

Social Enterprises Supported by IIC



Milk Mantra: Srikumar Misra's envisioned building an ethical supply chain for milk sourcing and a high-quality dairy in milk-parched Eastern State of Odisha. Since inception in 2009, Milk Mantra has created sustainable impact amongst 15,000 network dairy farmers and sustainable livelihood opportunities for thousands of local people with the help of Aavishkaar, a leading impact investor and anchor-member of IIC with multiple rounds of investments in scaling the company. Since, the company has attracted mainstream investors like Fidelity and provided exit to Aavishkaar's first fund!



RuralShores: Murali Vullangati often dreamt of integrating rural India into the knowledge economy and setup its Rural BPO in October 2008. Lok Capital, an IIC member, was an early investor in RuralShores (2009) and supported the growth of the company through follow-on investments, and provided operational and strategic support. RuralShores now offers rural BPO and KPO services with 2500 employees in 17 centres, 10 states, across 45 processes and more than 30 blue chip clients. Mayuri N. says, "It is just like a dream. Before joining here I have never seen a computer, now I am working on a computer. I am helping my family financially."

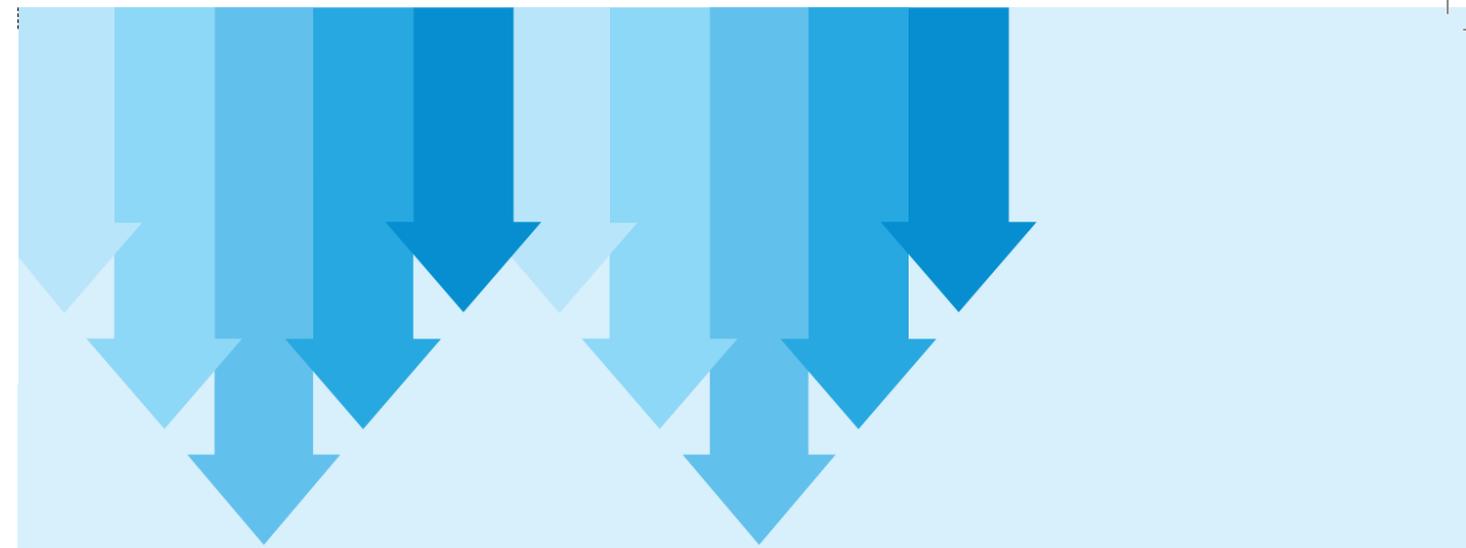


LabourNet: LabourNet started in 2006 as an initiative of Movement for Alternatives for Youth Awareness (MAYA), a non-governmental organization based in Bangalore. In 2011, it metamorphed into LabourNet, a national livelihood enabling social enterprise. In the last 8 years, it has trained more than 100000+ trainees, added 23 livelihood centers, 71 schools and 185+ on-sites training across 25 states. Michael & Susan Dell Foundation, an IIC member, has invested in LabourNet. Ansar Alam, a construction worker trained at LabourNet, says "I have become more confident and certainly improved my livelihood as well with which I am taking care of my family in a bigger way."

Milk Mantra, Rural Shores and LabourNet are social enterprises funded by IIC members. Impact Investments have cumulatively crossed US\$2 billion or INR 13,500 crores over the past decade in over 300 enterprises across India. A silent revolution is touching millions of lives by putting capital to work in challenges communities and geographies. This rapidly growing creed of socially conscientious financiers, organized in over 30+ Funds and Foundations, raising money from India and abroad, are the new-generation **Impact Investors** of India.



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IIC or Impact Investors Council is a member-based industry body for development of the impact investing sector in India, focused on impact measurement and standardisation, research and policy support and self-regulation.



What is Impact Investment?

Impact investment is a for-profit enterprise that:

- Serves underserved beneficiaries who are producers, consumers, suppliers, employees or users; Underserved beneficiaries could also be enterprises as defined by the MSME Act 2006; Underserved beneficiaries should comprise super-majority (two-third or more) of the beneficiary base
- Is willing to carry out third party reporting/assessment in conjunction with investors*
 - Follows all compliance and regulatory norms as prescribed by the authorities
 - Demonstrates high standards of corporate governance and consumer protection

* The responsibility of social impact and third-party reporting lies with investors

Definition of Underserved Beneficiaries

Underserved beneficiaries have to satisfy the income-based definition

- Income-based definition: Beneficiaries with annual household incomes less than ₹ 3 Lakh; these are vulnerable due to lack of access to basic needs
- Marginalized Beneficiaries: Individuals with physical and intellectual disabilities

The geography and sector-based definitions of underserved beneficiaries provide a secondary dimension but is not a necessary criterion

- Geography-based definition: Beneficiaries in under developed geographies (districts) as defined by bouquet of development indicators
- Sector-based definition: Beneficiaries in priority or impact sectors as defined by the Government of India

The definition includes Priority Sectors as defined by the Government and Affordable Housing. It excludes Sectors as defined by IFC's exclusion list and other sectors including infrastructure, real estate (excluding affordable housing, micro-grid) and Life-cycle investing. Moreover, INR 3 Lakhs is an inflation-indexed benchmark which will be revised annually by IIC.



The Impact Investors Council

The Impact Investors Council (IIC) is an industry body that was established in 2014 to build a compelling and comprehensive India Impact story and strengthen the significance of impact investing in India. It additionally responds to the growing sentiment among stakeholders in the impact investing community for a member-based industry body.

IIC operates through democratically-elected member committees which include an Executive Council, Advocacy Sub-Committee, Research Sub-Committee, and, Membership Sub-Committee. IIC collaborates with other industry bodies such as GIIN, IVCA, MFIN, TiE, IAN, etc. Its secretariat is based in Delhi NCR and IIC is headed by a full-time CEO, Amit Bhatia, who can be reached at amit.bhatia@iic.in.

IIC Charter

Industry Advocacy and Policy Support: Engage with Regulators & Policy Makers to ensure we build Brand India as a safe and attractive impact investment destination and consequently encourage private capital to bridge the social investment gap while developing an impact investment asset class.

Membership Services: Create and serve IIC members with Impact Investors at the core and four partner categories- (i) Family Foundations, Limited Partners (LPs) & Philanthropists; (ii) Corporations (CSR wings) & Corporate Foundations; (iii) Social Entrepreneurs & NGOs; and, (iv) Consultants, Researchers, Investment Banks & Intermediaries.

Press Relations & Research: Voice India's Impact Investment story for all stakeholders, especially Media, through aggregated research, rankings, disclosures and impact audits. Develop definitions and standards for impact assessment and measurement in India.

Attract Capital: Stimulate domestic and foreign capital flows to India by marketing India Impact Investment opportunities to LPs around the world.

Create scale: Help scale social enterprises by creating actionable knowledge, toolkits & frameworks, education & training programs, business plan contests, internships for university students, courseware, awards, etc.

Target Self-Regulation: Eventually, target IIC as a self-regulatory organization (SRO) to enforce ethics, transparency and consumer protection. Implement operating, governance and measurement standards.

IIC Membership Structure

Anchors: Institutions joining the council in the first year of formation and willing to make a higher membership fee contribution to support the council in its formative years

Members: Active investors (registered funds or fund managers)

Partners: Non-investors i.e. other ecosystem players e.g. research and advisory firms, networks and individuals

Members

IIC currently has a membership base of 30 prominent organizations in the impact investing sector in India

Anchors



Members



Partners

