



Rating Date: 4/10/2013

Company Name:
Swadhaar FinServe



2013 COMPANY RATINGS REPORT

GIIRS ratings are reviewed, rigorous, transparent, comprehensive, and comparable ratings of company impact. GIIRS helps investors make money while solving the world's most challenging problems. GIIRS Driving Capital to Impact



COMPANY RATINGS SUMMARY

Section Weight	Impact Area	Stars	Total Pts (200 Pts Avail.)
	OVERALL	★★★★	108.5
7.5%	Governance Related to a company's mission, stakeholder engagement, governance structure, controls, and overall transparency	★★★★★	12.2
25.0%	Workers Focuses on how the company treats its workers through compensation, benefits, training, ownership, and work environment.	★★★★	25.0
27.5%	Community Covers the company's impact on external community stakeholders	★★★★	69.3
10.0%	Environment Focuses on indirect and direct environmental impact of the company and its operations	★	2.0
30%	Socially & Environmentally Focused Business Models (SEM) Highlight a company's core impact business model, amplifying their positive impact beyond simply high impact business practices	N/A	59.6 (Points distributed in their relevant impact areas.)

COMPANY DESCRIPTION

Company Description: Swadhaar FinServe Pvt. Ltd. ("Swadhaar") is a Non-Banking Finance Company engaging in urban microfinance. Headquartered in Mumbai, Swadhaar is among the earliest initiatives aimed at providing financial services to India's economically active urban poor.

Company Mission: To make available, responsible and efficient financial services to economically vulnerable and underserved urban households, enabling them to attain financial security and meet their aspirations

Sector: Service
Primary Market of Operations: Emerging

Industry Category: Financial & insurance activities
Size (# of Employees): 374

Industry: Other credit Emerging Mkts (ISIC 6492)
Primary Country of Operations:

Products & Services: Microcredit
Revenue Range: \$0 - \$1,999,999

B Corporation? No
Date Founded: 10/19/2007

Section Weights: Weighting on a particular impact area within the company's assessment. Weights vary based on the companies sector, size, and geography

Stars: Set ranges based on quintiles of GIIRS Pioneers; reset bi- annually (see below for ranges)

Overall Rating	Overall Points	Impact Stars	GOV Points	WOR Points	COM Points	ENV Points
GIIRS Rated	0 to 79	★	0-2.9	0-17.9	0-12.9	0-0.9
		★★	3-4.9	18-20.9	12-25.9	5-10.9
★★★	80-99.9	★★★	5-6.9	21-23.9	26-38.9	11-24.9
★★★★	100-124.9	★★★★	7-8.9	24-28.9	39-69.9	25-39.9
★★★★★	125+	★★★★★	9+	29+	70+	40+

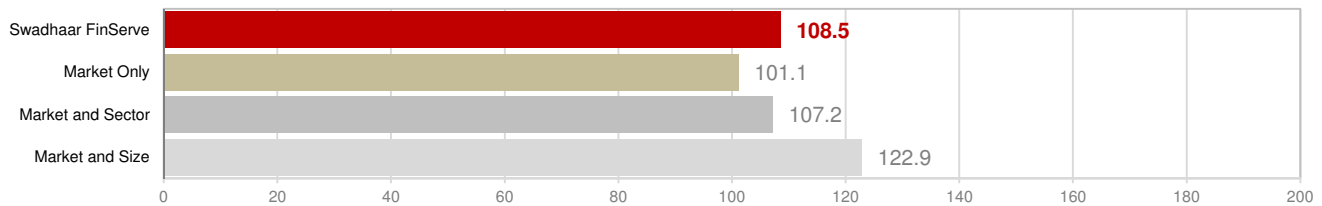
The material on the ratings report is for informational purposes only, and is not an offer or recommendation to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. GIIRS's opinions and analyses do not address the suitability of any security. GIIRS does not act as a fiduciary or an investment advisor. While GIIRS has obtained information from sources it believes to be reliable, GIIRS does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction.

BENCHMARKING

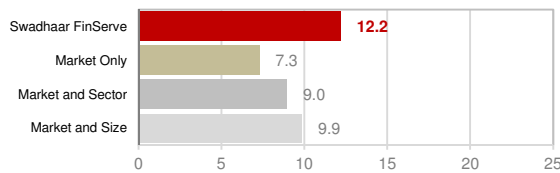
The charts on this page show the company's performance vs. three benchmark groups (company vs. market, market & sector, and market & size). Data is displayed for the company's overall performance and performance by impact area (governance, workers, community, and environment).

Market: Emerging	Sector: Service	Size (# of Emps): 250+
Swadhaar FinServe	Market and Sector 88 companies	
Market (All) 172 companies	Market and Size: 36 companies	

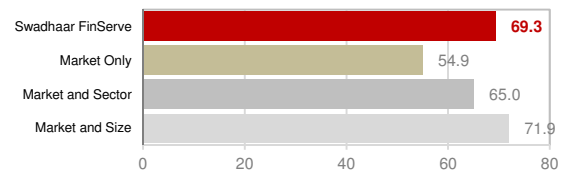
OVERALL RATING



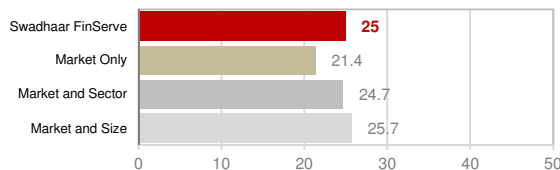
Governance



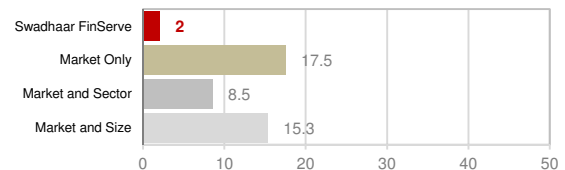
Community



Employees



Environment





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★★★★

2013 COMPANY RATINGS REPORT

COMPANY RATINGS DETAIL

Section Weight	Impact Areas & Subcategories	Points Earned (Out of 200 total)	Benchmarks (Perf. By Quintile - As of 12/31/11)
	OVERALL ★★★★★	108.5	60-80%
7.5%	Governance ★★★★★	12.2	80-100%
	Corporate Accountability	8.7	80-100%
	Transparency	3.5	60-80%
	SEM: Mission Lock Governance Structure	0.0	---
25.0%	Workers ★★★★★	25.0	60-80%
	Compensation & Benefits	18.8	80-100%
	Worker Ownership	3.1	60-80%
	Worker Environment	3.1	20-40%
	SEM: Worker Ownership	0.0	---
27.5%	Community ★★★★★	69.3	60-80%
	Community Practices	9.0	20-40%
	• Suppliers & Distributors	1.1	0-20%
	• Local Involvement	3.0	40-60%
	• Diversity	2.0	60-80%
	• Job Creation	0.7	20-40%
	• Civic Engagement & Giving	2.3	40-60%
	SEM: Community Practices	0.0	---
	SEM: Socially Oriented Products & Services	17.5	---
	SEM: Serve Those in Need	41.9	---
10.0%	Environment ★	2.0	0-20%
	Environmental Practices	1.7	0-20%
	• Land, Office, Plant	1.2	0-20%
	• Inputs	0.0	0-20%
	• Outputs	0.4	20-40%
	• Suppliers, Distributors & Transportation		80-100%
	SEM: Environmental Practices	0.0	---
	SEM: Environmental Products & Services	0.0	---
30%	Socially & Environmentally Focused Business Models (SEM)	Points distributed in their relevant impact areas. Each SEM worth up to 30 points.	

Section Weights: Weighting on a particular impact area within the company's assessment. Weights vary based on the companies sector, size, and geography

Quintiles: Set ranges based on quintiles of GIIRS rated companies rated as of the date indicated. Updated quarterly.

In some cases the subcategory scores (corporate accountability, transparency, etc.) may not add up to the impact areas scores (governance, workers, community, and environment) exactly. The difference in scores is not a scoring error, but rather a result of how the GIIRS assessment handles N/A questions in scoring.

Stars: Set ranges based on quintiles of GIIRS Pioneers; reset bi- annually (see below for ranges)

Overall Rating	Overall Points	Impact Stars	GOV Points	WOR Points	COM Points	ENV Points
GIIRS Rated	0 to 79	★	0-2.9	0-17.9	0-12.9	0-0.9
★★	80-99.9	★★	3-4.9	18-20.9	12-25.9	5-10.9
★★★	100-124.9	★★★	5-6.9	21-23.9	26-38.9	11-24.9
★★★★	125+	★★★★	7-8.9	24-28.9	39-69.9	25-39.9
★★★★★		★★★★★	9+	29+	70+	40+

The material on the ratings report is for informational purposes only, and is not an offer or recommendation to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. GIIRS's opinions and analyses do not address the suitability of any security. GIIRS does not act as a fiduciary or an investment advisor. While GIIRS has obtained information from sources it believes to be reliable, GIIRS does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction.



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DISCLOSURE QUESTIONNAIRE

The disclosure questionnaire features questions focused on issues typically covered by negative screens. The disclosure questionnaire is not included in a company's rating, but the information from the questionnaire is provided on a company's rating report as context for interested investors.

Industries & Products	Yes	No
Any product or activity deemed illegal under host country laws or regulations or international conventions and agreements		√
Alcohol (excluding beer and wine)		√
Commercial logging and logging equipment		√
Firearms, weapons or munitions		√
Gambling		√
Genetically modified organisms		√
Mining		√
Persistent organic pollutants (POPs) that are banned or scheduled to be phased out of production		√
Pharmaceuticals subject to international phase-outs or bans		√
Payday lending		√
Pornography		√
Tobacco		√
Penalties, Fines & Sanctions	Yes	No
Animal welfare		√
Diversity and equal opportunity		√
Employee safety or workplace conditions		√
Environmental issues		√
Financial reporting		√
Geographic operations or international affairs		√
Investments or Loans		√
Labor issues (internal and supply chain)		√
Marketing		√
Political contributions		√
Taxes		√

Practices	True	False
Company formally registered in accordance with domestic regulations	√	
Company facilities are not located adjacent to or in sensitive ecosystems	√	
No animal testing conducted	√	
Company provides clean drinking water to employees at all times	√	
Company workers, company contractors, company subcontractors or day-workers are paid minimum wage or above	√	
Company keeps a signed contract of employment with each worker	√	
Company or company supplier does not employ workers under the age of 15 (or other minimum work age covered by the International Labour Organization Convention No. 138) and company keeps personnel records that include evidence of the date of birth of each	√	
Overtime work for hourly workers is voluntary (not compulsory)	√	
Company provides payslips or equivalent to all workers to clearly show how wages are calculated and any deductions made	√	
Company or company suppliers do not use any workers who are prisoners	√	
Company allows workers to freely associate and to bargain collectively for the terms of one's employment	√	
Company allows workers to freely leave the site during non-working hours or at the end of their shift (including workers who live on site)	√	
Company does not keep workers' original Id Cards/Passports	√	
Outcomes	True	False
Company has not had an operational or on-the-job fatality	√	
Company site has not experienced any accidental discharges to air, land or water of hazardous substances	√	
No construction nor operation of company facility has resulted in the relocation of any individuals or households near your facility	√	

Rating Status: Reviewed Rating



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MANAGEMENT

Abhishek Agrawal, Chief Financial Officer

FROM THE MANAGEMENT

Not Provided

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FINANCIAL INFORMATION

Projected Capital Raised in Upcoming FY	Current Investors:
\$5,000,000.00	Angel Investors; Institutional Capital

Understanding the Global Impact Investing Rating System (GIIRS)

GIIRS provides an independent judgment of social and environmental impact for both companies and investment funds using a ratings scale of 1 to 5 stars. Through a broad spectrum of questions regarding impact models, practices, policies and achievements, the system is designed to be applicable to a wide range of industries and business models. Also, like impact investing, GIIRS sets itself apart from socially responsible investment ratings, which typically focus on negative screens, as GIIRS ratings recognize only positive impact generated by a company or fund.

Ratings System Overview

The GIIRS assessment and ratings are:

- **Transparent:** Criteria and weightings for each impact area, subcategory and individual question within the assessment are fully transparent.
- **Independently Governed:** Overseen by independent Standards Advisory Council of experts, practitioners, investors and thought leaders.
- **Dynamic:** A new version of the survey is developed every two years.

Unique characteristics:

- **Comprehensive:** Recognizing multiple social impact models as well as >100 multi-stakeholder practices and policies of a sustainable enterprise.
- **Comparable:** Allow investors to compare and aggregate ratings of various company geographies, sectors, and sizes in the same portfolio. Specifically tailored questions and weightings applied in a consistent framework ensure both relevancy and comparability. There are twelve company tracks in domestic markets and sixteen tracks in emerging markets.
- **Adaptable:** Incorporate industry addenda focused on products and services of companies within specific industries. Based on market demand, currently offer financial services addenda for both developed and emerging markets and a building addendum for developed markets. Additional addenda for other industries will be added over time.
- **Positive Impact Focus:** GIIRS ratings focus on the performance generated by a company or fund, rather than on negative screens
- **Appropriate for Private Companies:** Questions tailored for small and medium sized enterprises
- **For Assessment & Improvement:** Companies can use the GIIRS Assessment to both get a GIIRS rating and as a tool to manage their performance overtime

GIIRS

ASSESSMENT STRUCTURE

I. Social Enterprise Models

Specific models designed to create social and/or environmental impact through company products or services, target customers, value chain, ownership or operations.

II. Practices

Impactful practices, policies and achievements.

- Governance
- Workers
- Community
- Environment

III. Disclosure Questionnaire

Unweighted disclosures to investors of potentially sensitive issues.

The Verification Process

GIIRS utilizes a three level verification process to ensure accuracy and validity of ratings information. All ratings and reports will be classified by GIIRS according to the level of review undertaken.

Level 1: Assessment Review

Companies engage in a 1-2 hour call with GIIRS staff to review answers, clarify questions and definitions, and ensure proper inputs for calculations.

- Ratings Classification: **Rated**
- Reviewed By: **GIIRS**

Level 2: Documentation Review

Companies are required to provide documentation to support responses to certain questions deemed material by GIIRS. A review of the selected documents will be executed with the assistance of a third-party.

- Ratings Classification: **Reviewed**
- Reviewed By: **3rd Party Services Provider**

Level 3: On-Site Review

Each year 10% of the prior year's GIIRS-rated companies will be selected by GIIRS for an on-site review. An on-site review includes a facilities tour, employee interviews and assessment of additional supporting documentation.

- Ratings Classification: **On-Site Reviewed**
- Reviewed By: **3rd Party Services Provider**

Deloitte & Touche LLP has been retained as the preferred provider of document and on-site review services to assist GIIRS in its validation and rating process. In certain instances, GIIRS or another third-party will conduct documentation and on-site reviews.