. To make matters worse, farmers are always the ones who are the most impacted due to **unfair trading practices** and the **presence of middlemen**.

#### SOLUTION

Fresh Start Organics (FSOI) is a fully-integrated organic business engaged in activities across the entire food value chain: from the production of organic fertilisers, vegetables and personal care products, repacking and distribution of processed organic food products, to trading of other organic raw materials and supplies. Guided by fair trade principles, FSOI **takes over the role of conventional middlemen**. They also **train farmers on organic farming practices** on their organic agriculture farm, thus enabling them to source and sell only the healthiest raw and processed food and **preserve the environment**.

#### IMPACT

57

*Direct Jobs Supported*

39% of which are women

100+

*Smallholder Farmers*

Associated with FSOI

\$271k+

*Farmer Payments*

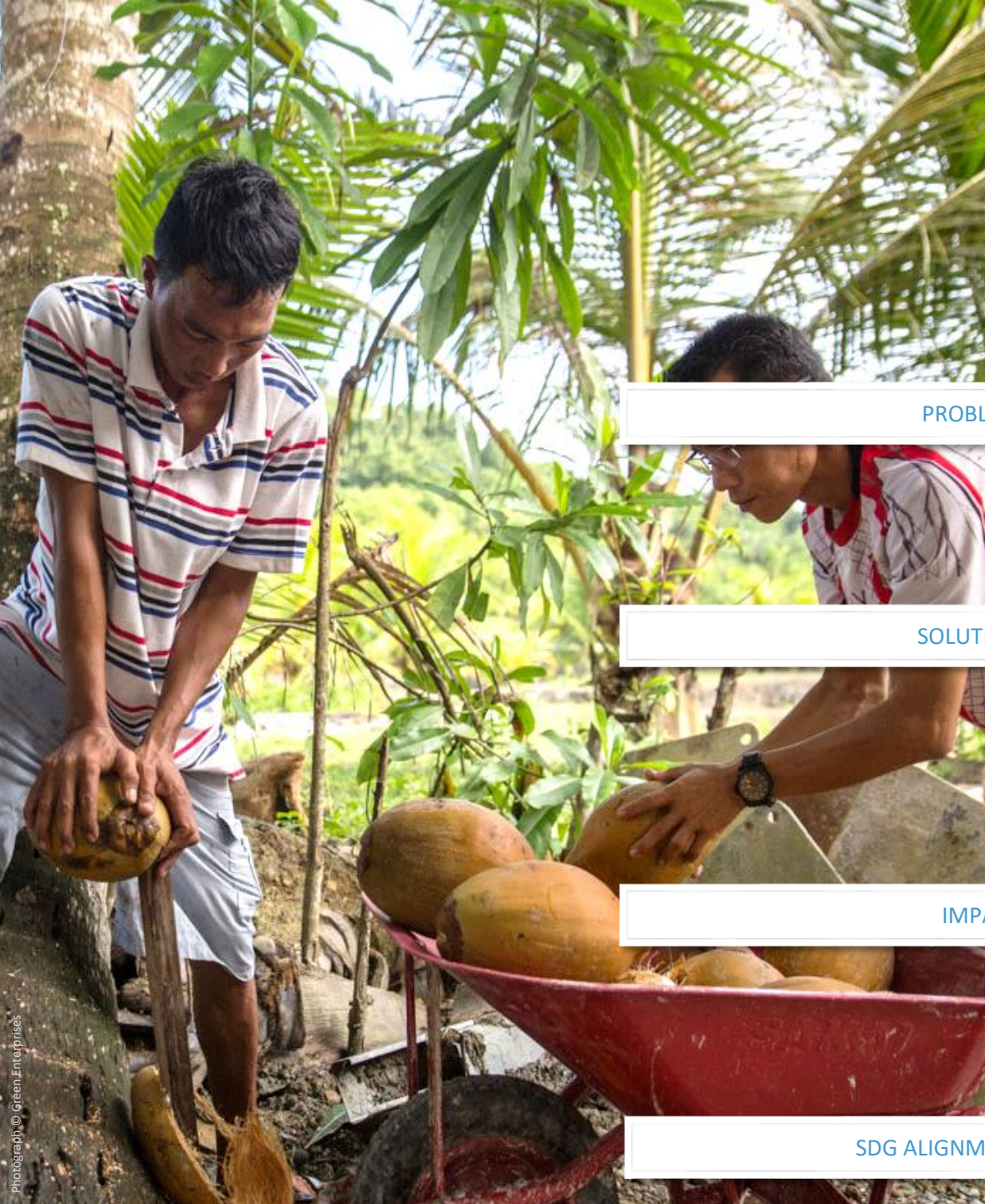
Made during 2018

#### SDG ALIGNMENT



The data as set forth on this page pertains to 2018. We are in the process of collecting data for 2019 for FSOI.





PROBLEM

Smallholder farmers on the Island of Simeulue in Indonesia depend on coconut harvesting for their livelihood. Coconut trees reach peak production between 10-30 years. With many of the region's trees planted decades ago, **production is declining**. Large conglomerates control much of Indonesia's oil palm plantations whose model involves large-scale deforestation and mono-cropping, **actively diminishing biodiversity**. Replanting is hampered by smallholder farmers' lack of finance and an **absence of collective arrangements**.

SOLUTION

Green Enterprises Indonesia (GEI) produces premium Virgin Coconut Oil and some by-products through a cold-pressed and entirely raw process. GEI has **established several farmer groups** with their **organic certification program**. They also **finance communities to replant coconut trees**. GEI's activities **secure the coconut supply chains, strengthen community livelihoods**, while at the same time **address the key drivers of environmental degradation**.

IMPACT

61

*Direct Jobs Supported*

Of which 41% are women

469

*Smallholder Farmers*

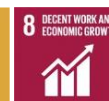
46% increase as compared to 2018

\$118k+

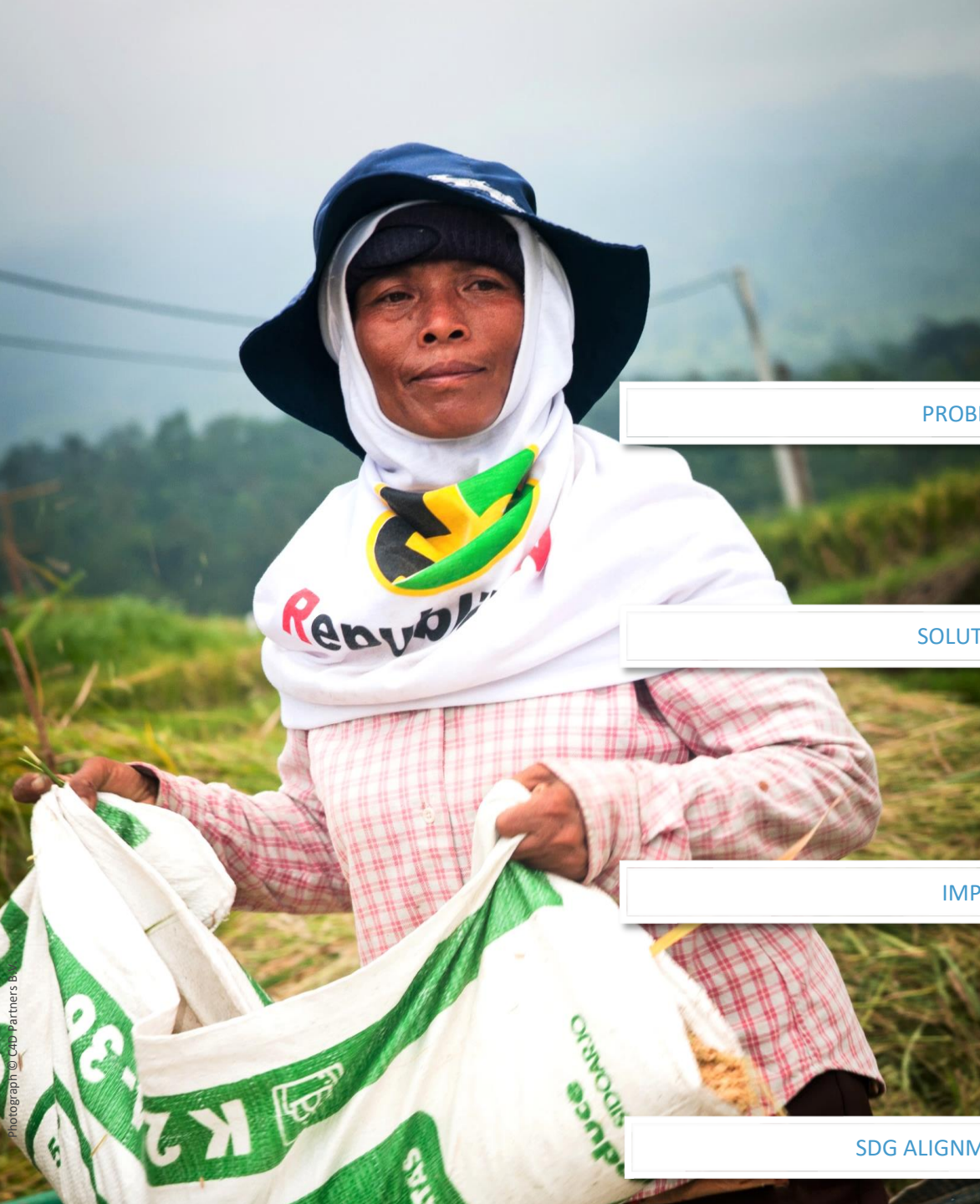
*Farmer Payments*

Made during the year 2019 alone

SDG ALIGNMENT







PROBLEM

Farmers of the Isabela province in Philippines are often in distressed conditions due to natural calamities and exploitative practices of landlords and middlemen traders, which cumulatively contributed to a gradual **decrease in small farmers' production efficiency**.

SOLUTION

Kapatagan is farmers-cooperative that engages in production of bio-organic fertilisers and trading of agricultural inputs, seedlings production and organic livestock production. Consisting of 60%+ women as members, Kapatagan operates with the aim of **shifting local inorganic farming practices to organic agriculture**, with accompanying **training** through the members. Farmers have claimed that use of Kapatagan's products have strengthened their crops making them drought resilient and **increased the cropping cycles**.

IMPACT

SDG ALIGNMENT



152

*Direct Jobs Supported*

Of which 36% are women

235

*Smallholder Farmers*

47% increase as compared to 2018

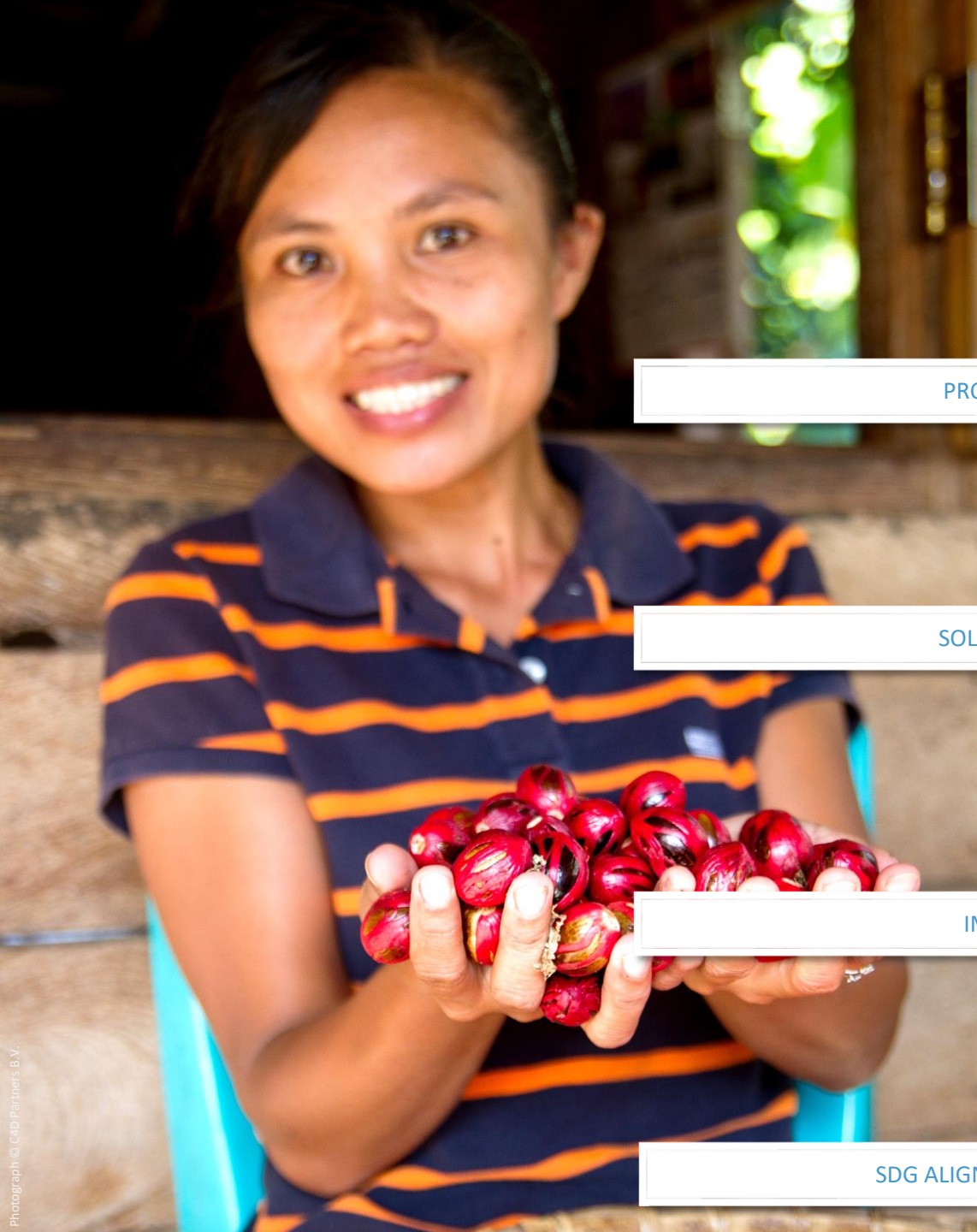
\$5.8M

*Farmer Payments*

Made during 2019: 114% increase from 2018







#### PROBLEM

#### SOLUTION

#### IMPACT

#### SDG ALIGNMENT



The nutmeg production in Maluku, Indonesia has been troublesome in terms of meeting product quality standards for export. **Poor sanitation and handling** has led to high aflatoxin levels resulting in rejections by export buyers. Because of this below par post-production behavior, many nutmeg farmers in the area are **unable to generate good income** and end up cutting their trees or shifting to other crops.

Multi Rempah Sulawesi sources, processes and exports various spices, such as nutmeg, mace, pepper and ginger, from North, South and East Sulawesi. MRS' growth is driven by its **sustainable business and trading** practices. Through its supply networks, MRS **provides appropriate post-harvest facilities** such as drying facilities and transport. These networks are located strategically so the farmers can easily reach to process (if needed) and sell their products. MRS also provides **technical advisory, price incentives** (for organic spices) and logistical support to its farmer-suppliers.

## 350

*Direct Jobs Supported*

52% increase since 2018

## 17k

*Farmers*

21% increase from the year of investment

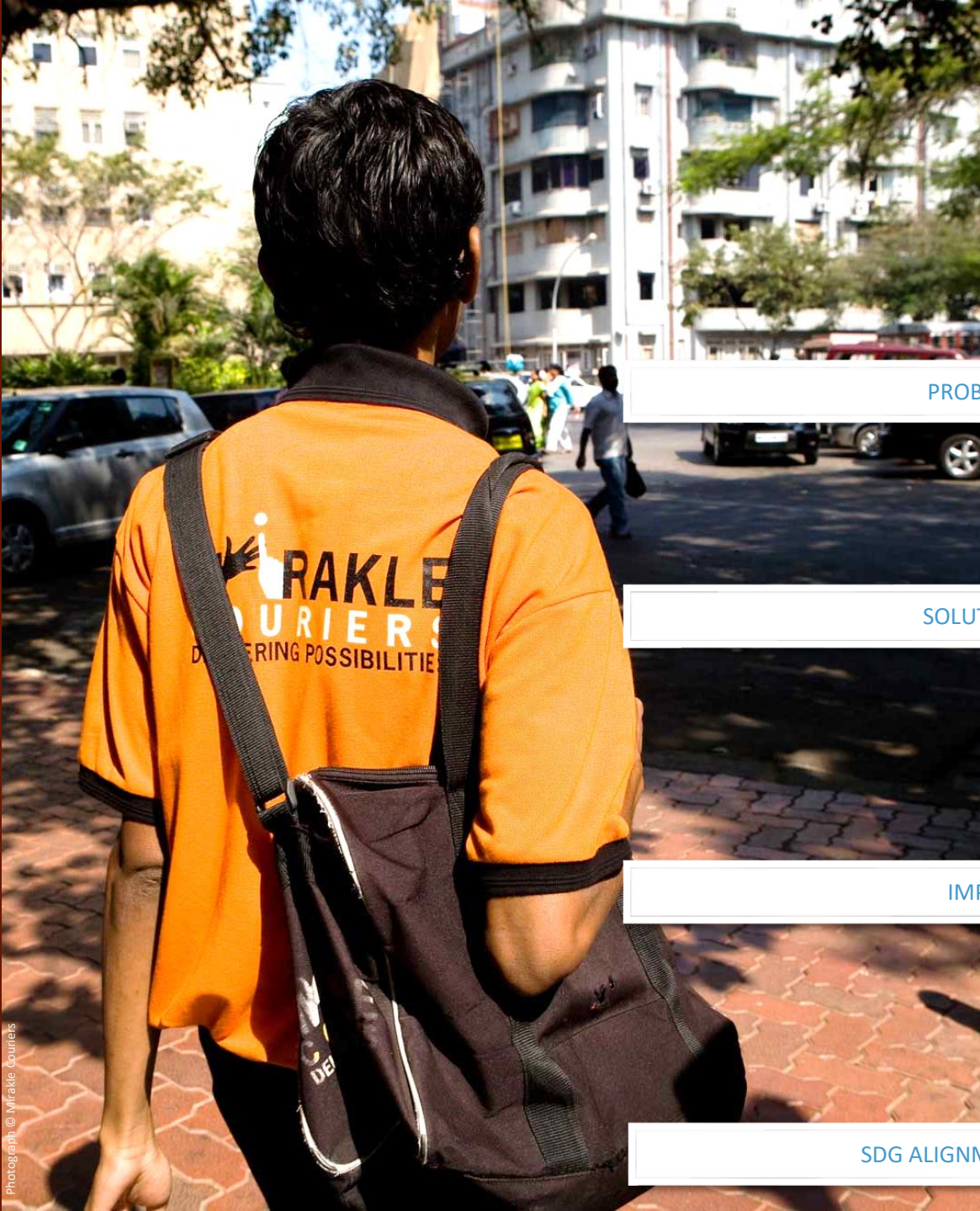
## \$8.1M+

*Farmer Payments*

Made during 2019 alone







PROBLEM

According to India's 2011 census, there are ~5 million hearing disabled persons in India. Burdened with social stigma, **the deaf do not have many avenues for employment**. On another note, the Indian delivery and logistics sector is laden with several challenges such as **high costs, high attrition rates** and inefficiency.

SOLUTION

Mirakle Couriers is a last-mile delivery enterprise that employs low income deaf adults. Mirakle uses public transport or cycles or walk for deliveries, **reducing cost and time taken for delivery during peak hours** thereby bringing in efficiency. Mirakle's entire **operations are conducted in Indian Sign Language** while text messages are used for distance communication. With the logistics industry poised to grow exponentially, Mirakle is at the perfect juncture of delivering livelihood opportunities for the deaf, while taking advantage of the booming logistics sector.

IMPACT

93

*Direct Jobs Supported*

86% increase from the year of investment

30

*Persons with Disabilities*

Employed full time with Mirakle

4

*Centers*

Of which 2 are entirely run by differently-abled women

SDG ALIGNMENT





Geeta | Mirakle Couriers | India:

"I have been working at Mirakle Couriers since 2009. I started with learning to scan, writing addresses on parcel packets and now I have also learnt to work on a computer. It was hard to complete schooling as it took more time to understand the syllabus in sign language. My parents were worried that since I had studied in a Marathi medium school, I would not be able to read in English."

*"After joining Mirakle Couriers, I learnt basic English and customer management skills. I started teaching sign language to the hearing staff and now, also impart training to the newly joined deaf staff."*

- Geeta







PROBLEM

SOLUTION

IMPACT

SDG ALIGNMENT



Many farmers in Cambodia face a big challenge of **not having the right market** for their vegetables, fruits, and other agricultural crops. Although the market for these kinds of agricultural products is large, produce is mostly chemically grown and/ or imported from neighboring countries, thereby **affecting farmer income**.

Natural Garden retails organically grown and Good Agricultural Practices (GAP) grown vegetables through **four retail outlets** in Phnom Penh. GAP are voluntary audits that verify that fruits and vegetables are produced, packed, handled, and stored as safely as possible to minimise risks of microbial food safety hazards. Natural Garden sources fruits and vegetables from their 78 farms as well as from small farmer suppliers. The company contributes to responsible practices by **providing technical assistance** to smallholder farmers on **chemical-free organic farming**.

71

*Direct Jobs Supported*

Of which, 72% are women

300

*Smallholder Farmers*

50% increase from the year of investment

\$1.4M

*Farmer Payments*

Since investment, 119% increase in the payment received by each farmer







PROBLEM

SOLUTION

IMPACT

SDG ALIGNMENT



ក្រុមហ៊ុន នីលីដា ខូ អិលធីឌី  
Nileda Co., Ltd.

Agriculture plays a crucial role in Cambodia's economy. However, its growth in the last decade is only between 4-5%. The low growth and low income from farming is primarily attributed to **slow yield improvements** coupled with **rising cost of agricultural inputs**, depressed agriculture commodity prices and weather hazards.

Nileda is an agriculture input trading company that sources and supplies high quality but **affordable agriculture inputs**, including agrochemical, fertiliser, seeds and climate smart equipment. It also promotes new and appropriate farming technology in Cambodia and aims to scale up the **promotion of Good Agricultural Practices (GAP)** standards and organic practices. The company provides farmer-clients **advisory support** on topics related to use of specific fertiliser and pesticide products, production cost reduction and technical farm practice for better yield.

54

*Direct Jobs Supported*

54% increase since investment

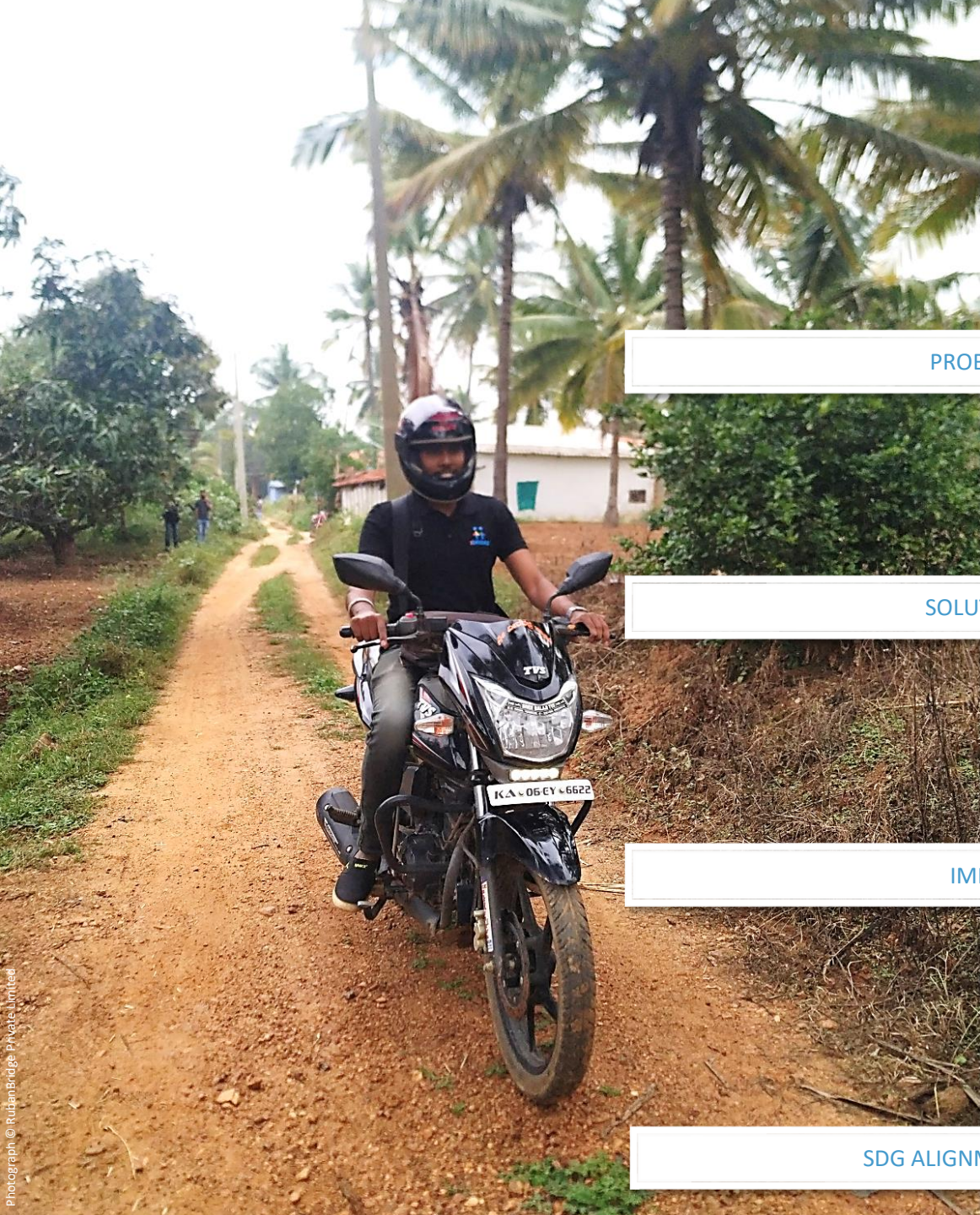
16k+

*Farmers Served*

Through the Company's products and services







## PROBLEM

## SOLUTION

## IMPACT

## SDG ALIGNMENT



70% of India's workforce resides in rural areas and despite urbanization, more than half of India's population is projected to be rural by 2050.<sup>1</sup> Changing consumer patterns reveal that rural consumers seek products that point to an urban lifestyle. However, they face **higher costs of delivery** and **limitations in terms of choices and access to goods**. Often they are required to **travel a distance of 15-20 kms** to the nearest town to buy products of their choice.<sup>2</sup>

RubanBridge aims to bridge the rural-urban divide by building a village commerce network and offering last-mile delivery services through local rural youth ("1Bridge Associates" or "1BA"). Operating under the 1Bridge brand, products and services are curated on an assisted-commerce platform, on which **Rural consumers are connected with rural and urban suppliers**. The orders are then fulfilled by the Company through its **last-mile delivery services**. Under the 1Bridge Academy, **enterprising rural youth are equipped with necessary skills** to function as 1BAs.

# 262

*Jobs Supported*

91% of which are  
between 18-35 years old

# 1943

*1Bridge Associates*

An increase of 153%  
since March 2019

# \$100

*Additional Income*

Made by each 1BA, on  
an average, on a  
monthly basis in 2019



1. Changing Structure of Rural Economy of India Implications for Employment and Growth, NITI Aayog, November 2017.
2. Rural e-commerce: The untapped potential, Ernst & Young, 2018





*“We have many tasks in a day, to take care of the village, crops and families, and run the community. I take one task off from a person’s to-do list, a small task with big effort, and that is the best part of my day.”*

- Naziya

## Nazia Begum | RubanBridge | India:

A SAMSUNG fridge is unloaded in Maladakal, a remote village in India. Devamma, receives her latest purchase with a big smile, “We used to store our extra vegetables in the next house as they have a fridge! We saved this year to purchase this new fridge”.

The facilitator of this purchase is 29-year-old 1Bridge Advisor Naziya. She says, “I am so happy that I helped them make the purchase. I am part of their celebration!” Naziya, a housewife, is the epicentre of digital connectivity for Maladakal.

Very few women in her village own a business and she is one of them, thus winning the approval of the entire village. “The village has hugely benefitted from me. People come to me for solutions. They require something but need not travel for it – if they want to recharge, I provide them these services from the comfort of their villages itself.” says Naziya with a big smile!





PROBLEM

SOLUTION

IMPACT

SDG ALIGNMENT



As the second most populated country in the world, India generates humongous amount of waste per annum. Further, changing consumer patterns will only increase the waste generated. Due to **improper waste management**, most of the waste ends up in landfills, posing **health and environmental threats**. Given the **limitations of geographical area**, landfills where waste is dumped unscientifically are ticking time bombs.

Saahas Zero Waste offers comprehensive waste management solutions: from advisory and training, to **onsite and offsite waste management**. In running its operations, the Company is **adopting the principles of circular economy**, where waste is managed as close to the source as possible, recovered optimally, then get reused in manufacturing and returned to the mainstream economy in a closed loop system.

2211

*Total Jobs Supported*

Full-time and Part-time jobs

36k+

*Tons*

Of waste handled during the year\*

64%

*Women*

Among the full-time employees







PROBLEM

SOLUTION

IMPACT

SDG ALIGNMENT



Manipur is often seen as a difficult state of India, due to its regular strikes and protests. **Unemployment** is one of the biggest problems for the state, from which a host of other problems arise. More often than not, it is **underprivileged women and youth who are stranded** and lost in the present economical war.

SuiGeneris, manufactures “CC Tea”: a caffeine-free instant tea made from lemongrass (Cymbopogon Citratus), which is exclusively cultivated on the hills of Manipur. Formed with the **aim of creating as much employment opportunities as possible** for the locals, CC Tea employs hundreds of individuals, **majorly underprivileged women**, for its operations. They have recently initiated the “SuiGeneris Referral Program” under which individuals can refer and sell the Company’s product, at leisure, for a commission, thereby providing members with an **additional source of income**.

1049

*Jobs Supported*

Full-time and Part-time

1017

*Women Employed*

In part time and full time roles, of which, 98% are underprivileged women


7400+

*SRP Members*

Each earning sales commissions as an additional source of income







No investment is permanent. Over the years, our portfolio has grown and evolved with new learnings for us along the way. This year has been no different. In 2019, we welcomed new companies to our portfolio and bid adieu to few existing companies. The following pages provide an overview of all those investments which form part of the portfolio but will be liquidated either by way of sale, merger, buybacks, etc. or have been provisioned for.





#### Lighting Engineering Solutions | Cambodia | 2015

Lighting Engineering Solutions provides solar power solutions to enterprises and rural farms and households in at least 10 provinces in Cambodia. Their products address the needs of those living in rural communities, who mainly still rely on environmentally unfriendly energy sources, such as car batteries, kerosene and expensive generators.

##### Impact:

- ✓ 1k+ households served in 2018 alone;
- ✓ 15 employees as on December 2018, with 20% female employees.
- ✓ 9k+ rural households served since investment



#### Bali Seafood International | Indonesia | 2017

Bali Seafood International (BSI) provides solutions to small scale fisheries to source sustainably and get better pricing in world markets. Through its community-managed supply chain and state-of-the-art processing plant, BSI eliminated middlemen, reduced waste & improved fish quality. It also educated fishermen on protecting their resource.

##### Impact:

- ✓ 240 small scale fish suppliers as on December 2019;
- ✓ 140 employees as on December 2019 of which 44% are women;
- ✓ USD 1.1M+ paid to suppliers in 2018 alone.



#### Vivo Healthcare | India | 2017

VIVO Healthcare is a healthcare training and education company which addresses the large gap of skilled healthcare workforce in India. With a focus on youth, Vivo offers skilling for paramedics, healthcare technicians and allied health workers and upskilling healthcare training to hospitals, corporates and schools.

##### Impact:

- ✓ 112 jobs supported as on March 2019 of which 23% are women;
- ✓ 45+ training centers operating in India as on March 2019;
- ✓ 32k+ students trained since investment.





**Mera Gao Power | India | 2015**

Mera Gao Power (MGP) builds, owns, and operates solar powered micro grids in India, providing rural, off-grid customers with quality and dependable priority energy services of lighting and phone charging. MGP offers its customers 20% lower cost and higher quality lighting, replacing the kerosene with clean energy.

**Impact:**

- ✓ 73 jobs supported as on December 2019;
- ✓ 125k tons of CO2 and CO2E emission savings from investment till December 2019;
- ✓ 450k+ individuals impacted from investment till December 2019.



**EcoTasar Silk | India | 2017**

EcoTasar manufactures Tasar Silk Textiles and offers a wide range of high quality tasar silk products for the domestic and international markets. Aimed at providing sustainable livelihoods for tribal silkworm rearers, poor rural women yarn makers and handloom weavers, EcoTasar also equips its suppliers with technical, organizational, negotiation, and networking skills for their work.

**Impact:**

- ✓ 985 tasar silk producers as on December 2019, of which 94% are women;
- ✓ Payments of USD 2.2M+ made to suppliers from investment till December 2019;
- ✓ 83 jobs supported as on December 2019



# METHODOLOGY

As an investor, our impact on the bottom-most section of society is indirect: through the activities of our investees. Annually, our investees report on the impact created by them, based on the impact framework developed for each investee at the time of investment. This data forms the basis of our impact report.

However, measuring impact takes time and effort. The fact that we have a diverse portfolio of young, constantly evolving SMEs, brings in added complexity. Therefore, in order to present a more complete picture, we have made certain measurement assumptions, which are enlisted below. All the data presented in this report is as on December 31, 2019, unless otherwise mentioned.

1. The Companies in our India portfolio report follow the financial year of April - March and hence over the past years have been reporting impact as on March every year. However, this often led to difficulties in reporting impact on a fund level as the rest of the portfolio reports impact as on December every year. Therefore, in order to streamline the impact reporting dates for all companies, this report records actual impact data for the India portfolio for the period April – December which has then been annualized. Where any such annualized data is used, the same has been marked with an Asterix (\*) for the readers' convenience. Going forward, we expect that the migration to quarterly impact reporting will eliminate this difficulty. For all other companies (and data without an Asterix), data reported is on actual basis for a period of 1 year.
2. Until 2018, all investments were made through Stichting Capital 4 Development. The C4D Asia Fund was incorporated in December 2018 with the intention of undertaking new investments in South and South-East Asia and all South and South-East Asia investments held by Stichting Capital 4 Development were transferred to the Asia Fund. In this report, impact has been measured and calculated from the original date of investment, whether under taken by Stichting Capital 4 Development or C4D Asia Fund, and not from the date of transfer of the asset to the Asia Fund.
3. Subject to Point 1 above, this report takes into account the impact created by our companies as on and upto December 31, 2019. However, for some companies, specifically those listed on Pages 34 and 35, impact is reported upto the date as mentioned on those pages.



# THANK YOU



*“...Ensure that humanity is served by wealth and not ruled by it.”*

- Pope Francis' message to the  
World Economic Forum  
at it's Annual Meeting in 2014

For any queries on this document, please contact:

Marcel Neutel | [marcel@c4dpartners.com](mailto:marcel@c4dpartners.com)

Kathryn Durando | [kathryn@c4dpartners.com](mailto:kathryn@c4dpartners.com)

For further information on the C4D Asia Fund and C4D Partners, please visit our [website](#).  
Connect with us on [Facebook](#), [LinkedIn](#) and [Twitter](#) for latest updates.

Disclaimer: Other than as specifically mentioned, C4D or any of its group companies do not own the copyrights to any of the pictures or photographs used in this document and C4D has no intention to infringe on any copyrights of any parties.