

S3IDF

# Annual Report

2019-2020





# Forword from Our Founder

Dear colleagues, friends, and partners:

This was the year that no one expected and no one will ever forget. The start of the global pandemic and the resulting upheaval upended all of our lives in previously unimaginable ways, with especially devastating effects in India's rural farming communities and in marginalized urban neighborhoods.

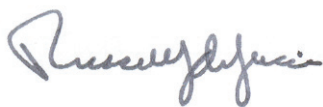
Despite the challenges brought on by the global pandemic, S3IDF, alongside the entrepreneurs and communities we partner with, remained resilient, navigating uncharted waters together and finding innovative ways to continue to stabilize and improve the lives and livelihoods of those working in agricultural value chains and waste management.

Throughout the course of the year, S3IDF was able to continue to support smallholder farmers and waste workers, both through ongoing micro- and small-scale enterprise development as well as through investment in early-stage impact startups.

We are proud of our field team's ability to think "out of the box" to deliver training and support remotely when travel was restricted and humbled to help the impact entrepreneurs we invest in as they developed new ways to operate amidst great uncertainty.

While there are many uncertainties ahead, S3IDF is ready to continue our mission of building inclusive market systems to promote equitable economic and social development one community and one startup at a time.

On behalf of the entire S3IDF team, thank you for your ongoing support —both in 2020/2021 and looking ahead to the promise and potential of a stronger, more resilient future.



Russell deLucia  
Innovation Director and Principal Founder

## Our Mission

We invest in high impact early-stage enterprises to improve lives and livelihoods in underserved communities in India.







## About S3IDF

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S3IDF-US is an nonprofit organization that builds inclusive market systems to promote equitable economic and social development. We invest in pioneering early-stage entrepreneurs who demonstrate capacity for growth and passion for improving lives and livelihoods in underserved communities. We recognize that in order to do so, entrepreneurs need to re-make markets to be more inclusive – a process that often involves trailblazing new business models and building out enabling infrastructure. The benefit is that impact is achieved on both the community level as well as on the market level,

laying a strong foundation from which further development can be pursued and additional impact can be realized.

Accordingly, we assess entrepreneurs' business models by considering their potential financial return relative to their expected direct impact on customers' lives and livelihoods and their ability to confer other benefits within the local economy. We call on others to do the same. Together we can push impact investing to its next logical evolution to truly ensure that we are "Doing well while doing good."



# Board of Directors





## Board

*President*

**Russell deLucia**

Executive Director

S3IDF

*Treasurer*

**Michael Lesser**

Financial Director &

Senior Economist

S3IDF

*Clerk*

**Robin Brenner**

Former Owner

Billie Brenner, Ltd

**Somak Ghosh**

Managing Partner

Contrarian Capital

India Partners

**Scott Sklar**

President

The Stella Group, Ltd.

**Marco Palmieri**

President

DECK Associates LLC

## Advisors

**Andrew Barnett**

Director

The Policy Practice Ltd.

**Nikhil Desai**

Independent Energy Economist





## Portfolio Highlights

# Our Impact

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**268 M**

Hours of productivity increased for end-user customers

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**254,020**

# of people benefitting from our investees' work

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**13 M**

Kilograms of GHGe reduced due to products sold

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**100%**

% of investments made with patient capital





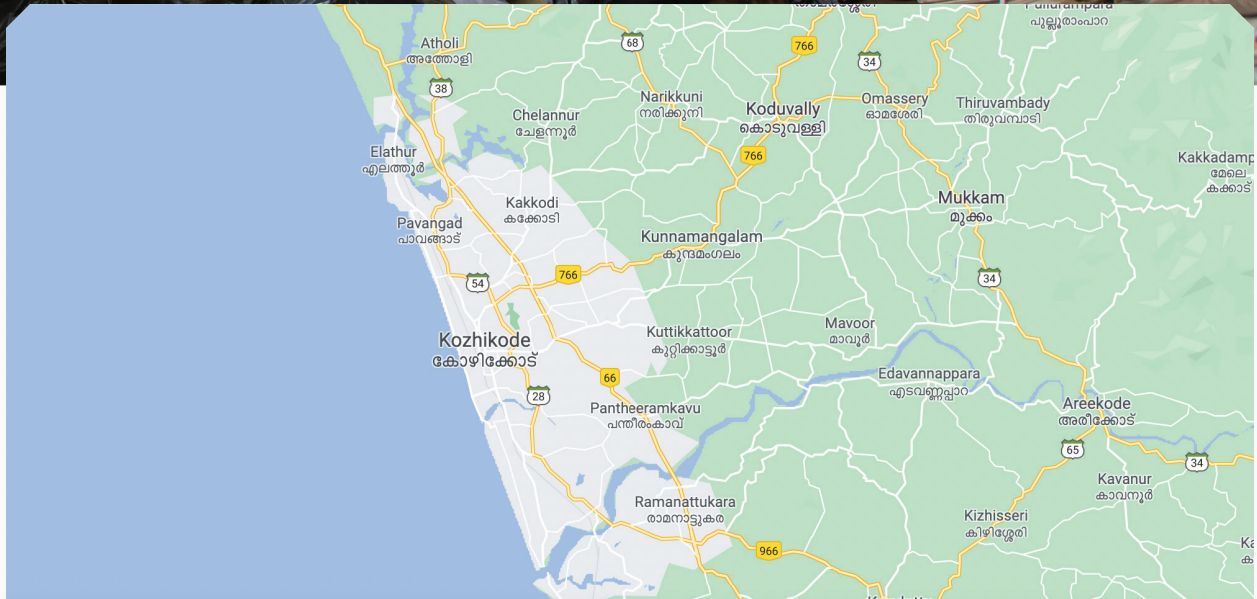
**Featured Investment: Waste**

# Strengthening Circular Economies through Women-Led SHGs

S3IDF and Upaya Social Ventures teamed up for their first joint investment in Green Worms Eco Solutions (Green Worms), a waste management startup based in the Kozhikode district of Kerala, India. Green Worms aims to responsibly and sustainably address India's waste problem while creating income and livelihood opportunities for waste workers.

Green Worms has implemented sustainable waste management solutions in more than 80 villages in southern India. So far, the social enterprise has created dignified job opportunities for over 320 women since its founding in 2014.

Upaya and S3IDF are the first investors to fund Green Worms. The investment will enable Green Worms to expand its partnerships with women-focused Self Help Groups (SHGs) with the goal of expanding its operation to create 1,500 jobs for low-income women. "Waste workers, as the front lines of waste collection and recycling, play a pivotal role in effective waste solutions yet have traditionally been undervalued and underappreciated" noted Elizabeth Friend, Managing Director at S3IDF. "By partnering with SHGs, Green Worms is improving waste workers' livelihoods while also recirculating resources for positive environmental impact."



## Did You Know?

- A 2017 study estimated that there are roughly 4 million informal waste pickers throughout India.
- In spring of 2021, the Department of Local Self Government in Kerala issued an order that would require all local bodies to provide waste workers with official identification cards.
- Waste generation in urban areas of India are predicted to increase to 0.7 kg per person per day, 4 to 6 times higher than 1999 levels.



## Livelihoods

# Facilitating Access to Critical Products



**Company:** Essmart

**Operating Regions:** Karnataka, Tamil Nadu

**Investment Vehicle:** SAFE Note

**Website:** [www.essmart-global.com](http://www.essmart-global.com)

By providing local shopkeepers with access to products that create social impact, such as solar lights, clean cookstoves, eyeglasses, and agricultural products, Essmart is improving the lives of hundreds of thousands throughout southern India. Essmart serves small family-owned retail businesses with a more diverse and impactful set of products, increasing the incomes of small shop-owners, and improving access to and knowledge of life-changing technologies.

S3IDF's investment in Essmart enabled it to close a key funding round during the global pandemic when providing its essential products and services to customers became increasingly challenging.

## Energy

# Affordable, Clean Energy Access



**Company:** E-Hands Energy

**Operating Regions:** Maharashtra, Tamil Nadu, Uttarakhand, and Uttar Pradesh

**Investment Vehicle:** Convertible Note, Compulsory Convertible Preference Shares

**Website:** <http://ehandsenergy.in>

Dedicated to generating extensive positive social and environmental impact, E-Hands harnesses both wind and solar power and partners with renewable energy manufacturers, leading NGOs, like-minded corporate entities, and financial and educational institutions. Examples of its work include solar-powered rural banking, renewable energy grids, and solar lighting products for border areas, rural homes, schools, and microfinance companies.

S3IDF selected E-Hands Energy as one of our first investments because of its ambitious mission, strong governance, and demonstrated capacity to generate targeted impact.



# Financials

## Preliminary Financial Statement

### ASSETS

#### Current Assets

	2020 (as of June 30)	2019 (as of June 30)
Cash	\$37,025	\$220,017
Investments	\$149,803	\$127,187
Prepaid Expenses	\$200	\$730
<b>Total Current Assets:</b>	<b>\$187,028</b>	<b>\$347,934</b>

#### Fixed Assets

Office Equipment	\$13,397	\$5,891
Less: Accumulated Depreciation	(\$6,658)	(\$4,849)
<b>Total Property and Equipment:</b>	<b>\$6,658</b>	<b>\$1,042</b>

#### Other Assets

Trademark	\$8,376	\$8,376
Investment in SELCO	\$110,000	\$110,000
<b>Total Other Assets:</b>	<b>\$118,376</b>	<b>\$118,376</b>

<b>Total Assets:</b>	<b>\$312,143</b>	<b>\$467,352</b>
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### LIABILITIES & NET ASSETS

#### Current Liabilities

Accounts Payable	\$25,458	\$23,849
Payroll Liabilities	\$8,348	\$14,188
Payroll Protection Plan	\$67,200	-
<b>Total Current Liabilities:</b>	<b>\$101,006</b>	<b>\$38,037</b>

#### Net Assets

Unrestricted Net Assets	\$211,137	\$429,315
<b>Total Net Assets:</b>	<b>\$211,137</b>	<b>\$429,315</b>

<b>Total Liabilities and Net Assets:</b>	<b>\$312,143</b>	<b>\$467,352x</b>
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# US Financials

## Preliminary Statement of Activities\*

	Year Ended June 30, 2020	Year Ended June 30, 2019
	Total	Total
<b>SUPPORT &amp; REVENUE</b>		
Grants and Contributions	\$294,387	\$289,792
Contracts	\$18,400	\$126,400
Interest and Dividend Income	\$2,995	\$7,353
In-Kind Salaries and Consultants	\$136,475	\$145,383
Asset Recovery	\$57,000	\$83,250
Unrealized (loss) on investments	(\$31,522)	(\$25,314)
<b>TOTAL SUPPORT &amp; REVENUE:</b>	<b>\$477,735</b>	<b>\$626,864</b>
<b>EXPENSES</b>		
Program Services		
Projects	\$479,745	\$318,509
Dissemination	\$89,502	\$342,245
<b>Total Program Services:</b>	<b>\$569,247</b>	<b>\$642,76</b>
General and Administrative	\$85,763	\$166,348
Fundraising	\$40,903	\$54,467
<b>TOTAL EXPENSES:</b>	<b>\$695,913</b>	<b>\$863,569</b>
<b>CHANGE IN NET ASSETS</b>	(218,178)	(236,705)
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$429,315	\$666,020
<b>NET ASSETS - END OF YEAR</b>	<b>\$211,137</b>	<b>\$429,315</b>

\*These numbers are unaudited pending final sign off on review





# Office Address

The Carriage House  
5 Hastings Square Cambridge, MA 02139 - 4724  
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*S3IDF is a registered public charity under section  
501(c)(3) of the Internal Revenue Service code.*