

Newsletter

EDITION-I | SEPTEMBER 2023

Hearth Ventures came into being with the vision to ignite a vibrant ecosystem of growth capital for enterprises in the creative, cultural, and circular economy (3Cs).

There's a global revolution in consumption, driven by customers seeking sustainable materials, differentiated designs, handcrafted goods and lower environmental impact. Competent new-age entrepreneurs are creating brands and business models to effectively serve this customer and bridge the gap with artisanal creators and producers, giving the latter's work a new meaning. Philanthropists, incubators, angel networks are recognising and catalysing this effort and a virtuous ecosystem is slowly but surely getting built.

Thank you for being part of our journey since our inception in 2021. This newsletter is an effort to bring you up to date on some key news highlights.



New Members to Advisory Board

Our esteemed advisory board, includes Nandkishore Chaudhary, Bala Vissa, Mahesh Yagnaraman, Paddy Padmanabhan, Srikrishna Ramamoorthy and Yogesh Chaudhary. View their [profiles](#) here.

As we grow, our advisory board is also expanding with the valuable addition of Dr Vinika Rao & Pavan Kaushal.



Dr Vinika Devasar Rao is the Executive Director at INSEAD's Emerging Markets Institute, Gender Initiative & Africa Initiative and Director at Hoffman Global Institute for Business & Society. Dr Rao has an impressive track record in corporate and academic leadership with a focus on inclusive and sustainable growth. Her extraordinary acumen and industry access will help boost our portfolio companies. View her [profile](#) here.



Pavan Kaushal is a seasoned professional with over 35 years of experience in banking and financial services. He currently advises and mentors a host of companies in the sector. Mr Kaushal most recently served as the COO and CRO for Fullerton India. In his previous roles he served as the CRO for IDFC Bank; a Partner at E&Y and has held senior leadership positions both domestically and internationally at Citibank and ANZ Bank at country, regional and International levels, across developed markets and emerging markets. View his [profile](#) here

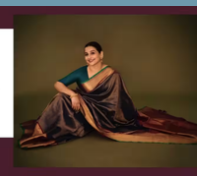
Shobitam wins recognition in Fashion Retail!

Shobitam Inc, our first portfolio company is a D2C ethnic fashion brand serving the ethnic Indian diaspora in the USA and many other countries. The founders are technology professionals with a passion for ethnic Indian design and customer centricity. They source directly from weavers and makers across the country growing artisanal earnings.

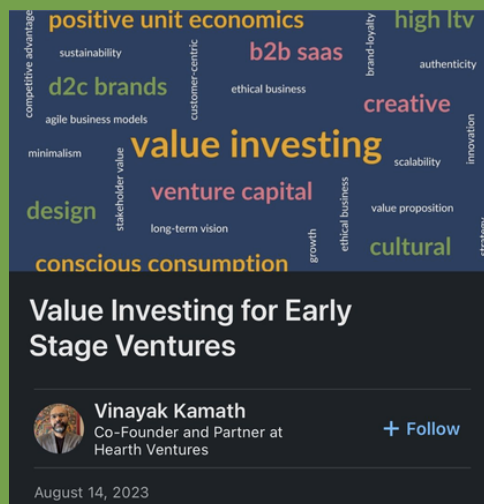
Through 2023, they have been on a winning spree with recognition as the "Most Admired Brand of the Year" within Apparel & Fashion at the D2C Awards 2023, awards for tech implementation, retail innovation and founder Aparna Thygarajan among the top fashion icons by Business of Fashion.

In August 2023, Shobitam Inc. won two awards at SHIVIR by Shiprocket, India's largest eCommerce enablement platform for the "Best Brand for Cross Border E-commerce" and "Best Brand for Fashion Trendsetters" categories. Seen in the pics, Vinayak and Shefali picked up some of the awards on behalf of the founders. Earlier this year, Shobitam also onboarded **Vidya Balan** as their brand ambassador to build stronger brand awareness ahead of the festive season.

See the [film](#) here.



Recent Media Coverage & Events



"Hearth Ventures launches venture fund for creative, cultural and circular economy enterprises" featured in **The Economic Times** [\[Link\]](#).

"Vishwakarma scheme: Catalyzing entrepreneurship key to sustainable success" featured in **HT's Mint** [\[Link\]](#)

"Unleashing India's Creative Power: The Sunrise Revolution of the 3C Sector" featured in **Vie Stories** [\[Link\]](#)

"Value Investing for Early Stage Ventures" posted on **LinkedIn** [\[Link\]](#)

Vipul spoke at a panel discussion during the **Kula Conclave** on 14 July 2023 held in Bengaluru, India on the topic '*Emerging pathways powering India's craft-led MSMEs*'. He shared his perspective on bridging the inclusive finance gap for India's cultural entrepreneurs, particularly in the creative manufacturing and handmade sector.



Vinayak participated as an invitee to a members only meeting of the **Impact Investors Council of India** on 21st July 2023 in Mumbai, India.

Siva Ramann CMD SIDBI, was the chief guest at the meeting. The participants were from amongst the most influential Impact Funds, Corporates, Philanthropists and Changemakers. This was a great platform to speak about and gain validation from an eminent peer group on our proposition. This also helped to establish collaborative relationships for fundraising, follow-on & co-Investment, learn best practices in impact measurement and reporting.



Shefali took part as a jury member at the **Nice Angels Meet** under the **NICE AAROHANA Programme** with Jaipur Rugs Foundation on 21 August 2023 in Bengaluru, India. The half-day event saw the participating enterprises present their business ideas and investment decks to the jury. The program was supported by IIFL Foundation.

Our partnership with **Network of Indian Cultural Enterprises (NICEorg.in)** is a pivotal part of our various initiatives aimed to ignite innovation and entrepreneurial energy in the creative, cultural and circular economy.



Shefali recently spoke at the **BW Business World's Social Impact Summit** in New Delhi on 6 September 2023 where she highlighted how the Creative, Cultural and Circular economy have an immense dual potential for profit as well as environmental and socio-economic impact and the sector has been largely underserved. Some of the investment trends in the 3C sector as emergence of new generation of tech and marketing savvy entrepreneurs, increasing customer preference to consumer products good for the planet and communities, adoption of technology and a developing ecosystem of angels, incubators, accelerators and venture capital firms to enhance the access to growth capital.

Our website just got updated!

Have a look [here](#)

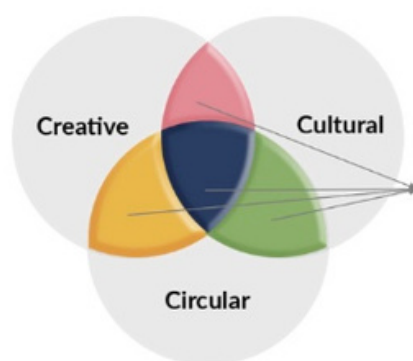
The Quest for More for India's 3C sector

More growth capital

More brands

More share of global trade

Hearth Ventures Sector Focus The 3Cs



The sweet spot – where the 3C's and where any two of the C's meet



In August 2023, our pre-placement memorandum for a Cat 1 AIF was taken on record by SEBI, and we are making good progress on the key fundraise milestones. The feedback received from investors on Hearth's unique proposition energizes us to stay steady on our mission is to reimagine Indian artisanship, enabling 100+ Indian creative, cultural, and circular economy enterprises, impacting the lives of a million artisanal families in India. We are being inundated with funding requests from entrepreneurs with interesting business models that reinforces our conviction that the time for our sector is now!

Best wishes from the Hearth Team