



UPAYA
social ventures



2013 Annual Report



2013: A YEAR OF GROWTH

Dear friends and supporters,

2013 was a year of continued success and great discovery for Upaya. As we expanded our team, grew our portfolio and scaled our impact, we learned valuable lessons that enabled us to strengthen our programs and advance our mission.

We set out in 2011 steadfastly focused on a single goal – to create stable, dignified, reliable employment for people living in the most extreme poverty. We knew then as we know now that creating employment meant creating employers, and from day one we have provided financial resources and business development support to promising entrepreneurs rooted in India's poorest communities.

I'm immensely proud to say that in a few short years, our partners have grown to collectively employ 1,137 people – twice the number we reached just 12 months ago! These jobs are not a bandage solution or a handout - the men and women filling them will continue to be employed for years to come, enabling their families to make genuine, lasting progress out of poverty.

Taking a step back, I can also see how the progress of our partners mirrors the progress of Upaya itself. 2013 was a year in which the organization transitioned out of its startup phase, built on the lessons learned, and confidently touted its approach as an effective new model for tackling extreme poverty.

These changes did not go unnoticed – from the stage of the Clinton Global Initiative Annual Meeting to the halls of the Bill & Melinda Gates Foundation to the pages of Knowledge@Wharton, Upaya's work was widely recognized as an exciting new approach to poverty alleviation.

As we close out this exciting year, I cannot help but feel optimistic. With a team that has grown from four to eight in the past year and an ever-expanding community of tireless donor champions backing our work, Upaya is well positioned to reach new, remarkable heights in 2014!

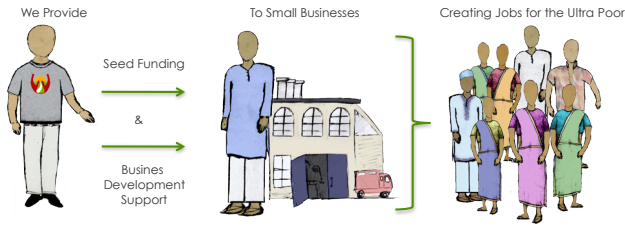
To our supporters, I must say a special **thank you** for contributing to Upaya's work. I am looking forward to celebrating another year of milestones together!

Warm Regards,



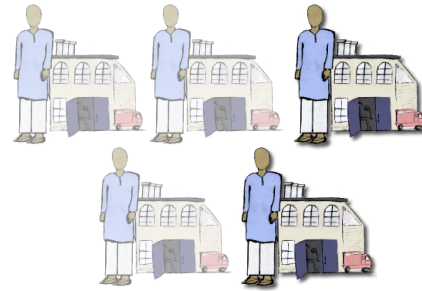
Sachi Shenoy
Executive Director

2013 At a Glance



Over the past twelve months the Upaya team worked hard to increase the size and reach of its *LiftUP Project*.

This year Upaya added **two new enterprises** to our portfolio: Pune-based sanitation company Samagra and Assam-based disposable dinnerware manufacturer Tamul Plates.

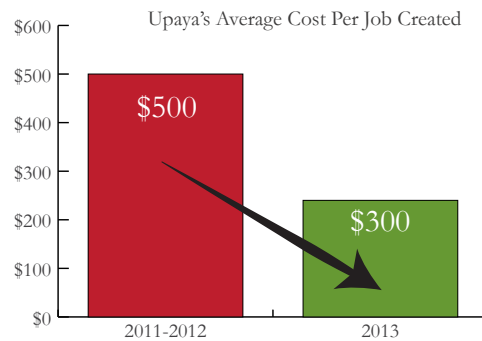


* Each figure represents 10 ultra poor individuals now employed through one of Upaya's partners

The addition of these two companies, along with the continued growth of its three earlier partners, allowed Upaya to **more than double** the number of households benefiting from new employment opportunities.

As of December 2013, Upaya and its partners **created 1,137 jobs** for households living in India's poorest communities!

As the portfolio grew and the number of jobs created more than doubled, Upaya also saw its **average cost per job drop by 40%**.



Upaya's work garnered more attention than ever, including the opportunity to present at the **Clinton Global Initiative Annual Meeting** and a collaboration with the **Bill & Melinda Gates Foundation**.



The LiftUP Project GOING BEYOND

A company in Upaya's *LiftUP Project* portfolio is more than an investment - it is a partner in the truest sense. Working closely with each entrepreneur and his or her team, Upaya is able to ensure that each business thrives and is able to provide hundreds - if not thousands - of stable, dignified jobs in the communities where they are needed most.

In 2013 Upaya added two new partners to its portfolio - Samagra and Tamul Plates. Along with the continued growth of its initial investments, Upaya saw the total number of people being employed by our *LiftUP Project* partners jump to 1,137!



Barpeta, Assam

Date of Initial Investment: December 2013

Overview: Tamul Plates produces and markets high-quality, all-natural disposable plates and bowls made from arecanut (palm) tree leaves. The company produces dinnerware through a network of affiliates across the tribal regions of Northeast India, ensuring that each affiliate has the skills and machinery needed to produce superior-quality arecanut products.

Entrepreneur: Arindam Dasgupta



Pune, Maharashtra

Date of Initial Partnership: November 2013

Overview: Samagra Sanitation is the first for-profit social enterprise in India creating jobs by providing access to clean, safe, and reliable community toilet facilities for the urban slum-dwelling poor. What makes the model innovative is the seamless bundling of other value-added services along with the toilet block: a rewards program for users, access to mobile phone re-charge and tv subscription services, and financial services, including savings accounts.

Entrepreneur: Swapnil Chaturvedi



New Delhi, NCR

Date of Initial Investment: November 2012

Overview: Delhi-based Justrojgar helps slum-dwellers in and around the city build skills and find dignified work as cleaners, cooks, doormen, and caretakers for local families and businesses.

2013 Update: In November 2013 Upaya transitioned out of its full *LiftUP Project* partnership with Justrojgar after a disagreement with management over company strategy. However, Upaya is maintaining an investment in the company.

Entrepreneur: Ajaya Mohapatra



Bhagalpur, Bihar

Date of Initial Investment: October 2012

Working in the slums around Bhagalpur in Bihar, Eco Kargha is a Tasar silk fabric production company that employs traditional weavers and embroiderers to produce modern silk products that will be sold by well-known retailers.

2013 Update: Eco Kargha continued its solid growth with sales in its first year totaling \$130,000 and expansion of its workforce from 46 to 119 weavers.

Entrepreneur: Ravi Chandra



Lucknow, Uttar Pradesh

Date of Initial Investment: August 2011

Samridhi is a community dairy operating in one of India's poorest states.

2013 Update: Samridhi underwent a leadership transition early in the year. The move was followed by a strategic re-organization of the company's milk collection infrastructure to a more centralized location, allowing the company to employ 519 households by the end of the year.

Entrepreneur: Interim CEO Niraj Pareek

The inclusion of Samagra in Upaya's *LiftUP Project* portfolio is the result of an exciting new collaboration with the Bill & Melinda Gates Foundation launched this year.

Through this partnership the Gates Foundation has financially backed the urban sanitation venture, while Upaya has worked closely with Samagra's founder to refine the promising start-up's business model and prepare it for follow-on growth funding.

BILL & MELINDA
GATES foundation



MEET THE TEAM



SACHI SHENOY

Executive Director & Co-Founder

Sachi leads Upaya's global team, overseeing the organization's strategic direction and advocating for its work worldwide.

Experience: JP Morgan, SKS Microfinance, Unitus, Price Waterhouse, Smith Barney

Education: MBA and BA, University of Chicago



SREEJITH NEDUMPULLY

Director, Business Development

Sreejith heads up Upaya's *LiftUP Project* work including selection and support of the companies in Upaya's portfolio.

Experience: ROPE International (Co-Founder), IIT Madras, Villgro, Dhan Foundation

Education: PGDM, Tata-Dhan Academy, B. Tech, University of Calicut



TANYA JAIRAJ

Director, Strategy & Operations

Tanya oversees Upaya's India operations and governance, and provides ongoing support to Upaya portfolio companies.

Experience: Ashoka: Innovators for the Public, Sun Edison

Education: BA LLB University Law College



STEVE SCHWARTZ

Director, External Relations & Co-Founder

Steve leads Upaya's marketing communications, public relations, and fundraising operations.

Experience: Walek & Associates, Unitus, Investment Dealer's Digest, U.S. Department of State

Education: MA, Boston University, BA, University of Western Ontario



NEAL WINTERHOF

Director, New Initiatives

Neal leads the development of new strategies, tools, and relationships for the expansion of Upaya's job creation capacity.

Experience: Woven Fund, AlphaBet Management, Lehman Brothers

Education: BS, Duke University



JYOTSNA TAPARIA

Senior Associate, Business Development

Jyotsna provides business advisory support to portfolio partners with a specific focus on social metrics and impact assessment activities.

Experience: ICICI Foundation for Inclusive Growth

Education: MA, Tata Institute of Social Sciences, BA, University of Delhi



APARNA ARORA

Senior Associate, Business Development

Aparna provides business advisory support to Upaya portfolio partners with a specific focus on financial management and planning.

Experience: Drishtee, Masan Group, McKinsey

Education: BA, University of Delhi, CFA Level II



LAUREL CURRAN

Associate, Development Operations

Laurel supports the Upaya team's fundraising efforts through research, grantwriting, donor relationship management, event management, and project management activities.

Experience: Initiative for Global Development, Oregon State Senate Legislative Aid

Education: BA, Willamette University

BOARD OF DIRECTORS

Kate Cochran, Chair

Director of the Vittana Education Fund, Former COO of Vittana
Previous Experience: Unitus, Cultural Initiatives Silicon Valley, Towers Perrin

Sunil “Sonny” Garg

Currently the SVP and CIO for Exelon Corporation
Previous Experience: White House Innovation Fellow, University of Chicago

Deepika Mogilishetty

Currently legal counsel, Unique Identification Project
Previous Experience: Partners for Justice, Commonwealth Human Rights Initiative

Sachi Shenoy

Currently Executive Director, Upaya Social Ventures

Dipika Matthias, Vice-Chair

Currently Assistant Project Director, PATH
Previous Experience: Merck, World Bank, Pratt & Whitney

Melissa Fox Lehman

Currently a management consultant, ThinkAct
Previous Experience: Unitus, Deloitte Consulting

Caroline Vance

Currently Assistant Vice President, Deutsche Bank
Previous Experience: Lehman Bros., MicroVest Capital Management

ADVISORS

Brian Arbogast

Currently the Director of the Bill & Melinda Gates Foundation’s Water, Sanitation & Hygiene program

Sriram Gutta

Upaya Co-Founder, currently a Fulbright Scholar studying at the Columbia University School of International & Public Affairs

Tanya Menon

Currently the Associate Professor of Management and Human Resources at the Ohio State Fisher College of Business

Robert Gertner

Currently the Deputy Dean, Joel F. Gemunder Professor of Strategy & Finance, University of Chicago Booth School of Business

Suhail Kassim

Currently a Specialist and Fellow with the World Bank Group

Suzanne Skees

Currently the Founder and Director of the Skees Family Foundation

This year, Upaya was honored to have been selected from hundreds of applicants as a complimentary member of the Clinton Global Initiative (CGI).

Executive Director Sachi Shenoy represented Upaya at the CGI Annual Meeting in September, and had the opportunity to share Upaya’s public Commitment to Action. Sachi was also given the opportunity to present onstage to CGI members during the “Pitching for Partnerships” session of the Annual Meeting.



FINANCIALS

PROFIT & LOSS

Income

	Restricted	Unrestricted	TOTAL
Philanthropic Contributions	\$79,191	\$268,957	\$348,148
Consulting Income	-	\$19,603	\$19,603
TOTAL INCOME	\$79,191	\$288,560	\$367,751

Expenses

	Program	Fundraising & Administration	TOTAL
Staff Costs	\$130,705	\$43,737	\$174,442
Grant Expenses	\$33,904	-	\$33,904
Travel Expenses	\$30,218	\$408	\$30,626
General Admin	\$9,529	\$23,313	\$32,842
Taxes, Licenses & Legal Fees	\$1,000	-	-
TOTAL EXPENSES	\$205,356	\$67,458	\$272,814
PERCENT OF TOTAL EXPENSES	75%	25%	-

BALANCE SHEET

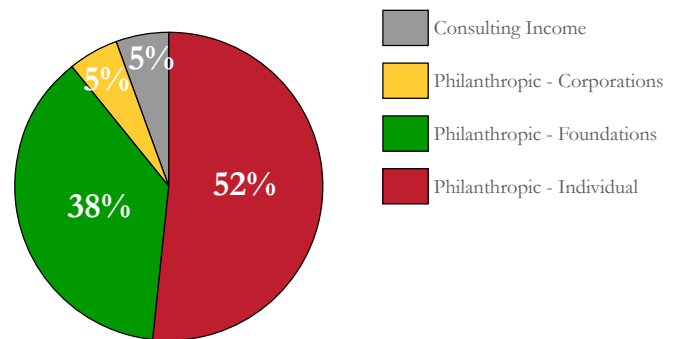
Assets

Current Assets	
Total Bank Accounts	\$86,735
Total Accounts Receivable	\$58,433
Total Other Current Assets	\$11,923
TOTAL CURRENT ASSETS	\$157,091
Other Assets	\$754
TOTAL ASSETS	\$157,844

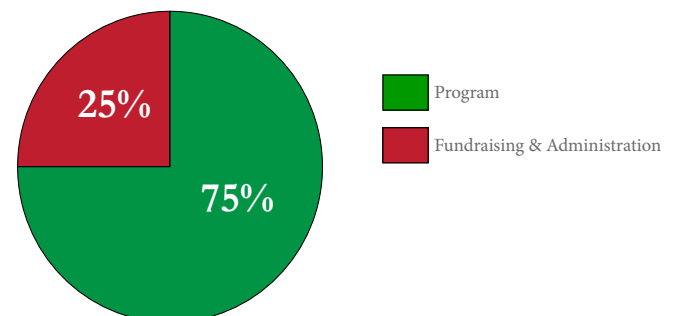
Liabilities & Equity

Current Liabilities	
Total Accounts Payable	\$2,566
Total Credit Cards	\$768
Total Other Current Liabilities	\$5,478
Total Liabilities	\$8,811
Equity	
Retained Earnings	\$46,287
Net Income	\$102,746
Total Equity	\$149,033
TOTAL LIABILITIES & EQUITY	\$157,844

REVENUE SOURCES



EXPENSE ALLOCATION



Thank You!

Upaya is deeply grateful to those institutions and individuals who make our work possible including:

OPEN > < ROAD
KEEPING IMPACT ON TRACK

THE  INTERNATIONAL FOUNDATION

 India Development Service

 Skees
Family
Foundation

 The
West
Foundation

 The Seattle
Foundation

Members of:

 THE COMMUNITY
FOUNDATION OF UTAH
Engage Your Giving Mind

 FIDELITY Charitable™
Make more of a difference

 SCHWAB
CHARITABLE

And the 154 individual donors who made contributions up to \$50,000 in 2013 to support Upaya's work.

Special thanks to these companies for matching their employees' generosity

 Microsoft



BILL & MELINDA
GATES foundation

ebay™

 Exelon®

Deutsche Bank



K&L GATES

Upaya thanks the global law firm K&L Gates LLP for its in-kind contribution of legal services.

In March, Upaya's Executive Director Sachi Shenoy and Advisor Brian Arbogast shared the story of the organization's evolution and introduced the idea of "Pioneer Capital" in NextBillion's "What's Next for Impact Investing" Series.

Examining the practical limits of traditional impact investment and presenting the Pioneer Capital concept for supporting promising early stage enterprises, the piece immediately entered the global discourse on social enterprise development and was voted one of 2013's Most Influential articles by NextBillion readers.



The article is available at:

<http://www.nextbillion.net/blogpost.aspx?blogid=3178>

“I worry about my granddaughter having to grow up like this.”

It’s just not safe for women.”

MEET BINDU DAS

Eco Kargha Weaver

Bindu Das does not know his exact age, but he says he’s “somewhere in my 60s” and plenty old enough to “worry about my granddaughter having to grow up here like this.” When we first stop by the semi-pucca (semi-permanent, made of brick, cloth, and thatch) house where Bindu lives with his wife, two sons and daughters-in-law, and two grandchildren—Bindu refuses to look up from his loom to speak with us.

“So sorry, we can come back later,” offers Sachi Shenoy, Executive Director. He grunts as he sends the shuttle back and forth through his loom as fast as he can. “I’m just busy filling an order,” he mutters. “But I have opinions.” So he begins to talk, and the more time we spend with Bindu, the more we see that this stoic man, highly respected in his neighborhood, has a strong commitment to his community.

“Many government officials have come by,” says Bindu, “they ask about the conditions, but then they never do anything about it.

All his life, Bindu says, their village has needed its own school and healthcare center. The family eats only twice a day, with leftovers from last night’s dinner for comprising breakfast the next morning. Whenever possible, they enjoy the roti breads, leafy vegetables, potatoes, and rice that Bindu prefers. He and his sons have worked hard all their lives: Bindu as a weaver, his elder son as a shopkeeper in Bhagalpur, and his younger son as a day laborer. They make only \$100 per month combined, but Bindu’s very proud to say that it is enough to send his 13-year-old grandson and 8-year-old granddaughter to government schools.

“We don’t even have a proper toilet,” Bindu waves his weathered hand out back behind the house toward the river the village residents use for bathing. “This is especially a problem for women,” Bindu protests. He looks across the small room to his wife and daughters-in-law, and then his eyes settle on his granddaughter, Neha. “It’s just not safe for women. They’re vulnerable, and there is no dignity.”

Beside community toilets, Bindu hopes for a good school, a hospital and health clinic in the Champanagar village. For his own family he wants to work more and remodel his home into a solid pucca house, eat more variety of vegetables and legumes, and purchase a cycle.

Bindu’s always had mixed feelings about his weaving: He’s proud of his skills, but for many years he could not depend on it for his livelihood. Eco Kargha now pays Bindu \$77/month steady salary, an improvement over the unpredictable \$65 he used to make combining weaving with other odd jobs.

He’s hoping this new company will stick around long enough to help him continue weaving for years—“I will need to see that kind of assurance before I would persuade my kids or grandkids to take up the profession,” he says. He points across the small, dark room to reveal a dusty, folded-up loom that’s been kept in the corner because he hasn’t wanted to encourage his kids to learn. “If weaving can be a good [reliable] livelihood, I absolutely want them to learn the craft. It’s a source of pride only if it can provide for the family.”

“You see,” Bindu says as he pushes back from his loom and lets little Neha climb onto his lap, “Greater income can buy us dignity. It means officials may take seriously our requests for schools to be built here, for better healthcare, and access to [clean] water.” As of now, he feels that he and his neighbors don’t have any voice at all.

But his tiny granddaughter does. She looks up into his bearded face as if to ask permission to be included in this conversation. Bindu’s expression softens and he tells us that Neha has been learning English in school. To prove it, he asks her to sing. In a shy voice, Neha begins to sing “Twinkle, twinkle, little star,” for her grandfather and his colleagues. Bindu beams. “I am very proud of both my grandkids,” he says. “I hope conditions will be different for Neha when she grows up.” He throws his head back and chuckles. “I hope she will work in a big city someday.”

