

HUZEIFA UNWALA

B/406, Navkar Chambers
Near Marol Naka Metro Station, Exit Gate No. 3
Andheri (East), Mumbai – 400059
Maharashtra, India
Social Impact Assessor Membership No. ISAI/SA-699

Date: 30/06/2025

To
The Compliance Officer
Social Stock Exchange
Mumbai

Subject: Submission of Social Impact Assessment Report for FY 2024–25 under Regulation 91B of SEBI (ICDR) Regulations, 2018

Dear Sir/Madam,

In compliance with Regulation 91B of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and the guidelines issued under the Social Stock Exchange (SSE) framework, we are hereby submitting the Social Impact Assessment Report for the Financial Year 2024–25

The report has been duly certified by a social Impact Assessor, in accordance with the applicable Social Audit Standards (SAS).

Particulars	Details
Name of the Social Enterprise	Swadesh Foundation
CIN / Registration No.	NSESENPO0045
Type of Entity	NPO
Reporting Period	21st Augus, 2024 to 31st March, 2025
Thematic Focus	Livelihood / Education / Health
Name of Social Auditor	Huzeifa Ismail Unwala
Date of Report	30/06/2025

We trust the above meets the compliance requirements of the Social Stock Exchange. Kindly acknowledge receipt.

Thanking you,

Yours faithfully,



Huzeifa Ismail Unwala

M. No. ISAI/SA-699

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Social Impact Assessment (SIA) Report 2024-25

Name of Social Enterprise : **Swades Foundation**
NSE-SSE Reg. no. : **NSESENPO0045**
Registered Address : **Unit No. 401, 4th Floor, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai, Maharashtra, 400 018**
Corporate office : **Unit No. 401, 4th Floor, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai, Maharashtra, 400 018**

Report prepared by

Social Impact Assessor : **Huzeifa Ismail Unwala**
Period Covered : **Financial Year 2024-25**

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FORM 3.1 : ANNUAL SIA REPORT

1.0 Introduction

We, **Huzefa Ismail Unwala**, a Social Impact Assessment Entity were engaged by **SWADES Foundation**, “Client”, a Social Enterprise listed on the NSE, Social Stock Exchange, to conduct an annual Social Impact Assessment (SIA) of specific project placed below for which funds were obtained through a process of listing on NSE Social Stock Exchange. The boundary of our assessment is restricted to the activity in the financial year [2024-2025] and for project/s with referenced appendices for Assessors’ Report/s as stated below:

Sr. No	Name of Project	State and Districts	SDGs	Financial year
1.	Holistic Sustainable Development of Rural Communities through Access to Sanitation, Education and Livelihood Solutions	Nashik & Raigad	SDG 1 – No Poverty SDG 4- Education SDG 6 – Clean Water & Sanitation SDG 8- Decent Work & Economic Growth SDG 10- Reduced Inequalities SDG 17 Partnerships for the goals	2024-2025

This report is prepared exclusively for the benefit of the Client, as defined in the engagement agreement/letter between the **Social Impact Assessor**: Huzefa Ismail Unwala and the **Client**: Swades Foundation which is a listed social enterprise.

1.1 Management Responsibility

The management (of Swades Foundation) is, inter-alia, responsible for identification of program output in terms of eligible activities under Regulation 292E of SEBI (ICDR) Regulations, establishing and maintaining appropriate performance management and internal control systems and compilation of performance data for reporting purposes.

In relation to the Social Impact Report and more specifically Section 3, referred to in this report contained therein, the management is responsible for ensuring that the Report is prepared in accordance with established social impact assessment methodologies and relevant guidelines and the accuracy and completeness of the information as presented in the Report including a comprehensive assessment of the social impact arising from the organization's activities. (as applicable to the Financial Year 2024-25)

Management is also responsible for disclosing all relevant social impacts, even those that may be perceived as unfavourable. Transparency is crucial for stakeholders to understand the full range of potential social consequences.

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1.2 Social Impact Assessor Responsibility

This Social Impact Assessment is an independent, objective evaluation designed to:

1. Assesses whether the project is operating in accordance with the stated strategic intent and planning.
2. Assesses the stated performance in terms of outcomes.
3. Suggests ways to improve the impact measurement and/ or performance and to provide a report thereon.

This report also includes a specific review of and our comments on the matters as contained in the Social Impact Report prepared by the Social Enterprise and placed before us in Form 2.1.

The Social Enterprise implements similar project(s) in the same geographies funded through sources other than through the Stock Exchange. However, such projects, if any, have not been subject to Social Impact Assessment by us and are excluded from the scope and boundary of our assessment.

We conducted our engagement in accordance with SEBI Regulations/Guidelines, as applicable for Social Enterprises listed on a Social Stock Exchange and the terms of listing of the project on NSE.

The Social Impact Assessment Report by its very nature involves numerous assumptions, inherent risks, and uncertainties, both general and specific. The conclusions drawn are based on the information

No representation or warranty, express or implied, is made with respect to the information contained in this report.

The work was limited to the samples/specific procedures described in this report and were based only on the information and analysis of the data obtained through interviews of beneficiaries supported under the project, selected as sample respondents. Accordingly, changes in circumstances/samples/ procedures or information available could affect the findings outlined in this report. The deliverables in this report in no way should be construed as an opinion, attestation, certification, or other form of assurance. We have not performed any procedure which can be constituted as an examination or a review in accordance with generally accepted auditing standards or attestation standards. We have not audited or otherwise verified the information supplied to us in connection with this engagement, from whatever source. Further, comments in our report are not intended, nor should they be interpreted to be legal advice or opinion.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the client for the report, or for the conclusions expressed in this independent Social Impact Assessment Report and the conduct of the engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision, a person or entity would make based on this report. Any other paragraphs as may be considered relevant and necessary.

1.1 Work Undertaken

We have conducted a social impact assessment of the projects(s) placed before us and also examined the Annual Social Impact Report in Form 2.1 (covering the projects for the period Aug 2024 - March 2025) by performing procedures including review of Detailed Project Notes of the Social Enterprise, documents in relation there to and conduct of surveys, review of survey responses, field visits,

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meetings with communities served and such other procedures are performed for the 20 days period as considered relevant and necessary.

We have also examined financial utilisation of the projects under the desk review process, sample of the data and the sources of information i.e vouchers, payments, and vendors memorandum as per the Project Program Report on the face of it, without any field visits on which the Social Impact Assessment Report is based. The annual social impact assessment consisted of Detailed Project Report forming basis as Solution Implementation Plan.

1.2 Independence

The social impact assessment was conducted by professionals with domain knowledge of the concerned thematic subject, and suitable skills, competence and experience in social impact assessment in the thematic area as per SEBI requirements for Social Impact Assessment.

Our work was performed in compliance with the requirements of the Code of Conduct for Social Impact Assessors, which requires, among other requirements, that the members of the assessment team be independent of the organization assessed. The Code also includes detailed requirements for practitioners in relation to integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The social impact assessment organization has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence.

2. Social Impact Assessment (SIA) Report

2.1 Introduction

The **Holistic Sustainable Development of Rural Communities through Access to Sanitation, Education and Livelihood Solutions** is a transformative 18 months initiative implemented by Swades Foundation in the Nashik & Raigad District, Maharashtra. The project focuses on Sustainable Livelihoods, community led sanitation program, providing Scholarships and skill development, aiming to create long-lasting economic opportunities for 4000+ rural households across 11 blocks in Nashik & Raigad districts.

This Social Impact Assessment (SIA) Report evaluates the project's impact during the initial 8 months of implementation, covering:

Beneficiary selection and governance structures.

Baseline socio-economic survey results.

Stakeholder engagement & community participation.

Challenges, risks, and sustainability strategies.

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2.2 Scope & Objectives of Social Impact Assessment (SIA)

Scope:

The SIA was conducted to assess :

- The effectiveness of early-stage interventions, including training and governance formation.
- The relevance and robustness of Key Performance Indicators (KPIs) for future alignment.
- The involvement of stakeholders and their feedback.

Objectives:

- To evaluate the alignment of project activities with planned objectives.
- To verify the credibility of the reported data, including outputs and outcomes.
- To recommend strategic and operational improvements for future programs based on findings

2.3 Approach & Methodology

The social audit was conducted with the objective to assess the social impact, transparency, accountability, and stakeholder satisfaction arising from the implementation of programs in the areas of:

- Education & Employability
- Sustainable Livelihoods
- Safe & Hygienic Household Sanitation

The audit focused on evaluating both outcomes and processes in line with the organization's mission and social performance indicators.

Key Highlights:

Duration of the Project	18 months (21st August 2024 to 18th February 2026)
Project Location	1. Safe Hygienic Household Sanitation: Nashik 2. Sustainable Livelihoods: Raigad & Nashik 3. Education & Employability: Raigad & Nashik
Project Focus	Safe Hygienic Household Sanitation Sustainable Livelihoods (Goat-Rearing) Education & Employability (Scholarships & Skilling)

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<p>Target Beneficiaries</p>	<p>Rural communities - General, Tribal & Poorest-of-poor HHs/Families (Including Women, Children, Men & Elderly) 4000+ rural HHs</p>
<p>Expected Outcomes</p>	<ul style="list-style-type: none"> • Create open-defecation-free villages for better health and hygiene in family/community. • Economic self-reliance for the family by creating a productive livestock asset value ranging between 20,000/- to 35,000/- • Enable and encourage the youth to pursue Higher Education for better future employability. • Rural youth complete education up to Class 12 • Confident & Skilled rural youth ready for future with better employability.

Timeline :

Phase	Activities	TimeLine
Sensitisation	<ul style="list-style-type: none"> • Awareness Campaigns and Community Engagement. 	1 Month
Preparation of Detailed Program Notes	<ul style="list-style-type: none"> • Detailed project planning and strategy development. • Stakeholder consultations and finalization of project plan. • Formation of Farmers clubs, women clubs and Project development committee. • Conducting baseline surveys and need assessment. • Identification of the beneficiaries 	2 Months

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	<ul style="list-style-type: none">Analysing data to inform intervention strategies	
Inhouse trainings and Exposure visits	<ul style="list-style-type: none">Providing inhouse trainings and exposure visits to the respected beneficiaries.Beneficiary and activity wise training will be given	1 Month
Grounding Livelihood Interventions	<ul style="list-style-type: none">Launching of the activities to the selected beneficiaries.	3 Months
Monitoring & Evaluation	<ul style="list-style-type: none">Regular progress monitoring and mid-term evaluation.Adjusting strategies based on feedback.Final Evaluation	3 Months
Project Closing and handholding to exit	<ul style="list-style-type: none">Finalizing project activities and transitioning responsibilities.	2 Months

2.4 Data Collection & Sampling

As Social Auditors, we adopted a structured approach for data collection and sampling in accordance with the “Framework for Social Audit Standards” issued by professional body. The data collection process included a combination of **desk reviews** and **field-level verifications**. Desk reviews were conducted to assess the documentation provided by the social enterprise, such as beneficiary records, program activity reports, MIS data, and financial disclosures. For field-level assessment, we employed a **two-stage sampling method**. Initially, a Stratified sampling method was used to identify high-impact intervention areas and key beneficiary clusters based on geography, project type, and fund deployment. Subsequently, within these clusters, **random sampling techniques** were applied to select beneficiaries for interviews and physical verification. A total of 345 samples were selected from a total population of 3364 covering 10% of the universe.

This hybrid sampling approach ensured both **representativeness and risk-based targeting**, thereby increasing the reliability of findings. Stakeholder interviews, focus group discussions, and site visits were used as part of primary data collection to validate outputs and outcomes.

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In the Skilling and Employability program, some beneficiaries could not be traced for verification due to relocation post-training or placement. To address this, a representative sample was contacted through tele-calling for outcome verification.

Given is the samples selected for field visit & tele-calling

Program	Universe	Sample	Completed	Completed %
Excellence Scholarship	149	16	16	100%
Goat Rearing	530	46	51	111%
Mass Scholarship	495	50	50	100%
Sanitation	1105	99	99	100%
Skilling & Placement*	715	110	53	48%
Global Talent Tracking(GTT) Program	477	25	25	100%

*Study Limitations

A key limitation in the skilling program was the reduced sample size due to the non-availability of several beneficiaries during tele-calling. Despite outreach efforts, many could not be contacted, which may affect the representativeness of the findings. This should be considered when interpreting outcome-level results.

2.5 Key Findings & Analysis

Intervention Safe Hygiene & Sanitation

1. 99% of HHs reported having a functional toilet at home.
2. 76% of HHs perceived improvements in the physical health of family members.
3. Overall beneficiaries have seen improvement in travel time and security
 - a. 49% of the participants perceived that the women of the household have experienced greater privacy and security, which is the most perceived benefit,
 - b. Followed by a reduction in travel time (47%) and an increase in rest time (4%)

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Analysis

Identified Gaps	Recommendations
<p>As per the Fund-Raising Document (FRD) mitigation plan, the Nigrani Samiti (NS) is responsible for ensuring regular usage of toilets. In case of water scarcity concerns, the Swades Foundation (SF) will address the issue and work toward a solution. However, 4% of households have reported practicing open defecation due to the following reasons</p> <ul style="list-style-type: none">▪ (2%) Water scarcity▪ (2%) Behavioral challenges.	<ul style="list-style-type: none">• Nigrani Samiti should regularly monitor toilet usage and report water scarcity issues promptly to SF.• Jal Jeevan Mission(JJM) – unless water schemes are completed, toilet construction should not be built.
<p>The grant meant for households was disbursed to VDCs on their behalf, no follow-up was noticed to confirm receipt by the actual beneficiaries.</p>	<ul style="list-style-type: none">• Required signed acknowledgements from beneficiaries upon receipt of the grant.• Conduct post-disbursement verification through random sampling, phone calls, or field visits.
<p>Beneficiaries are to be added only after confirmation of toilet construction completion. However, in one case, a beneficiary was added despite the construction being incomplete.</p>	<ul style="list-style-type: none">• Ensure system records beneficiaries only on completion of project

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Intervention Skilling & Employability

College Graduates(N=25)

1. 64%(N=16) of youth enrolled in the GTT skilling program successfully completed the training and qualified in the final exam. Meanwhile, 24% reported not attending the training, and another 12% said they did not recall attending.

Analysis

Identified Gaps	Recommendations
64%(N=16) of youth enrolled in the GTT skilling program successfully completed the training and qualified in the final exam. Meanwhile, 24% reported not attending the training, and another 12% said they did not recall attending	<ul style="list-style-type: none">• Enhance communication and follow-up to boost training recall among participants.

The KPI outcome for GTT cannot be commented on. However, 477 college graduates were trained, which aligns with the funds utilized and the milestones specified in the MOU signed with GTT.

Vocational Skilling of Youth

1. 100% of participants enrolled in the skilling program successfully completed the training and passed the final exam.
2. 96% of qualified participants are currently employed, with 15% working in the formal sector and 81% engaged in self employment. Factors contributing to the participants unemployment are as follows – N= 2:
 - lack of job opportunity
3. ₹1.28 Lakhs is the average annual income of employed participants.
4. 80% of participants reported annual income exceeding ₹ 80,000.
5. 29% of participants reported that their augmented annual income has increased by 80,000
 - a. Participants engaged in Beauty Therapy & Sewing machine operator were not able to reach this income goal of 80K. (refer next slide for more details)

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Analysis

Identified Gaps	Recommendations
As per the MoU with the Vendor completion certificates needs be provided to all trained youth. However, 71% of surveyed participants stated they had not received a certificate.	<ul style="list-style-type: none">• Immediate issuance of completion certificates to all eligible trained participants.
Approximately 1% of participants (10 out of 1,075) were part of the Decorative Painter batch, which was postponed due to the majority of participants migrating. Although no payment has been made for this batch, it is still marked as "complete" in the beneficiary master.	<ul style="list-style-type: none">• Maintain data accuracy by correcting the batch status and enforcing verification before updates in the beneficiary master

Intervention Mass Scholarship & Excellence Scholarship Program

1. 100% of participants who received scholarships have either completed H.S.C or are currently pursuing higher studies.
2. 96% of scholarship participants expressed that without the support from Swades, they would have discontinued education
3. 100% of participants who received excellence scholarships are currently pursuing higher studies

Intervention Sustainable Livelihoods

1. 96% of HHs are actively engaged in the program.
 - 4% (2) Mortality are the primary reasons for inactive HH
2. 86% of HHs achieved the first-year target of a livestock asset value of more than ₹20,000
3. The average asset value per HH (from goat rearing) is approximately ₹24,500.
4. 2.8 is the average no. of goat surviving per HH
5. 100% of HHs have received trained in the goat rearing program
6. 94% of HHs report satisfaction with the goat rearing program

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3.Sustainability & Exit Strategy

To ensure sustainability, the project has built strong local partnerships and trained community-based facilitators to carry forward key components independently. Post-intervention, community resource persons and local institutions (Village Development Committees) will take over implementation, & monitoring mechanisms. Financial sustainability is supported through linkages with government schemes and CSR co-funding.

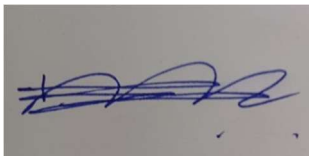
4. Conclusion

Strengths : strong implementation partnerships, and outcome-oriented approach—ensuring scalability, measurable social impact, and alignment with local needs across diverse geographies.

Challenges : Few instances of completion reporting of the training and toilet structure were noted, although there was no financial impact of these instances noted during the reporting period.

Final Recommendation :

The social enterprise must implement strengthen the verification measures of reporting the completion of benefit provided to the beneficiaries.



Signature :

Social Impact Assessor Name : Huzeifa Ismail Unwala

Social Impact Assessor Membership No.: ISAI/SA-699

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DISCLAIMER:

Huzeifa Unwala (referred to in this disclaimer as “Social Impact Assessor” (SIA)), has relied upon the documents, information and explanations provided to us by the management of the Swades Foundation (referred to in this disclaimer “Swades”) for the purpose of forming our observations and views in this Report. The responsibility, at all times, for the design and implementation of the related internal controls including adequate disclosures, will be of the management of the Swades including the maintenance of adequate records, systems and internal controls, selection and application of the internal policies and safe guarding the assets of the Swades. The management of the Swades will be responsible for correcting control lapses, if any. We are not aware of any information/record to the contrary which would lead us to believe that the conclusions stated in this Report are no longer valid. We have assumed that no changes, modifications of whatsoever nature have been made to the policies and procedures implemented by the Swades, whether oral or in writing, subsequent to the date of review specified in our Report. Any observations stated in this Report are to the best knowledge of SIA and such knowledge shall mean the actual knowledge of the employees of SIA. In the course of preparing this Report:

- We have presumed the accuracy of all statements, information, documents and clarifications which were provided to us;
- We have assumed the genuineness of all signatures on, and the authenticity and completeness of all documents, the copies of which alone have been reviewed by us;
- We have assumed the conformity to originals of all documents supplied to us as photocopies;
- We have assumed that the documents submitted to us in connection with any particular issue are the only documents relating to such issue;
- There are no other facts, matters or documents which would, or might, affect this Report and which were not revealed by the documents examined or by the information provided to us; and
- All documents or extracts of documents submitted to us as copies or unexecuted copies in portable document format (PDF) conform to the originals and the original documents of which such copies of or PDFs have been supplied to us, were authentic and complete.

Whistleblower Mechanism

In the interest of transparency and ethical accountability, the Swades Foundation is expected to have in place a functioning and accessible whistleblower mechanism that allows employees, stakeholders, and other individuals to confidentially report any suspected fraud, misconduct, or violations of internal policies or regulations. SIA has not independently verified the functioning or adequacy of this mechanism; however, the presence of such a system is assumed and expected to form part of the internal governance framework of the Swades Foundation. SIA encourages all organizations, including Swades, to ensure that whistleblower channels are confidential, non-retaliatory, and widely communicated within the organization.

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Limitation of Liability

In no event SIA shall be held liable for any direct, indirect, consequential, special, incidental or loss, damages or expenses (including, without limitation, damages for loss of profits, opportunity cost, loss of goodwill, indemnification, etc..) arising out of this Report, even if we have been advised of their possible existence. Any decision to depend on our Report is to be made by the Swades and no communication by SIA should be treated as an invitation or inducement to engage the Swades to act as per the suggested advice in the Report.

Circulation of Report

The above Report is for the sole and exclusive benefit of the management of the Swades and may not be relied upon by any other person. The Swades agrees not to modify, distribute, circulate, reproduce, copy or disclose to third parties or derive commercial use or benefit from the Report without the prior written permission of SIA.