INVENT

Incubating Incubator in the Low Income State of India

#Love4invent

Phase – 1
October 2016 to October 2019
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About INVENT
Seed Investment and Incubation Program

With support of upto 8 million GBP ~ INR 700 million from Department for International Development (DFID), UK Government and in association with the Technology Development Board (TDB), Government of India, Villgro is implementing the Innovative Ventures and Technologies for Development (INVENT) Program with broadly aims to support up to hundred of entrepreneur by providing funding and capacity building to 4 government affiliated incubators (IIT Kanpur, IIM CIP, Start Up Oasis and KIIT TBI) in the eight low-income states (LIS).

The program specifically targets to incubate & invest in 160 entrepreneurs across the above listed 8 LIS and make 50 of them investible (atleast raise INR 6 million as followon) by Oct 2019, and 5 of them take to series-A (atleast INR 70 million each) by July 2021. INVENT is designed to create a platform to support inclusive innovations solutions, both technological and business process oriented, that have a positive social and economic impact on people in the lower income segments.
Advisory Board – Advisory Board has been constituted to provide direction to PSC & PMU. Members are - H. K. Mittal-NSTEDB-DST, Prof. Anil Walli-FITT IIT Delhi, Daniel Shah-Research Councils of UK India, Ajay Muttreja-Member National Start-up Committee, Sanjay Anandaram-Venture Capitalist, Rakesh Riwari-NSIC Ltd & Ex Deputy MD-SIDBI.

Program Steering Committee (PSC) – For monitoring and overall direction/approvals, the committee meets on a quarterly basis, total 11 meetings have been done so far. The members of the PSC are Manish Chaudhary-TDB, Karthik Krishnan-DFID and Paul Basil-Villgro. The committee chaired by Secretary-TDB (Ex-Officio). Ms. Anjali Sablok-DFID and Mohammad Azhar-Villgro are special invitees.

Program Management Unit (PMU) – The day-to-day management and administration of the project is handling by the PMU. Paul Basil - Program Leader, and Mohammad Azhar - Program Manager working in INVENT PMU.

Distribution of States – Two LIS states each have been allotted to the four incubators for easy coordination with entrepreneurs. Entrepreneurs are free to apply in any of the four incubators as per their convenience.

Reporting – INVENT PMU is responsible to submit the reports to TDB and DFID.
Lead Advisor – Senior executives of Villgro is acting as lead advisor in each of the INVENT incubator i.e Srinivas Ramanujam is for Startup Oasis, Arun Venkatesan is for KIIT TBI, Chand Das for IIT Kanpur and Ms. Rama Kanan for IIM Calcutta.

Internal Investment Committee (IIC) – The committee consists of 4 members, two are from the incubator and one is the lead advisor along with a member from INVENT PMU.

External Investment Committee (EIC) – The committee consists of 5-7 members including the head of the incubator, lead advisor and 3-4 external members/industry experts/investors.

Field Visit – Incubators along with PMU conducting the site visits to ensure that the information that enterprises have submitted is correct. The other objectives is to take the insight of existing/potential customers, mentors, suppliers, distributors, community and also from other direct stakeholders of the particular product/services. A team member of the PMU is also participating in atleast 20% of field visit and some time industry experts and investors are also participating.
Program Achievements

Many thanks to all 4 incubators for implementing and successfully achieving the INVENT Phase-1 target.

Slide 7 & 8
8 Low Income states

4 Technology Business Incubators

964 Applications Received

161 enterprises for incubation

100+ Tech-based Start ups (41 patents)

INR 33.21 cr seed investment

72 startups raised followon of INR 140.76 cr

Total Startups Revenue crossing INR 350 cr

100+ awards & recognitions received by startups
## Overall Achievement against the Program Milestones

<table>
<thead>
<tr>
<th>Major Milestones</th>
<th>Program Target</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity Building of Incubators</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>New Incubation Manager</td>
<td>22</td>
<td>27</td>
</tr>
<tr>
<td>Startups Incubated/Invested</td>
<td>160</td>
<td>161</td>
</tr>
<tr>
<td>Seed Investment</td>
<td>INR 34 cr</td>
<td>INR 33.27 cr</td>
</tr>
<tr>
<td>Create Investible Enterprises (followon funding)</td>
<td>50</td>
<td>72 (43&gt;60 lakh)</td>
</tr>
<tr>
<td>Raise Followon Funding for 50 startups</td>
<td>INR 30 cr</td>
<td>INR 140.76 cr</td>
</tr>
<tr>
<td>Appoint Mentors and Technical Assistance Provider</td>
<td>160</td>
<td>114</td>
</tr>
<tr>
<td>Inspirational events</td>
<td>167</td>
<td>137</td>
</tr>
<tr>
<td>Capacity building days for startups</td>
<td>1792</td>
<td>1241</td>
</tr>
</tbody>
</table>
Success Stories

Slide 10 to 17
Top 4 Follow on Investment

Dehaat - 50cr from Omnivore & Trifecta capital

12.5cr from IAN Fund

MEDC

7.5cr from Infoedge & Waterbridge

4.5cr from Villgro & Unitus
Top 4 Awards and Achievement

Forbes
7 founders are 30 under 30 India/Asia

Gramshree won FICCI Agribusiness Award 2018

7 startups received HDFC grant

7 startups stories featured in CNBC
**Top 4 Go-to-Market Connects**

1. **Go to Market connect** has been built with Godrej Aggravate, Ambuja Foundation, Morarka Foundation etc. to source cattle feed.

2. **Go to Market connect** has been built with Telangana Govt, foundations and CSRs. They have received the order of total 1.2 lakh Deskit in advance.

3. **Go to Market connect** has been built with Delhi Metro Rail Corporation DMRC’s stations. The contract has been finalized for 20 years.

4. FAO – United Nation has been collaborated with Satsure to make agriculture, forestry, and fisheries more productive and sustainable.
Top 4 INVENT Impacts

- Supported 124 first time Entrepreneur
- Supported World’s first Transgender Company
- Supported 68 Women Entrepreneurs out of 161
- Created 1930 direct Jobs and impacted 1.5 million lives
Garv Toilets received appreciation from Vice President of INDIA

GARV Toilet won the Mohammad Bin Rashid Global Prosperity Award at Global Manufacturing and Industrialisation Summit Russia

INVENT Startups attended ASEAN, SLUSH and UNGA Summit
iPitch winners - INVENT incubates
INVENT’ events with partners
Pipeline Generated

Conducted 137 events and 6 accelerator programs in LIS with Startup India, Colleges & Universities, CII, FICCI, SSE, Impact investors, Incubators etc.

Slide 19 & 20
INVENT Applications Growth curve – 964 applications received

- 964 applications through online MIS.
- 6 Accelerators
- 2 iPitch
- 137 events conducted in LIS in collaboration with, Startup India, Colleges & Universities, CII, FICCI, SSE, impact investors, incubators etc.
Sector wise break up of INVENT Applications - 964

Sector-wise break up of applications

- Agri-business: 26.8% (258)
- Healthcare: 13.6% (108)
- Education: 11.2% (131)
- Livelihoods + Skill Development: 12.3% (119)
- Energy + Waste Management: 10.4% (100)
- Others: 25.7% (248)
Startups Incubated/Invested

Slide 22 - 24
Launched in July 2016

Operations started in December 2016.

Interestingly, only 4 startups were incubated in Dec. 2016 and the number steadily rose up to 47 startups in the last six months of 2018.

Now it stands at 161
**Incubator/Sector wise distribution of 161 start-ups**

<table>
<thead>
<tr>
<th></th>
<th>Agri &amp; allied business</th>
<th>Education</th>
<th>Energy</th>
<th>Healthcare</th>
<th>Livelihoods &amp; Skill Development</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>IIMCIP</td>
<td>13</td>
<td>7</td>
<td>2</td>
<td>11</td>
<td>10</td>
<td>1</td>
<td>44</td>
</tr>
<tr>
<td>IIT Kanpur</td>
<td>13</td>
<td>5</td>
<td>2</td>
<td>8</td>
<td>6</td>
<td>6</td>
<td>40</td>
</tr>
<tr>
<td>KIIT-TBI</td>
<td>11</td>
<td>5</td>
<td>1</td>
<td>7</td>
<td>11</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>Startup Oasis</td>
<td>13</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>16</td>
<td>3</td>
<td>42</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>20</strong></td>
<td><strong>8</strong></td>
<td><strong>30</strong></td>
<td><strong>43</strong></td>
<td><strong>10</strong></td>
<td><strong>161</strong></td>
</tr>
</tbody>
</table>


- Startups falling in the others category are working for the betterment of water & sanitation, ICT, Financial Inclusion etc.
DIPP announced results of the first ever States’ Start-up Ranking in Dec 2018.

- Two INVENT states-Rajasthan & Odisha are top performer.
- Three INVENT states-MP, Chhattisgarh & Bihar are leaders.
- Two INVENT states-UP & WB are Aspiring leaders.

In 2019, Uttar Pradesh jumped into the category of top performers and leading in the number of total startups followed by Delhi.

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Followon Funding

Raised from VCs, Institutional Investors, Angels, Banks, CSRs and Government

Slide 26 & 27
Followon Funding – 72 startups raised INR 140.76 cr

<table>
<thead>
<tr>
<th>Incubators</th>
<th>Above 60 lakh</th>
<th>Below 60 lakh</th>
</tr>
</thead>
<tbody>
<tr>
<td>IIMCIP</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>IIT Kanpur</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>KIIT TBI</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Startup Oasis</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>43</strong></td>
<td><strong>29</strong></td>
</tr>
</tbody>
</table>

INVENT fund leverages 5x investment

Incubation
- 140.76 cr followon
- 33 cr invested

Types of Follow on Funding
- Equity: 62.9%
- Grant: 20.5%
- Loan: 16.6%

Sector Wise Follow-on Investment raised by 72 startups
- Others: 9.7%
- Livelihoods & Sk...: 16.7%
- Agriculture & Allied: 29.2%
- Healthcare: 23.6%
- Education: 16.7%
- Energy: 4.2%
INVENT fund leverages 5x followon investment – Top 5 reasons

1- Selection of startups
• Seed funding to solutions providers, not only innovators.
• Selected some self-sustainable innovative stock base businesses for debt investment.
• Targeted Women Entrepreneurs to leverage BIRAC, CSR other govt funds.

2- Involved sector focused investors
• Taking their feedbacks and suggestions during startup Due Diligence.
• Involved them in the diagnostic panels/quarterly reviews.
• Alignment in between followon investor’ objectives & startup milestones.

3- Accelerated Startup and its Revenue –
• Provided extensive capacity building & technical assistance support which ultimately helped startups to fit into the standard legal & governance parameters.
• Conducted one to one GTM with online sellers, corporate, NGOs, govt etc to increase revenues.
• Focused on project based partnership with CSR, NGOs & foundations.

4- Provided Financial sustainability –
• Topup funding to startups for managing the Working Capital. It also helped incubators/startups in building the confidence among followon investors.

5- Mentors/Consultants – Appointed them to fix the corporate deals which ultimately increases the value of startups.
Impact Created
1.5 million plus lives impacted
Slide 29 - 33
124 startups have been started by the first time entrepreneurs. INVENT is first institutional investment in 111 startups.

68 out of 161 startups have women as a founder/co-founder/women focused

Women Entrepreneurship

Total 14.37cr disbursed to 68 Women Startups
Total 25.43cr out of 135.18cr followon funding raised by 27 Women Startup
Jobs created by Startups after INVENT Investment/Incubation

1930 Direct Job created
- Men: 60%
- Women: 40%

27195 Indirect Job created
- Men: 61%
- Women: 39%

- Direct job created 1930 (12 per startup).
- Physical Challenged employees - 84
- Total 86% of direct job created by startups after INVENT investment/incubation.
72 Startups received followon funding of INR 140.76 cr

137 Startups have received the INVENT funding of INR 33.21 cr and rest 24 selected only for incubation

Total startups committed for INVENT support – 161

Total startups presented in INVENT EIC – 232

Total Applications received – 964

INVENT utilized INR 44.52 cr in Seed+mentoring+capacity

Done 6 accelerators and 2 iPitch programs for generating the pipeline

Total 17 NGOs/Sole proprietorship converted into Pvt. Ltd. Companies.
INVENT incubatees Impact Stories for Reference

Promorph - http://www.forbesindia.com/printcontent/53081


Krishihub - https://www.youtube.com/watch?v=u0jGk5JY8Tk

Aikya Organics - https://www.youtube.com/watch?v=xxukDu0gY-U

Organic foods - https://www.youtube.com/watch?v=h_0wE1zVVzU


Dehaat (Green Agrivoluation) - https://yourstory.com/2019/03/dehaat-iit-delhi-agritech-startup-djiufpw

Sanjeevani Khamar - https://www.youtube.com/watch?v=oL997PY57yM

Bubblenut wash - https://www.youtube.com/watch?v=l0OwWHA1iw4

Zoofresh - https://www.villgro.org/zoofresh-foods/

Carmel organics - https://www.youtube.com/watch?v=b8AhUCdHHEU


Many More........
Phase -1 Best Practices & Ecosystem development
Slide 35 & 36
Top 10 Best Practices – In general

1- Program Governance Structure

2- Team Structure (1+4) + one Villgro advisor

3- Targeted United Nations Sustainability Development Goals (UN-SDG) focused startups

4- Portfolio Management & Go-To-Market (GTM) – in line of Villgro inhouse practices

5- Diagnostic panels for Startups – Focused more on corporates/investor representatives

6- Capacity Building & Technical Assistance to Startups – Strengthen startup’s organizational structure & policies. Focused more on to provide legal & governance support to raise followon investments. Super Mentors concept.

7- Investment Committees – Focused more on to get streamline investors/corporates in panel

8- Knowledge sharing – Through incubator biannual meet, Google Solution Exchange and WhatsApp groups.

9- Ecosystem Building Programs – Provided access to work with local stakeholders.

10- Handholding and Reviews by PMU – Created a support system for better execution of best practices and monthly/quarterly plans.
INVENT is Developing Entrepreneurial Ecosystem in the LIS

1. Capacity Building of Incubators—
   ▪ Trained 4 TBIs and equipped them with VITALS
   ▪ Developed 27 new incubation managers

2. Incubated/invested 161 startups –
   ▪ Out of 161, 124 are first time entrepreneurs.
   ▪ Provided first institutional funding to 111 startups.
   ▪ Promoted Women Entrepreneurship – Invested INR 143 million in 68 women startups. 27 have been raised INR 254 million as followon.
   ▪ Converted 17 NGOs/Sole proprietorship into Startups.

3. 137 Inspirational Events & 6 Accelerators Programs –
   ▪ Targeted tier 2 & 3 cities budding entrepreneurs
   ▪ Provided visibility to local incubators/entrepreneurship cell
   ▪ Build the capacity of 86 non-INVENT entrepreneurs.
   ▪ Developed 114 mentor pipeline

4. Created investible pipeline –
   ▪ Seed investment of INR 332 by INVENT and INR 1407 million by downstream investors as follow-on.
   ▪ Attracted VCs, Banks, CSR & foundations in the LIS

5. Aligned with Government objectives –
   As per Dec 2018 DIPP States’ Start-up Ranking
   ▪ Two INVENT states-Rajasthan & Odisha are top performer.
   ▪ Three INVENT states-MP, Chhattisgarh & Bihar are leaders.
   ▪ Two INVENT states-UP & WB are Aspiring leaders
   ▪ In 2019, Uttar Pradesh jumped into the category of top performers and leading in the number of total startups followed by Delhi.
Many thanks to TDB, GoI & DFID, UK Government for all support

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