

NEWSLETTER

Edition-II | December 2023

In the early stages of any startup, a year can feel like a lifetime. As a startup fund, the year gone by certainly felt like one. This was the first full calendar year with our entire portfolio. All of them have done well, be it bucking the tide in their markets, pivoting, scaling, expanding their categories, augmenting their portfolios and planning their next stage of growth.

We got our regulatory approval and formally initiated our fundraising process. It is worthy to mention that even prior to being a regulated entity, our investment processes had the depth and rigour comparable to any formal fund-house.

We expanded our advisory board and continue to be amazed and grateful at the level of involvement of the members and their commitment to help us succeed.

Amidst a global funding winter that spread to the Indian market, we continue to see the rise of purposeful business startups with novel ideas that offer meaningful investment opportunities at reasonable valuations. Founders are thinking hard about profitable growth and judicious deployment of capital.

In the year ahead, our focus is threefold, to raise our fund, to partner with other classes of capital to create blended solutions for startups and to amplify the voice of our sector through events, articles and partnerships.

Wish you all a fulfilling 2024!

In this edition, find an engaging interview with Payal Nath, founder of Kadam Haat, one of our portfolio companies and meet some of our team members.

We are happy to announce that Ankit Ruparel, Venture Partner with Hearth now works with our portfolio company Kadam Haat.

Ankit helped Kadam strategize their digital go-to-market effort. In a period of five quarters, Kadam Haat has become a digital first company with 70% of its business coming from its own website, largely due to Ankit's relentless push and his insights. We thank Ankit for his contribution and our association with him continues through our portfolio.





We are pleased to welcome Aashi Garg, Investment Associate, to our team. Aashi has a Economics Degree and holds a certificate from Kauffman / Techstars in Venture Deals Management. Aashi has worked with Upaya Social Ventures, leading a few impact deals and with Impact Investment Exchange. At Hearth Aashi will manage our investment pipeline, the DD processes and support the partners with outreach and partnerships.



Portfolio company
Kadam Haat's founder
Payal Nath on her vision
for transformative change



In an insightful interview, Payal Nath, the Founder of Kadam Haat, shared her inspiring journey that began in 2006 when she and a group of designers and consultants established an NGO with a mission to uplift impoverished artisans, particularly basketry makers. She highlighted the challenges they faced, emphasizing the importance of addressing infrastructure, machinery, and supply chain issues in the artisan sector. Payal discussed the pivotal moment in 2008 when Kadam Haat was born, evolving from a partnership company to Kadam Haat Basketry Barn Pvt Ltd in 2021.

Payal's dream was to create a sustainable brand similar to Pottery Barn in India, using natural materials and supporting artisans across states. She recounted the organization's efforts to secure funding and embrace digital platforms, aiming to make a meaningful impact by providing monthly incomes for artisans. Payal's dedication to affordability and sustainability shines through as she stated, "We want the 10M people within India to be able to afford it if they like it, which, in turn, produces monthly incomes for the 1M artisans handcrafting them."

In 2023, Payal and Kadam Haat have seen remarkable growth. Payal emphasized their commitment to shared incomes and knowledge systems, underlining their mission to create a tangible impact in the lives of artisans and consumers. Their future goals include expanding their eco-conscious brand to international markets.

As Payal aptly puts it, **"Our wish is for the 'authentic you' to grow just as our brand, communities, and our Kadam family aims to."** [Click to read the complete interview here](#)

In Q4 2023, we engaged more deeply with investors, fund manager peers and potential collaborators in the rapidly growing ecosystem of investing for good. This listening tour was replete with insights and valuable partnership opportunities. The biggest insight has been on the missing narrative for India's Creative, Cultural and Circular economy – a sunrise sector that can unlock socio-environmental and economic potential for India. In 2024, we are looking to bring out research at the sub-sector level, reimagining India's fashion, décor, culinary arts, wellness, packaging and consumer goods sectors led by the principles of sustainability and community impact.

Hearth Team at UNGA SDG Weekend September 2023, Global Impact Investment Summit October 2023, Sankalp Forum November 2023, Climate Investment and Technology Impact Summit - CITIS November 2023, Impact Investors Council Green Investor Forum November 2023, AVPN Summit December 2023, Parinaam - Global Outcome Financing Summit December 2023

