



Impact Investing

Aavishkaar - Objectives

Identify entrepreneurial initiatives targeting **low income** socio-economic groups in **India**



Educate entrepreneurs about venture capital and provide initial **risk capital**



Support entrepreneurial energy focussed on base of pyramid to create **sustainable** and **scalable** businesses by providing support in operations, strategy and networking



Demonstrate potential for venture capital investment in low income markets. **Generate** social and commercial **returns**

What We Do

- Invest in **for-profit businesses** with a **high growth potential**, with operations predominantly in **semi-urban and rural regions**
- Investee entrepreneurs in **Critical Needs Sectors** - Healthcare, Education, Water, Sanitation, Agriculture, Livelihoods, Renewable Energy and Financial inclusion
- Invest at an **early stage** and help the company grow through **active mentoring and guidance** to the entrepreneur
- Investment as **Equity**, in **progressively increasing amounts**
- **Monitor and Report** Social & Environmental **Impact** of our Investments
- Seek **Responsible Exits**

4 Funds, \$150 Million+, 45+ Investments

Education



Health, Water, Sanitation



Agriculture & Dairy



Renewable Energy



Financial Inclusion



Electronic Payment and Services
Payments Delivered

Others



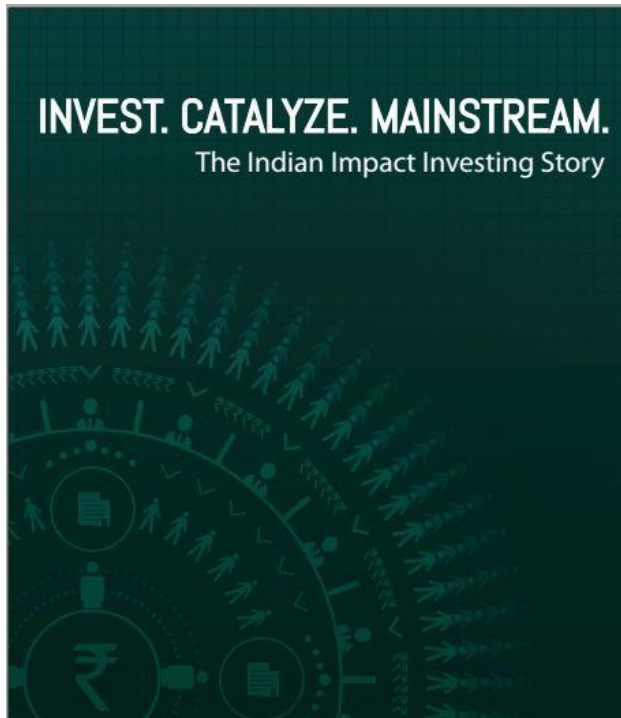
Investment Case Studies



- Milk Mantra runs an integrated dairy value chain in the eastern state of Odisha
- Aavishkaar I (AIMVCF) made a seed stage investment in the company in February 2012; it was the first institutional investor in the company
- Post AIMVCF's investment, the company set up its production facility and commenced business operations
- Since then, the company achieved a substantial scale up, clocking revenues of over INR 500 million in FY14 and impacting over 16,000 dairy farmers in its supply chain
- In July 2014, AIMVCF fully exited its investment to a financial investor at a more than 3x multiple during the company's Series C equity raise.
- Aavishkaar remains invested in Milk Mantra through Aavishkaar II



- Vaatsalya is a healthcare service provider offering quality, affordable healthcare to semi-urban and rural populations through a chain of hospitals in small towns in South India
- Aavishkaar I (AIMVCF) was the founding investor in Vaatsalya, when the company had only 1 hospital
- Since then, Vaatsalya has grown to establish a network of 9 hospitals across Karnataka and Andhra Pradesh and served ~350,000 patients in the last financial year; it has grown its revenues to more than INR 500 million in FY2014
- The company has attracted successive rounds of follow-on funding from Seed Fund, Oasis Capital and Aquarius Capital to fuel its growth since 2006.



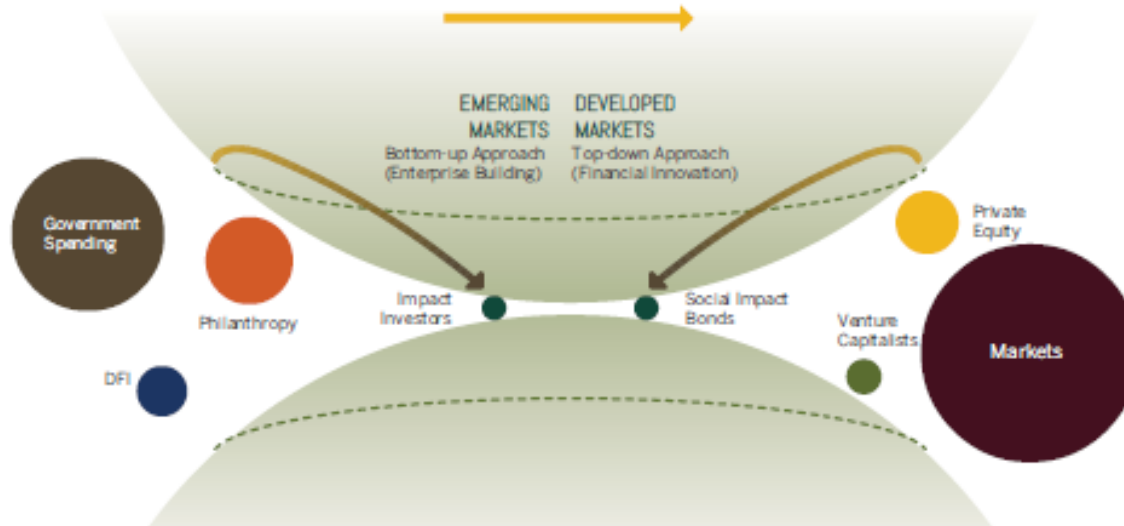
The Indian Impact Investing Story

A study by

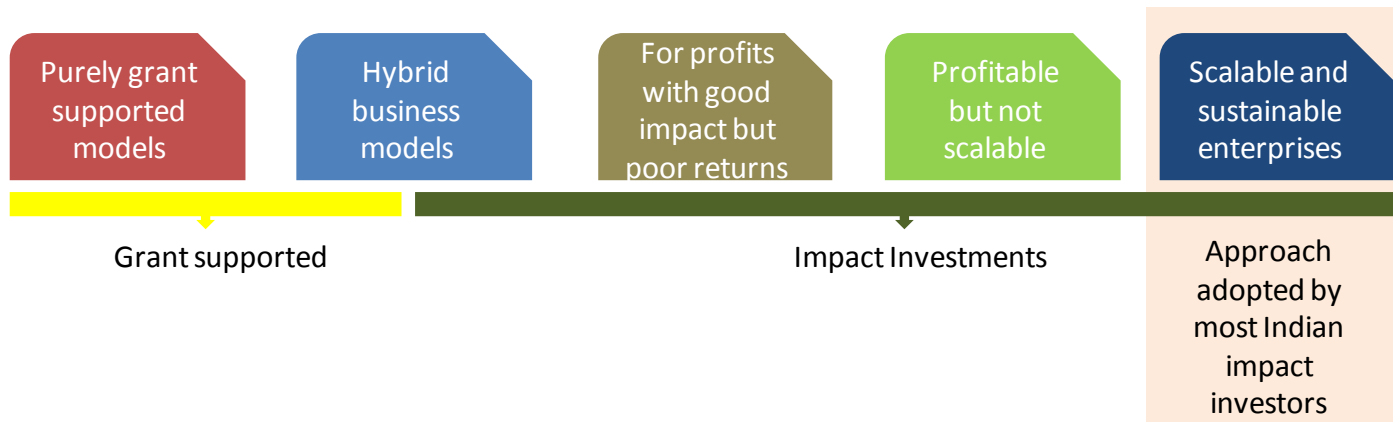
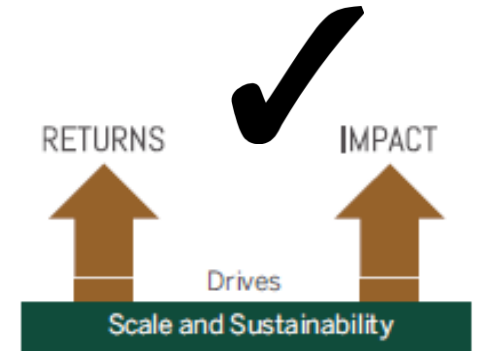
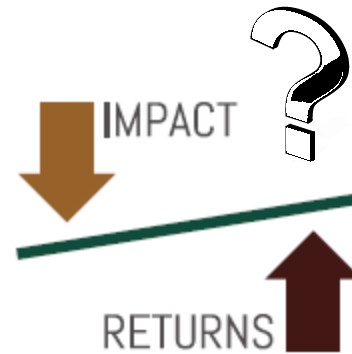


Intellectap
SHAPING OUTCOMES

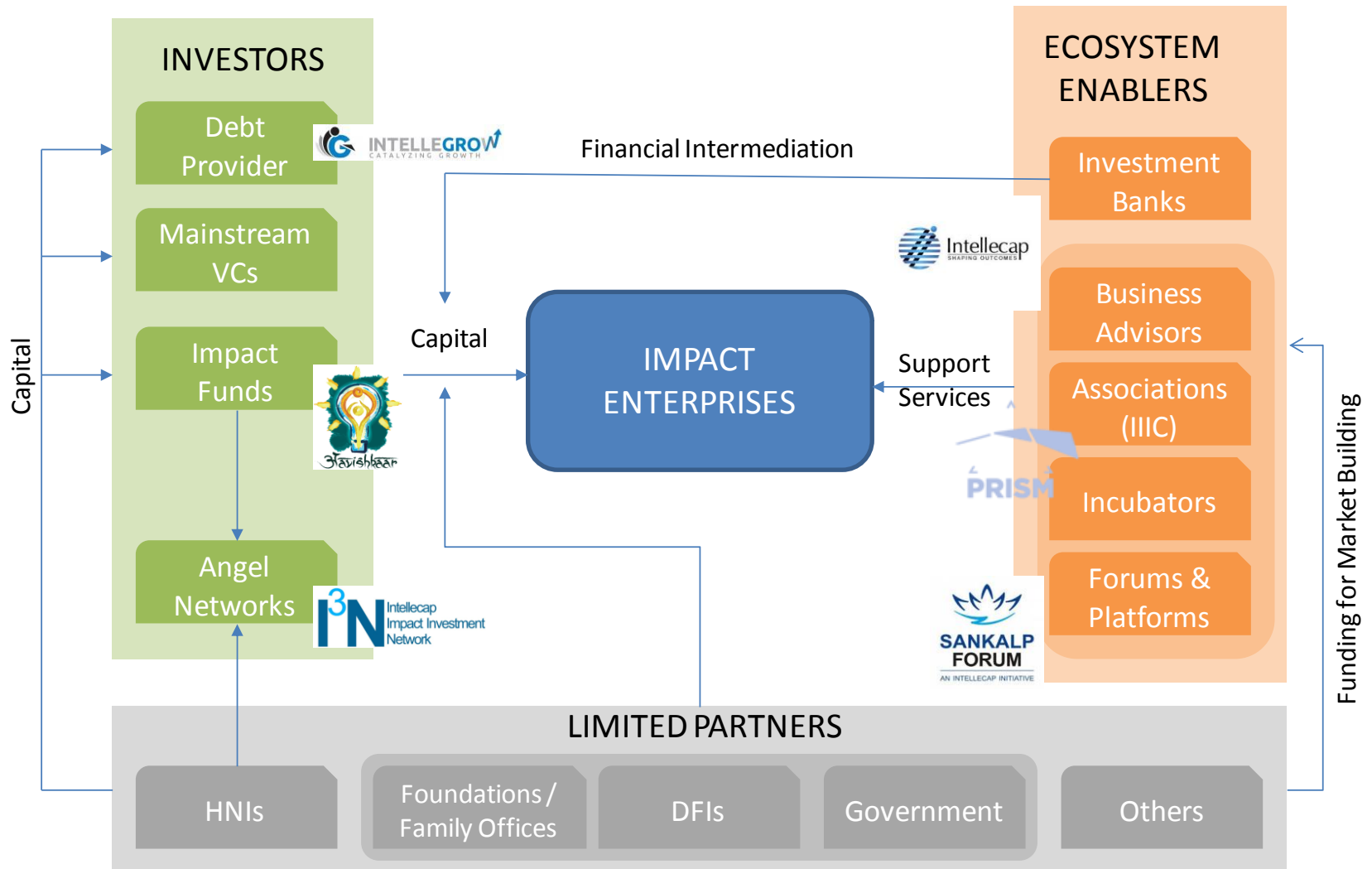
Catalytic effect, unlocking mainstream capital



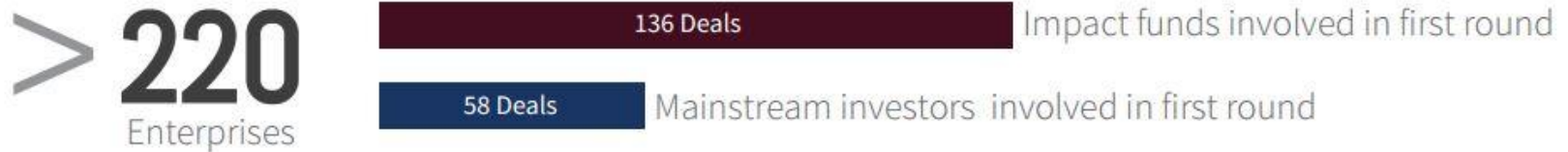
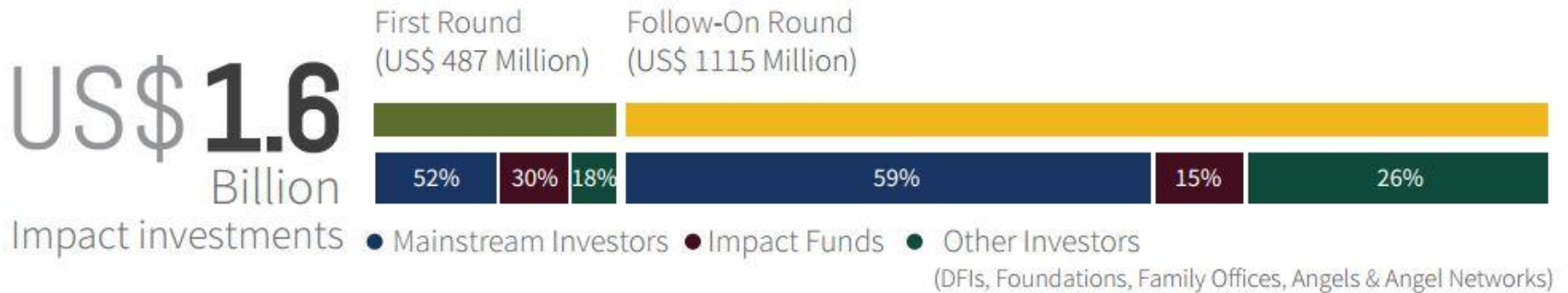
Venture Approach



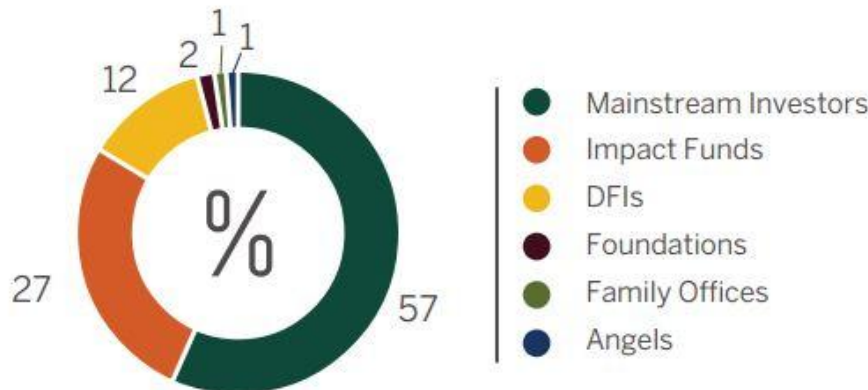
Impact Investing Ecosystem



\$1.6bn+ capital, 220+ deals



INVESTMENT SPLIT AMONG VARIOUS TYPES OF INVESTORS



Challenges – Concentrations & Exits

Top 3 Sectors



54% investment in
**MICROFINANCE
INSTITUTIONS**



17% investment in
**FINANCIAL
INCLUSION (NON-MFI)**



11% investment in
HEALTHCARE

60% of Total Impact
INVESTMENTS made in **Top 15** enterprises

15

EXITS
at premium

10 Exits in MFI

5 Exits in Livelihood, Agri-business
and Clean Energy

