Social Performance Management Policy

Version 1.0
2021-2022

Document review and approval

Revision history

Version	Author	Date	Revision
Version 1	Kusum KC	10 Jul 2019	

This document has been reviewed by

	Reviewer	Date reviewed
1	Ms. Gaurangini Jain	08/08/2019
2	Mr. KK Mishra	08/08/2019
3		
4		
5		

This document has been approved by

	Subject matter experts		
	Name	Signature	Date reviewed
1	Mr. Vivek Tiwari		
2	Board Members		
3			
4			
5			

Rationale: What is Social Performance Management and why is SPM required at SATYA?

Traditionally Performance Management arose from a need to make the workplace more efficient. It focuses on leadership, development and the performance of the people within a given organisation. It was theorised that by following performance management principles; as the people in an organisation improved, organisational financial performance also improved.

Earlier MFIs too have focused on looking at the performance based on financial outcomes which are primarily measured by portfolio quality, recovery of cost and profitability. They too emphasized the development of the people within the organisation. Even though this is a tried and tested way of measuring performance, it is not all that defines microfinance.

Over the past several years, there is a paradigm shift in the way which Micro Finance Institutions (MFIs) are operating and adopting the Social Performance Management Framework. What is different in this is that whereas earlier the emphasis was on the institution; the leadership; the staff and its development, with Social Performance Management the focus has shifted to an operational strategy which revolves around two things:

1) The Clients and 2) The Stated Social Objectives

The Client/Customer becomes the centre of operations of microfinance. The client comes first, and it is the need of the clients that drives the business. The social goal of Satya is the commitment to empower households by providing loans and services to women clients to socially and economically attain a better life for themselves and become the change agent for societal transformation and growth. Satya's SPM ensures that all the personnel within the organisation, from front line staff to the top-level management, work towards the fulfilment of the stated social and client responsibility goals alongside the financial objectives of the institution.

The need for Satya to have a piece of well-managed social performance machinery arises from the fact that MFI's today while pursuing their financial sustainability are also giving equal importance to creating visible social impacts on the communities within which they are working. Social Performance Management (SPM) reflects this new direction in which the MFIs are moving to establish themselves as organizations pursuing not only economic but also social well-being of the target communities. The microfinance industry and the investors in responsible finance today, acknowledge SPM as an integral part of all the MFIs across the globe.

Objective

The Policy is formulated in order to support the growth of business sustainability and with adequate processes and controls in place. Also, it is formulated on sustainable target growth rates should consider the organization's growth capacity and markets that are being targeted. The objective of this policy is to integrate SPM into the day-to-day functioning of SATYA and tailor the systems and processes in such a way that they remain aligned with the mission of SATYA. This policy will act as a guiding tool to assess, track and report our social performance periodically and to take corrective actions, if required.

This policy is in line with the recent principles and tools in Social Performance (SP) Management domain like The Universal Standards for Social Performance Management (USSPM), RBI's Directions, Sa-Dhan and MFIN Code of Conduct and SMART Campaign's Client Protection Principles (CPP). Our company's strategy, processes and field practices are also guided by this SPM policy.

The following diagram shows the SPM framework which SATYA follows. The policy is prepared on the basis of this framework. Each dimension of this framework is explained in separate sections. Each section mentions the guiding principle governing that section, followed by strategy to achieve that.

SATYA's SPM Framework
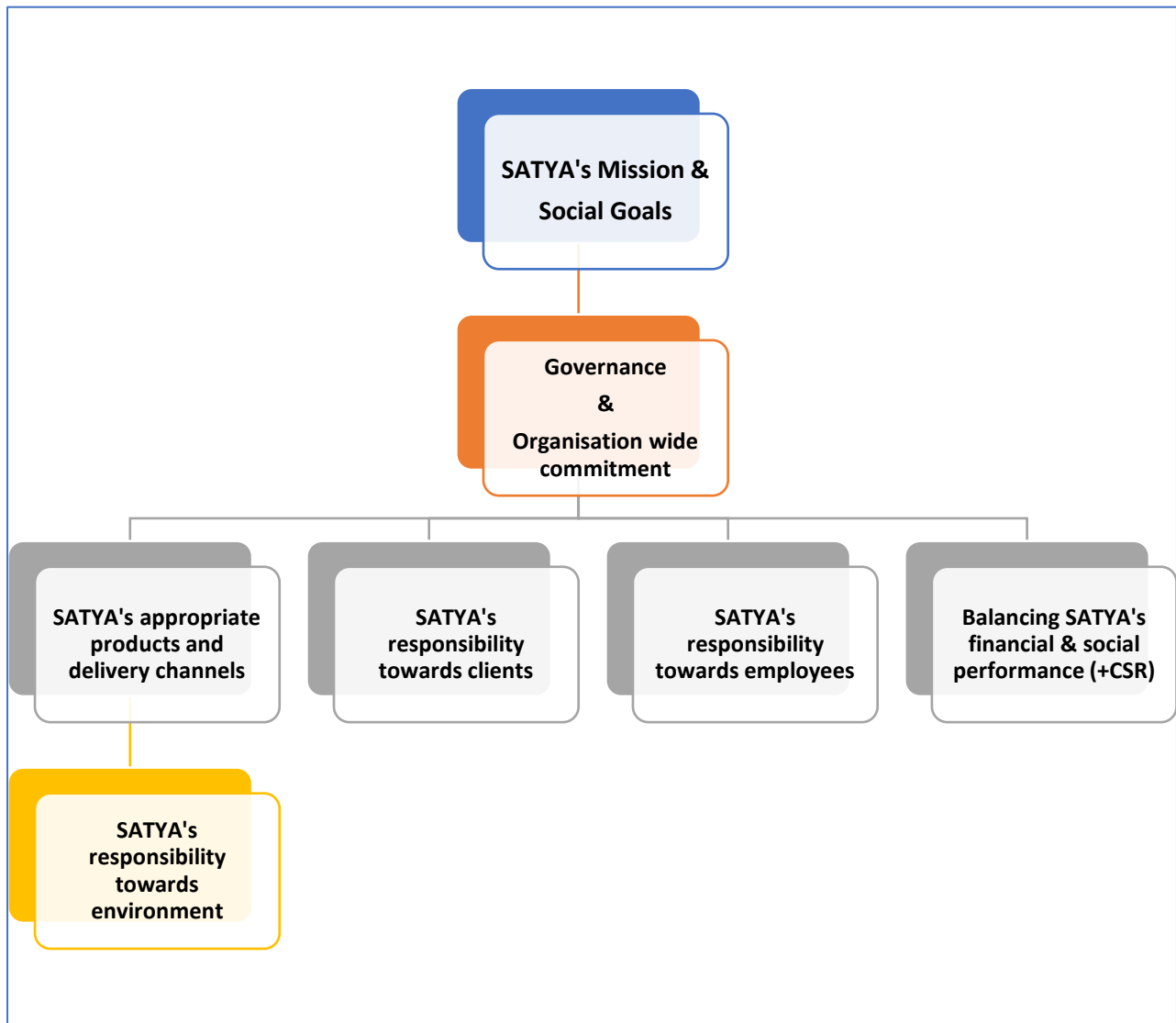
Social Performance Dimension 1: Social Mission and Social Goals

The purpose of Satya's SPM is to ensure that Satya's commitment to creating livelihood through entrepreneurship by progressing with trust, transparency, teams, technology and training is fully actualized. Satya's SPM demonstrates through the processes followed, and the products and services offered that Satya keeps its promise of ensuring everyone's happiness; "Sarve Bhavantu Sukhina" "May everyone prosper and be happy."

The Vision and Mission of the Satya is as follows:

"To be a catalyst for the socio-economic upliftment of 5 million households by the year 2025"

"To be a preferred choice for the people at bottom of pyramid in creation of their enterprise and livelihood through holistic approach"

> **Guiding Principle:** SATYA has a strategy in place to achieve its social goals. It collects, reports, and ensures the accuracy of client-level data that are specific to SATYA's social goals.

We, at Satya, have broken down our mission in social goals and aim to achieve it by tracking following social indicators periodically.

Social Mission	Our Strategy
Target areas - Low income households form rural and semi- urban region	• Expansion strategy includes identifying areas where households are from low income
Target clients - Economically active households	• Target households from low income segment of society; capture income status of the household. • Underserved communities or households from low income segment with limited access to capital for supporting economic activities.
Appropriate product and services – Financial products and services	• Different financial products for the target group.
Desired change – Better life for the people through improving their living standards.	• Digital Financial literacy programme for the target group • Awareness and training programme around health and sanitation • Promotion of education through scholarship programme

We have further divided our social mission into a practical social goal and also, we have designed the indicators through which we will track our social goals.

SATYA's Social Mission	Our Strategy
People at the Bottom of the Pyramid	• Expansion strategy includes identifying areas where the under banked section[1] of the population who are not widely covered by formal financial institutions, households with annual income not exceeding Rs.1.25 lakh in

---

[1] The term underbanked refers to individuals or families who manage their finances through cash transactions instead of more traditional financial services such as bank accounts, credit cards, and loans. This may be because they lack access to convenient, affordable banking services or because they prefer to use alternatives to traditional financial services; https://www.investopedia.com/terms/u/underbanked.asp

	rural areas and Rs. 2.00 lakh in urban areas with special focus towards women
Holistic approach - Holistic approach is defined as providing a mix of both financial products and financial services (Training around digital and financial literacy) to meet the requirements of clients. Holistic Approach includes an approach which balances the financial and social sustainability which benefits 'all' the stakeholders. Satya embeds the principles embodied in the universal standards of social performance while being the leader as an efficient and appreciated FSP (financial service provider)	• Different financial products for the target clients based on their needs • Digital financial literacy programme for the target clients • Training staff on principles of best practices of client service based on client needs and feedback • Supporting staff through best practices of responsible management • Ensuring clients satisfaction
To improve the living standards of the target clients and their family members	Track and monitor the MIS data such as change in business assets, regular repayment, savings, sources of income etc. to see the change the in the life of clients Impact assessment study of clients • Household assets: • Access to Water and Sanitation • Access to education • Economic status (Income, Business, employment) • Social status (Leadership, Decision making and community participation)

Social goal	SMART Objectives
Social Goal 1 - To reach at the People at the Bottom of the Pyramid • Women clients and (and their households) • Low-income households (annual income levels as per RBI that is annual income not exceeding Rs.1.25 lakh in rural	• 65-70% of the total clients will be women only • 65 -70% of the total clients should be from the rural areas of India[2] • 35-40 % of the total clients have accessed formal loan for the first time • 35-40% of the total clients should be from marginalized section of society (defined as SC, ST, OBC and minority)

[2] As per National Sample Survey Organisation (NSSO) defines 'rural' as; An area with a population density of up to 400 per square kilometer, Villages with clear surveyed boundaries but no municipal board, A minimum of 75%

Social goal	SMART Objectives
areas and Rs.2.00 lakh in urban areas • Marginalized section of the society such as SC, ST, OBC and Minority	
Social Goal 2 -To be preferred choice of the People at the Bottom of the Pyramid by providing holistic products and services • Financial Products (Loans and Insurance) • Financial services: Literacy programmes	• Client conversion rate [3]should be at least 70% • 65-70% of clients are satisfied with SATYA's products and services • 95% of the total clients would get access to the Credit Life Insurance • 70-75% of the total clients would get access to the Hospi Cash • 1,200 clients train under digital financial literacy programme
Social Goal 3 - Enhancing the living standards of the people at the bottom of the pyramid and their family members • Living standards (improved housing, food, clothing, income and asset creation) • Expansion of business and employment generation • Empowerment (personal and social empowerment) • Improved children's education, access to health, sanitation.	• After 3 years' association with SATYA, there should be 70% of the clients will report that there is increase in household income. • After 3 years' association with SATYA, there should be 20% of the clients will report that there is increase in household assets (TV, refrigerator, DVD player, washing machine, bicycle/motorcycle, scooter/car, cooler). • After 3 years' association with SATYA, there should be 10% of the clients will report that there is a increase in access to health facilities • After 3 years' association with SATYA, there should be 10% of the clients will report that there is an increase in access to drinking water facilities • After 3 years' association with SATYA, there should be 10% of the clients will report that there is an increase in access to individual toilet facilities • All eligible school-age children (age group 5 -18 years) of all the clients who has been associated

---

of male working population involved in agriculture and allied activities and RBI defines rural areas as those areas with a population of less than 49,000 (tier -3 to tier-6 cities).

[3] Conversion rate is defined as the no. of active loans converted into the next loan cycle. Conversion Rate = (No. of clients who renew their loans at the end of the period / Total no. of the clients who were up for renewal)*100

Social goal	SMART Objectives
	with SATYA more than 3 years attending school or colleges
	• 35-40% increase in clients reporting improved decision making at the household level
	• 25-30% from the total clients graduate from Limited Liability Group (LLG) to Individual Lending (IML)
	• After 3 years' association with SATYA, 20% of the clients should report increase in household assets (TV, refrigerator, DVD player, washing machine, bicycle/motorcycle, scooter/car, cooler) along with perception of change in income, in household living standard.
Social Goal 4 – To be a responsible organisation for the employees	• Staff retention rate should be at least 65%
	• Improve/strengthen the staff exit survey mechanism (100% staff exit interviews for those giving notice and leaving after the conduct of the required procedure of exit)
	• 90% of employees are satisfied by the given resolution against the registered compliant under Employee Grievance Redressal Mechanism
	• 65-70% of employees are satisfied with SATYA
	• 100% of the new employees undergone with Induction Training
	• 100% of the EDO, Branch Head and Assistant Credit Manager who has completed 6 months in SATYA undergone with Refresher Training

Strategies will be used to track and monitor our social goals are as follows

Strategy	Responsible department	Tools and Formats
Capture client profile and enter client profile	Operations	Loan application forms
Check quality of data captured in field and entered in file	IT / Credit	MIS software
Monthly and Quarterly preparation of relevant reports such as month-on-month disbursement and portfolio report, MCD report, Monthly drop report, Monthly CGRM report	IT / SPM	Monthly and Quarterly formats
Quarterly SPM report	SPM	Quarterly report format

Annual Assessment and Impact study	SPM	Reports
Employee satisfaction and Employee redressal report	HC	Formats and report
Training programme on reporting requirement	Training / HC	Training module
Discussion on social goals	Board and Senior Management	Meeting Agenda

Social Performance Dimension 2: Governance and Organization wide commitment

We, at SATYA, will form a committee of Board for SPM. This committee will have the primary responsibility to assist the board in protecting SATYA's social mission while it pursues financial sustainability. Main responsibilities of the SPM committee will be to:

1. Review and approve the SPM policy. Ensure that the policy has clear social goals, objectives and verifiable indicators;
2. Monitor social performance;
3. Promote desirable practices from social performance point of view

Activities involving the Board of SATYA	Responsible Teams	Tools/Formats
Orientation of board on SPM - their role and responsibilities	Training	SPM training module
Approval and review of SPM policy, social objectives, and indicators. Update, if necessary	Board SPM Committee	SPM policy
Evaluate SATYA's operational work on social performance based on social objectives	Board SPM Committee	SPM policy
Check alignment of new investors' expectations with SATYA's own mission	Board SPM committee	
Reporting of social data to the board	Senior management	SPM report
Review of social performance reports at least annually	Board & Senior management	SPM report
Review of reports of external assessments (e.g. COCA, social rating, credit rating, CPP assessment etc.)	Board	External Reports

To build culture of SPM within SATYA, each department will be oriented and held responsible for achievement of social goals. Based on social objectives defined by SATYA, annual social targets will be prepared for each department.

Following activities are envisaged to have organization wide commitment to SPM:

Activities involving Senior Management	Responsible teams	Tools/Formats
Orientation of senior management (Sr. Mgt.) on SPM- their role and responsibilities, social targets	Training	SPM training module
Annual review of social targets and achievements	Sr. Mgt.	Business plan
Module on SPM in induction training, department wise training on their role in SPM, social targets for each department	SPM / Training	SPM training module
Make enable to the MIS to allow storage of social data	MIS	SPM policy
Produce reports that combine social and financial performance data	MIS/ Finance	
Evaluate employees on social performance	HC	Appraisal format
Monitor accurate social data is collected in the field and staff understands importance of this	Ops	Operations plan

Social Performance Dimension 3: SATYA's appropriate products, delivery channels

Guiding Principle: SATYA understands the needs and preferences of different types of clients. Our products, services, delivery models, and channels are designed to benefit clients, in line with our social goals.

SATYA wants to keep its products and processes relevant for its clients and thus, we believe client feedback through formal and informal channels is important for us. We will use following ways to capture clients' needs, preferences, feedback on our products and processes:

Activity	Responsible teams	Tools/Formats
Visit to sample delinquent clients, graduated clients, dropout clients as part of regular audit	SPM	Questionnaire / Checklist
Check client's satisfaction on convenience, reliability of delivery channels; relationship with loan officer; timeliness, ease of procedures, loan conditions etc. (Annual basis)	Social Audit Team	Client satisfaction survey/ Social Audit tool

Understand the reasons behind client exit by meeting some of these clients (independent of operations team); find branch/ State-wise trend	Social Audit Team	Interviews with dropout clients
Understand and report reasons behind client exit	Operations	Client Exit format
Calculate monthly client dropout rate (branch wise, product wise, loan cycle wise)	MIS / SPM	Client Exit format
Analyze monthly client dropout rate; report to senior management and board	Operations	Client Exit format
Use client feedback to review product and processes	Board SPM committee	Client surveys
Tele verification before disbursement of loan	Credit	Disbursement call checklist

We will use suggestions from clients, analysis of client's' social data to improve our products and processes. We will introduce new products, and new technology, as and when required, to reduce cost for our clients. All the products will be designed in such a way that they do not harm our clients in any way. For this, we will do the following:

Activity	Responsible teams	Tools/Formats
Reschedule loans when appropriate	Sr. Mgt.	Rescheduling Policy
Training of our staff on how to sell the new products (in ways clients understand and that highlights how it will be useful for the client), giving choice to client for refusal	Training	Training module

Social performance dimension 4: SATYA'S responsibility towards employees

Guiding Principle: SATYA follows a written Human Capital Policy that protects staff and creates a supportive working environment. SATYA communicates to all staff the terms of their employment and provides training for essential job functions. SATYA monitors employee satisfaction and turnover.

SATYA's HC policy will be linked to our social goals. Important elements relating to SATYA's commitment towards its employees are shown in the illustration below-

> **Important Elements related to responsibility towards staff of SATYA are:**
>
> 1. Non-discrimination of staff
> 2. Sexual Harassment policy
> 3. Whistle blower policy
> 4. Clear job description for staff
> 5. Staff complaint mechanism
> 6. Staff compensation (as per Minimum wages Act), incentives and benefits
> 7. Type of offenses and disciplinary actions (specific to client protection)
> 8. Performance Evaluation process

Details about above mentioned elements will form part of our HC policy. SATYA's mission, code of conduct and other aspects of HC will be communicated to the staff at regular intervals through trainings and internal campaigns. Following will be done to promote awareness among staff on their role, rights and responsibilities:

Activity	Responsible Teams	Tools/Formats
Provide copy of HC manual and circulars in each branch.	HC	HC manual
Promote staff complaint mechanism through regular internal campaigns (email/phone number of a specific person maintaining confidentiality)	HC	HC manual
Provide regular trainings (at the time of induction, promotion; on specific topics like code of conduct, social targets, client protection, operational risks etc.)	Training	Training modules
Provide employment contract with SATYA's code of conduct (CoC) to each staff member	HC	Employment contract, CoC

We will take staff feedback regularly to determine how we can improve our staff's satisfaction and experience. **We will use following ways to capture staff feedback on SATYA:**

Activity	Responsible Teams	Tools/Formats

Collect staff satisfaction data covering a representative sample of staff, at least annually	SPM team	Staff Satisfaction Survey
Understand reasons behind staff exit by having discussion with them at the time of exit	SPM team	Staff Exit Interviews & format
Track staff turnover rate (at least annually) and by different types of staff (including location and department wise)	HC and MIS	Staff Exit format
Review staff turnover data and qualitative information on the reasons for this exit (at least annually)	Board & Sr. Mgt.	Staff Exit format
Analyze type of complaints received from the staff, find emerging risks based on this and take corrective actions	HC	Staff Complaint Mechanism
Review data, trend on staff complaints. Approve any necessary changes in HC manual	Board & Sr. Mgt.	Data on staff complaints

Social Performance Dimensions 5: Satya's responsibility towards clients

> **Guiding Principle:** SATYA will follow all Client Protection Principles. SATYA will take adequate care in all phases of its credit processes to determine that clients have the capacity to repay without becoming over-indebted. SATYA will communicate clear, sufficient, and timely information in a manner and language that clients can understand, so that clients can make informed decisions. SATYA will treat its clients fairly and respectfully and will not discriminate.

5.1 PREVENTION OF OVER-INDEBTEDNESS

SATYA will provide credit facilities to only those clients who have the capacity to repay. In order to reduce risk of over-indebtedness, following will be done:

Activities to prevent over-indebtedness	Responsible Teams	Tools/ Formats
Repayment analysis of each client household will be done for each loan cycle and for every product. SATYA will consider total loans taken by the household. Loan amount given by SATYA will be based on net disposable income and Credit Bureau (CB) Report	Credit	Credit Manual
SATYA will share its client's data with CB and will conduct CB checks on all clients	MIS	Ops Manual
Review and analyze portfolio quality reports (non-performing loans, rescheduled loans, write-offs) on a regular basis—at least quarterly	Sr. Mgt.	Ops reports
Review portfolio reports at least quarterly (PAR by product, number/ % of clients with multiple loans, number/ % of clients repaying loans early, early repayment by product)	Board	Ops reports
Check accurate repayment capacity analysis, CB done by field staff. Visit a representative sample of clients each year (including delinquent clients, clients having renewals after early repayment, dropouts)	Internal Audit	Audit Manual

Social performance data to be tracked for this purpose is:

SOCIAL PERFORMANCE DATA
1. Reports on early repayments, if any   2. Reports on multiple borrowings and penetration rates, if any   3. Loan officer productivity reports   4. Audit reports from client visits   5. Reports on write offs and rescheduled loans   6. PAR reports, ideally segmented by client type and product type and PAR trends over time

5.2   TRANSPARENCY

SATYA will provide accurate, timely, clear information to its clients about its products, processes. For this, following activities will be done:

Activities to promote transparency	Responsible Teams	Tools/ Formats
Fully disclose pricing and non-pricing information in local language; in verbal and written form (passbook, sanction letter)	Ops	Ops Manual
Train staff on how to communicate loan terms and other processes in language that is known to the clients	Training	Training Module
Check client awareness on various loan terms and grievance redressal mechanism	Internal Audit	Audit Manual
Follow disclosures required as given by RBI, MFIN and SATYA's CoC	All departments	

SATYA will check during operational monitoring and internal audit activities whether staff is communicating transparently with our clients or not. Our management will assess whether our clients understand the terms, conditions, and prices of our products and how our staff communication with clients facilitates or hinders client understanding. **Social performance data to be tracked for this purpose are shown in the table below:**

SOCIAL PERFORMANCE DATA
1. Analysis of questions from clients about product terms and conditions 2. Audit reports from client visits focusing on awareness level of clients 3. Results of client satisfaction surveys

5.3   RESPECTFUL TREATMENT OF CLIENTS

SATYA treats its clients in a respectful manner. In order to ensure this, **following activities will be done:**

Activities to promote culture of respecting clients	Responsible Teams	Tools/ Formats
Display SATYA's code of conduct in all the branches	Ops	CoC
Train staff on how to communicate with clients; what punishment they can face for bad behavior	Training	Training module

Add questions related to staff behavior in performance appraisal format, client exit format, training module	HC	Various
Check staff behavior by asking questions to clients during visit	Internal Audit + Monitoring team	Audit Manual
Inform clients about SATYA's code of conduct on communication with clients	Ops	CoC
Weightage for staff behavior with clients in the annual performance appraisal of staff	HC	Appraisal format
Analyze client exit reports to assess if staff behavior was the reason for leaving SATYA	Sr. Mgt.	Client Exit reports
Discuss cases where disciplinary actions have been taken against staff	Board	Board Agenda

At SATYA, we will make efforts to understand whether SATYA's policies and training promote respectful treatment of clients. **Social performance data to be tracked for this purpose are shown below:**

SOCIAL PERFORMANCE DATA
1. Analysis of client complaints related to staff behaviour 2. Audit reports from client visits 3. Analysis of Client exit reports and Delinquency report 4. Results of client satisfaction surveys 5. Reports on disciplinary actions taken against staff

5.4 PRIVACY OF CLIENT DATA

Management should understand whether client data (personal and financial information, client photos) are kept secured and private within SATYA. Also, SATYA will determine whether clients understand how SATYA will use their personal and financial information.

Activities to promote privacy of client data	Responsible Teams	Tools/ Formats
New staff signs the employment contract which has a clause on client data privacy	HC	Employment contract
Train staff on how to inform clients about data privacy and credit bureau checks; what punishment they can face for misusing client data	Training	Training Module

Privacy clause in loan passbook, sanction letter, operations manual and MIS manuals	Ops + MIS	Various
MIS has access depending on staff position, passwords are changed periodically, secured back up policy	MIS	MIS Manual
Check client data security related parameters (as mentioned above) during audit	Internal Audit	Audit checklist
Take written client consent for using their information and pictures	Ops	Ops manual

5.5   MECHANISM FOR COMPLAINT RESOLUTION

SATYA's management will determine whether our complaints-handling mechanism is effective in resolving issues for clients and in providing us with actionable information for improving products, and operations.

Activities for timely complaint resolution	Responsible Teams	Tools/ Formats
Board approved client grievance redressal policy specifying actions to be taken once a complaint comes, timeline for complaint resolution, designated person for it	Board SPM Committee	Client Grievance Redressal policy
Prominently display written information on how to submit a complaint in branch offices (posters, brochures); loan contract, passbooks, training module	Ops, Training	Training module, branch posters, passbook
Train staff on SATYA's client grievance redressal mechanism	Training	Training module
Track overall, State-wise, branch wise complaints received on a monthly basis	MIS	MIS reports
Track and report on complaints received and resolved in states on a monthly basis	Ops	??
Check during audit if client complaints have been resolved satisfactorily on a sample basis	Internal Audit	IA manual
Summary of client complaints is presented to the senior management and board	Sr. Mgt.	Board & mgt. agenda

SOCIAL PERFORMANCE DATA
1. % of monthly complaints received and resolved 2. Average time taken for complaints resolution 3. Critical complaints as % of total 4. Analysis of complaints (branch wise, loan officer wise, nature wise) 5. % of clients aware of different aspects of client resolution (audit findings)

Social Performance Dimension 6: Balancing SATYA's Financial and Social Performance

Guiding Principle: SATYA will set and monitor growth rates that promote both financial sustainability and client well-being. Pursuit of profits will not undermine the long-term sustainability of SATYA or client well-being.

SATYA will analyze both internal and external factors to inform our growth policy. We will analyze following external factors:

1. Client demand
2. Market penetration- Credit bureau information, data from MFIN, feedback from branch teams
3. Market saturation - data on incidence of multiple loans, loan amounts compared to income levels, competitors' PAR levels over time, competitors' growth rates over time
4. Market infrastructure

SATYA's growth policy will also consider our internal capacity in terms of HC, MIS, Internal controls, financing for balancing growth with quality.

SATYA will develop a shared understanding of the appropriate level of profit and the allocation of profits between investors, the institution, and clients. We will maintain a transparent financial structure. SATYA's pricing will not undermine our financial sustainability and will not harm our clients too. For this, we will have the following:

Activities for appropriate level of profits	Responsible Teams	Tools/ Formats
Board approved policy on • Range for ROA • Range for ROE • Rationale for these ranges	Board and Sr. Mgt.	Pricing Policy
Board approved policy on use of profits: it will detail how much of the current year's profit is expected to be distributed in bonuses for staff, how much to general reserves to maintain a good capital adequacy in the context of growth, and how much might be allocated to special reserves for social performance and other philanthropic activities.	Board and Sr. Mgt	CSR Policy & Pricing Policy

Disclose in financial statements all risks related to assets or liabilities (foreign exchange risk, interest rate risk, maturity risk), disclose off balance sheet items.	Finance	Financial statement
Board approved pricing policy which will consider**:** • Current RBI directives • MFIN CoC • Compare prices with competitors	Finance	Pricing policy

The board will evaluate the operations/ CEO work based on the social performance of the institution, taking the evaluation criteria directly from the social targets established in the social strategy.

Social Performance Dimension 7: SATYA's responsibility towards environment

Guiding Principle: SATYA recognizes the importance of implementing sound environmental practices throughout its work.

Activities	Responsible Teams	Tools/ Formats
Board approved environment (env.) policy including exclusion list which defines types of projects SATYA will not finance	Board and Sr. Mgt.	Env. Policy
Train field staff on how to evaluate the environmental risks of their clients' activities at the time of client selection and client appraisal	Ops	Ops Manual
Provide hard copy of exclusion list in all the branches	Ops	Exclusion list
Inform clients about environmental risks at the time of CGT	Ops	Exclusion list
Conduct LUCs to verify that the loan provided is not used for any activities falling under "exclusion list"	Ops	Exclusion list
Track loan purpose in MIS	MIS	Exclusion list
Check, during visit at client household, about different sources of income and how the loan is utilized	IA	Exclusion list
Reports on the SATYA's environmental practices (annual reports, reports to board, investors, etc.)	Sr. Mgt	

Satya also adopts risk mitigating policies, when a risk of systemic over -indebtedness arises in the market such as slower growth, more conservative loan approval criteria or limits on the total number of loans an individual can have at one time from multiple providers.

The aforesaid policy will be reviewed periodically/revised as and when required.