

Annual Impact Report 2020

INNOVATION IN TIMES OF CRISIS



Foreword



A year of challenging and unpredictable disruptions has reinforced the importance of creating meaningful and sustainable impact. The pandemic's impact on society reaffirmed our vision and made every one of us – from our LP investors to our core investing team to entrepreneurs on the front lines – acutely aware of how our decisions and actions can positively impact the lives of millions, when they need it most.

As we unveil the Annual Impact Report 2020 for Unitus Ventures' Fund I and Fund II, we highlight the journey of our portfolio companies through different phases of the pandemic.

Their transition to new normal, including strategic pivots to build business resilience and sustainability, was a truly enlightening experience for them and for us.

We are now in our eighth year of investing in India. We continue to work with the best entrepreneurs who

are building businesses that do not just grow by spending VC funds, they build rationally and methodically, emerging financially resilient in the short and long term.

There is no better point to illustrate this than the fact that 9 months after the first pandemic lockdown, none of our Fund I or Fund II companies have failed due to the pandemic stress.

As of December 2020, our portfolio companies have impacted more than 12 million low-income lives, with an increase of 57% year-on-year. By this time, we had 24 active portfolio companies out of which 17 received follow-on financing from us and other investors to help them continue to scale their businesses and expand the scope of their impact.

Will Poole
Co-founder & Managing Partner
Unitus Ventures

Table of Contents

ABOUT US	04
-----------------	-----------

PART 01: Firm-wide Impact	06
----------------------------------	-----------

PART 02: Sector-wise Impact	11
------------------------------------	-----------

JobTech	12
---------	-----------

FinTech	17
---------	-----------

Healthcare	22
------------	-----------

PART 03: Fund Showcase	27
-------------------------------	-----------

Our Investors	28
---------------	-----------

Unitus In the Media	29
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About Us

We are India's leading venture fund that supports early-stage tech startups with India scale and global potential.

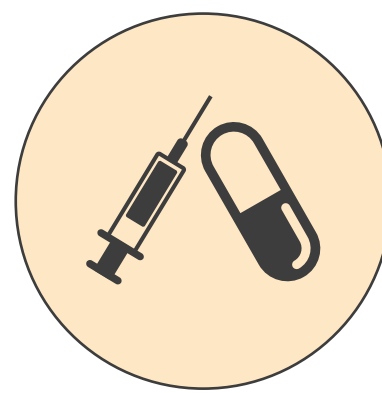
Our investments are at the intersection of the world's greatest needs and opportunities – in terms of both capital and innovation. We actively seek and invest in businesses in the following sectors:



JOBTECH



FINTECH



HEALTHCARE

We partner with our investees to build a solid foundation and prepare for growth via funding, strategic and operating support, providing critical connections, and securing growth capital to validate market potential.



Our Reporting Framework

Impact measurement and management at Unitus includes collaborating with our portfolio companies to set five-year impact goals and corresponding impact metrics in alignment with their business strategies and operations. We set high standards around governance by taking a “Profits and Values” approach. We manage for both impact and financial returns in our interactions with CEOs, management teams and board members by evaluating impact-related themes for strategic planning.

In order to ensure sustainable impact, we track progress using industry standard IRIS metrics, aligned with the UN Sustainable Development Goals (SDGs).

Social Impact

Number of lives impacted by our portfolio companies' products and services, and number of formal jobs created for BoP¹ individuals.

Financial Impact

The cumulative revenues generated by our portfolio companies through their products and services.

Ecosystem Impact

The impact created by the fund and our portfolio companies through our advisors and ecosystem partnerships.

¹. The population at the Base of the economic Pyramid (BoP) comprises the 1+ billion people or two thirds of the Indian population that lives on an annual household income of less than ~USD 3,000 (INR 200,000).

PART 01

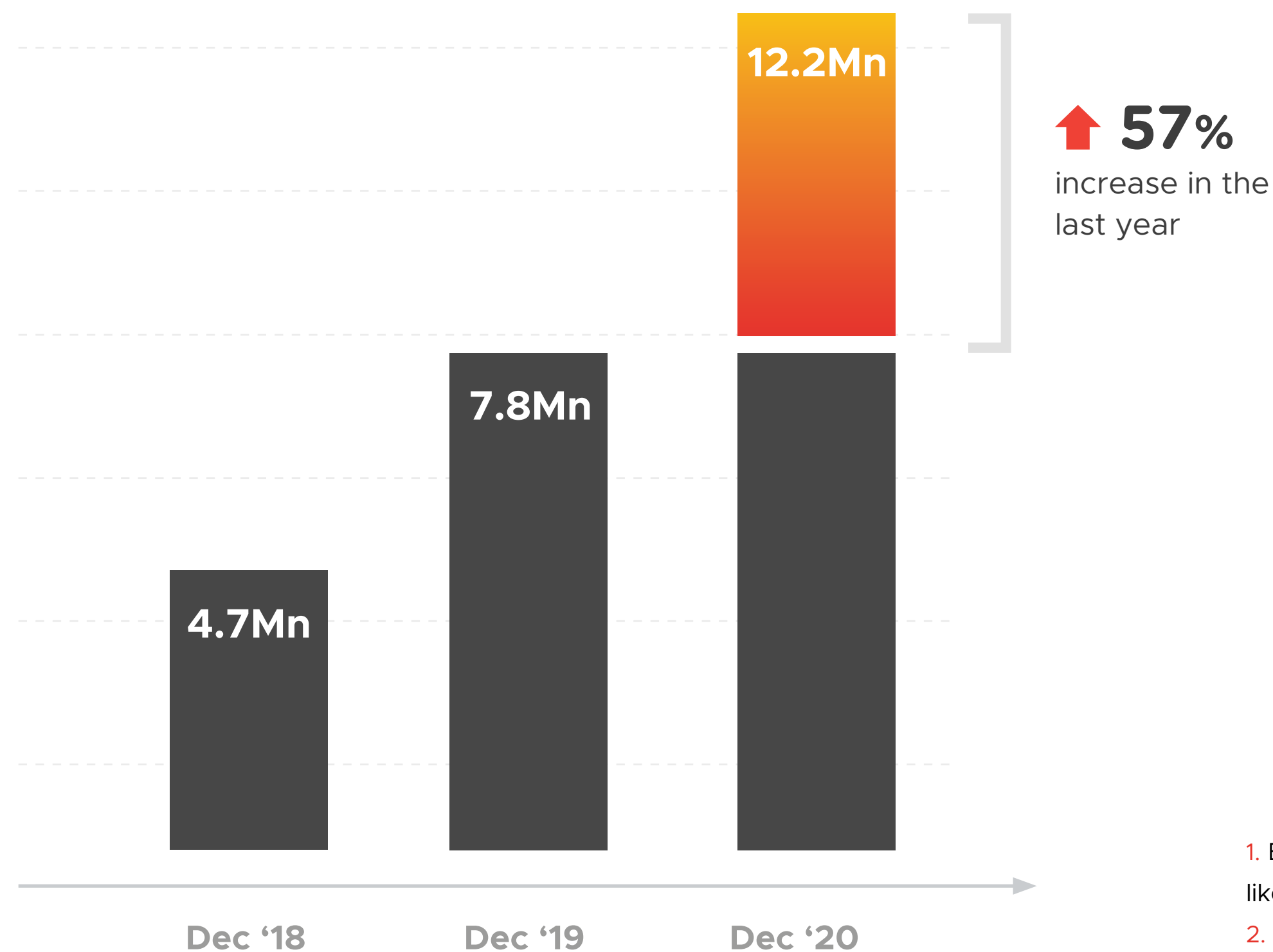
Firm-wide Impact

Summary of performance of Unitus Fund I & Fund II investments in the year 2020. Here's a quick snapshot of what you can expect in the next few pages:

- ↳ **SOCIAL IMPACT**
- ↳ **FINANCIAL IMPACT**
- ↳ **ECOSYSTEM IMPACT**
- ↳ **PORTFOLIO RECOVERY TREND**

Social Impact

Cumulative number of BoP lives impacted¹



12.2Mn
BoP lives impacted



660k
women² impacted



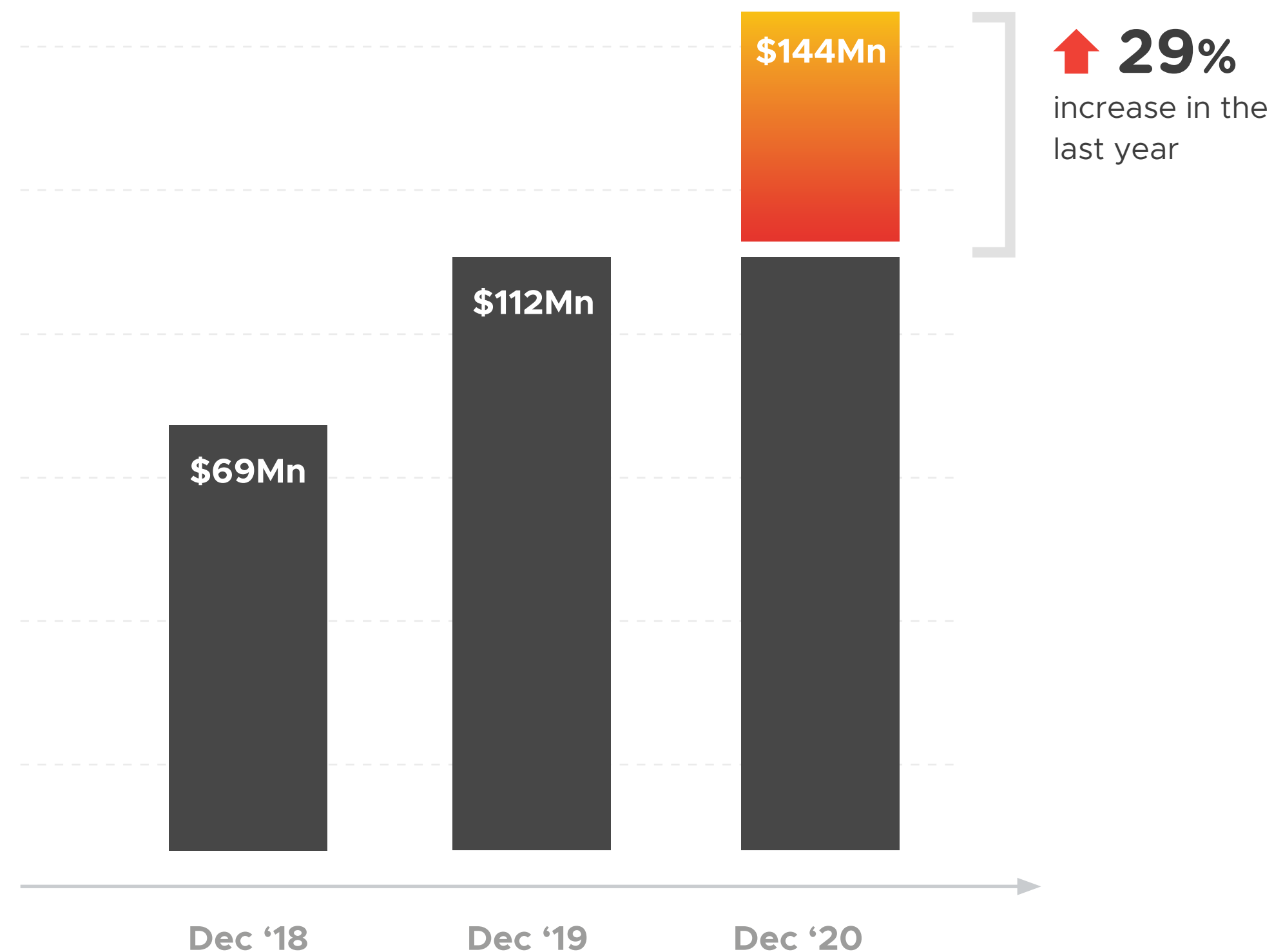
10,354
active jobs on payroll

¹. BoP lives impacted includes impact to general BoP consumers like students, patients, artisans, borrowers and gig workers.

². We have very limited reporting data on women impacted and expect that the actual number is 50% of the total BoP impact or higher based on general demographics of those impacted.

Financial Impact

Cumulative revenue generated across portfolio



\$144Mn

overall revenue generated



5.7x

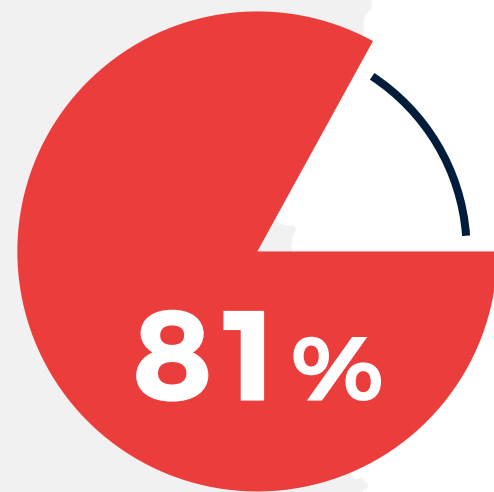
additional capital raised



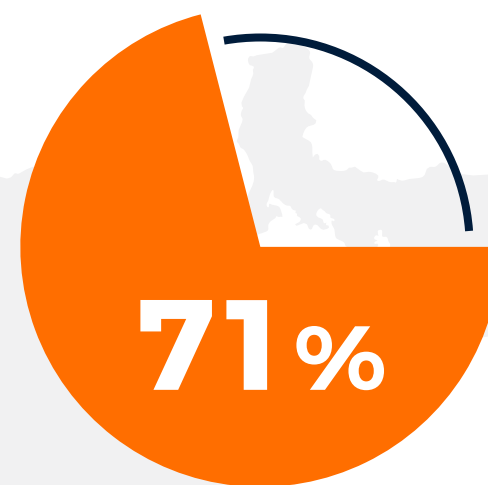
8 exits

full and partial till date

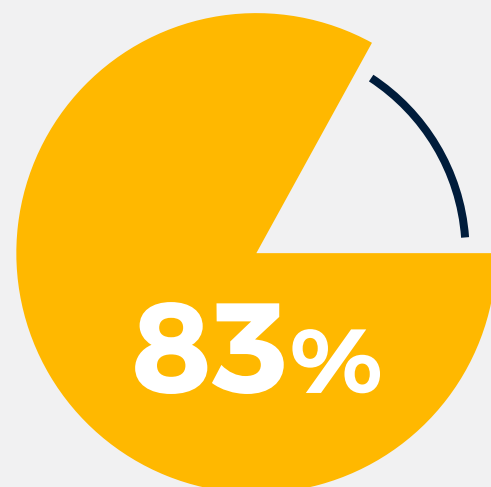
Ecosystem Impact



Companies where we were the first institutional investor



Companies that were started by first-time entrepreneurs



Companies we invested in at seed stage



90+
advisors on-board¹



206+
ecosystem partners²



11 active
fund I portfolio companies

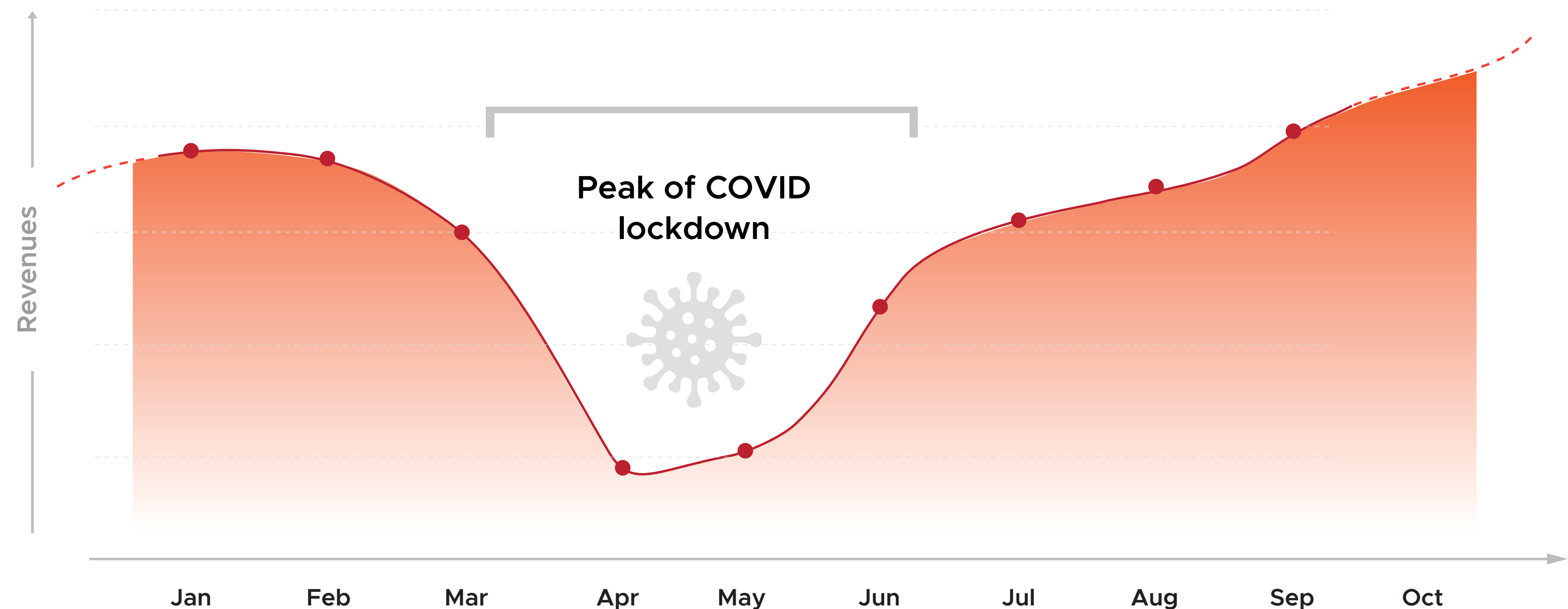


13 active
fund II portfolio companies

1. Advisors include board members, venture advisors, voluntary advisors and mentors.
2. Ecosystem partners include non-financial relationships that help scale businesses. e.g., trade associations, governmental agencies etc.

Portfolio Recovery Trend

In early March, we rapidly pushed our portfolio to take decisive actions and prepare for the pandemic. Our team ensured every company optimized its operations and extended its runway to at least 12 to 24 months and beyond. We have been working with them closely over the past year to make them “Covid-proof” to the extent possible, while preparing them for new opportunities as the economy opens back up.



Average revenue of portfolio companies during the pandemic

PART 02

Sector-wise Impact

In response to the COVID-19 pandemic, the Government of India imposed strict lockdown measures to restrict people's movement across the country in an attempt to slow the spread of the virus. While lives were saved, businesses were severely impacted. Here's a snapshot of our focus sectors:

↳ **JOBTECH**

↳ **FINTECH**

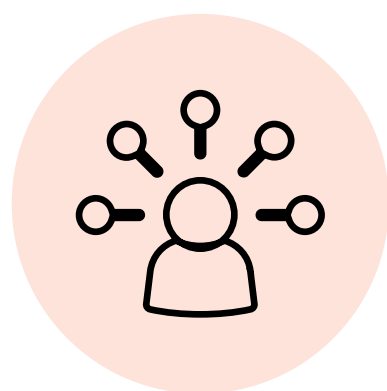
↳ **HEALTHCARE**

India has a workforce of over **500 million** and adds nearly **12 million youth to this pool** each year. A large majority of this workforce lacks the skills that are necessary for jobs, which in turn has caused the **unemployment rate to touch 9.1%** as of December 2020 - the highest in the past six months.

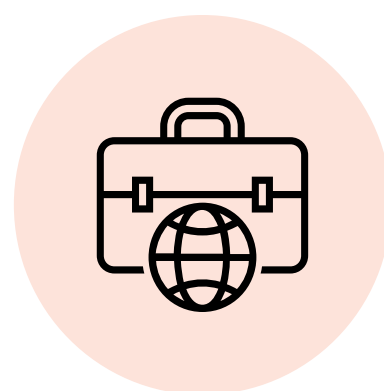
This underscores the need for tech-based solutions that help jobseekers upskill and find the right kind of employment opportunities - a vertical we call “JobTech”. In the past year, JobTech has become even more critical for our economy to recover from the crisis created by the pandemic.



Primary sub-sectors of focus



**Upskilling for
career change**



**Gig
work**



**Job
matching**



**Skills for jobs
of tomorrow**

¹. This report Foreword, impact under JobTech sector covers impact created by companies across education, business services and jobs.

Challenges during COVID



Job losses due to the lockdowns: As businesses tried to conserve cash to stay afloat, many downsized their employee base, resulting in a cumulative job loss of 11 million jobs between April and July 2020.



Hiring freeze by employers: Businesses not only downsized, but also naturally stopped hiring new employees, leaving many job seekers in a lurch.

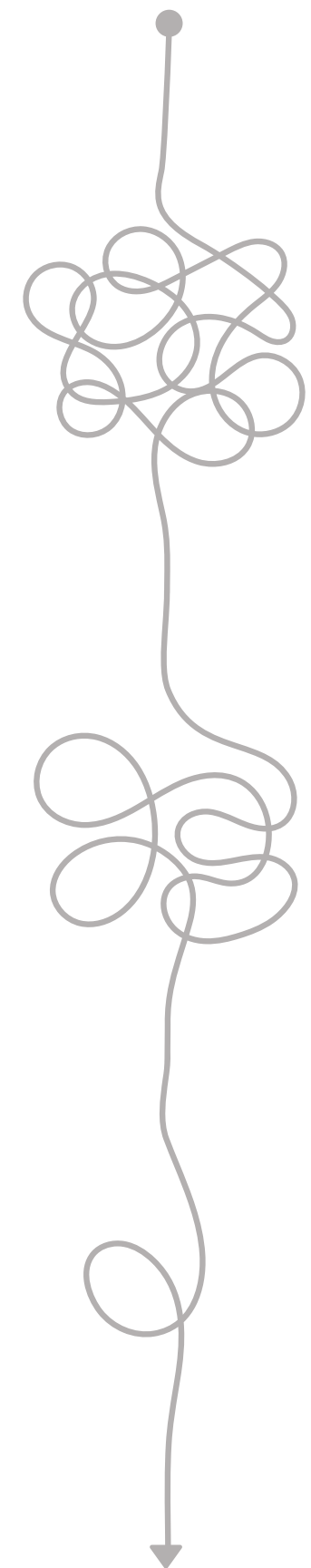
Market innovation during COVID



Demand for courses for upskilling: Job losses pushed professionals to look for solutions that would equip them with the skills to remain relevant in the workforce, resulting in a rise in the number of short-term courses focused on upskilling.

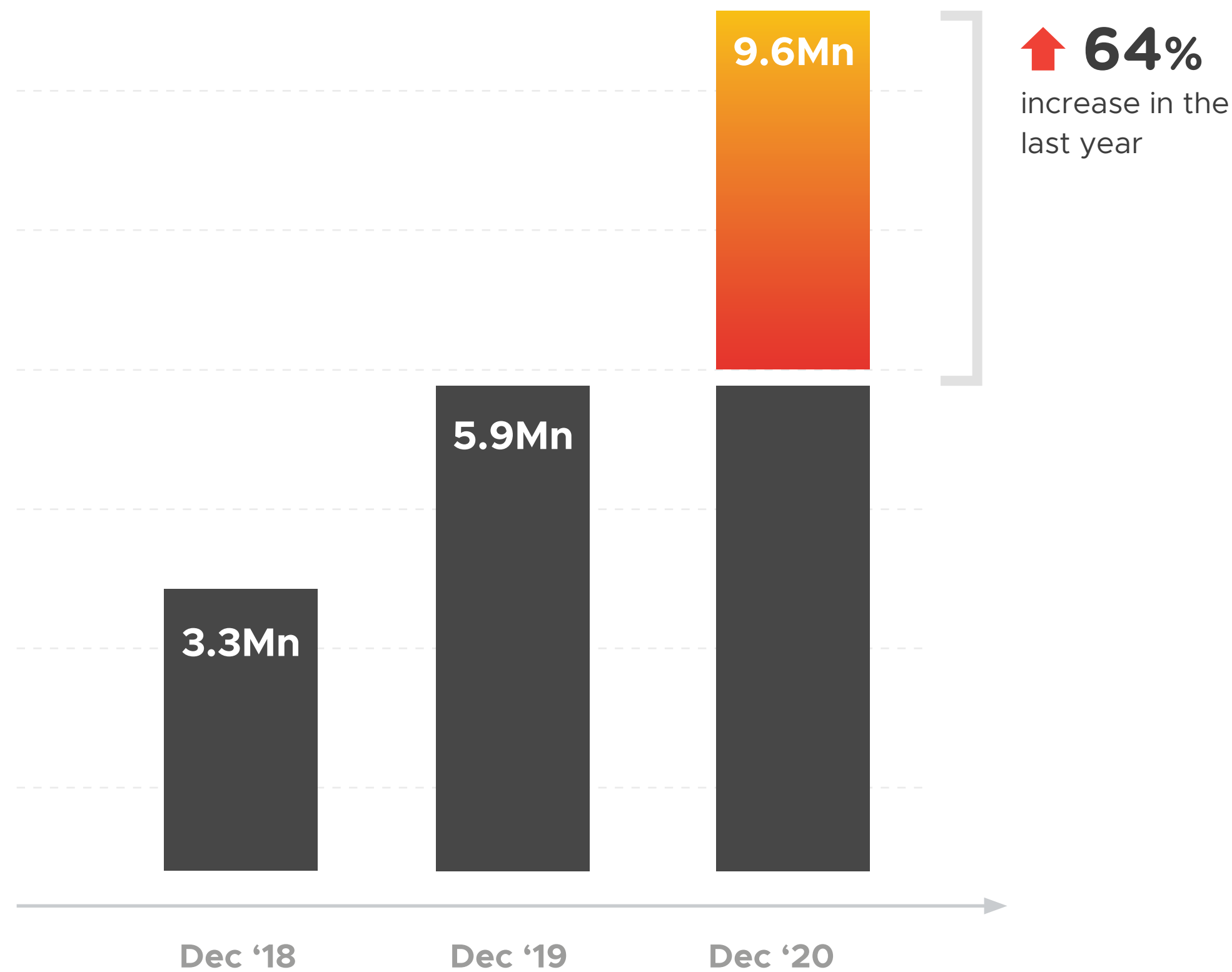



Moving towards gigs: Another way companies were able to reduce costs was by moving workers from a fixed to a variable pay structure, akin to freelancing, drawing focus to the importance of “gigs” - smaller jobs that are shorter term.



Social Impact in Sector

Cumulative number of BoP lives impacted¹

9.6Mn
BoP lives impacted¹

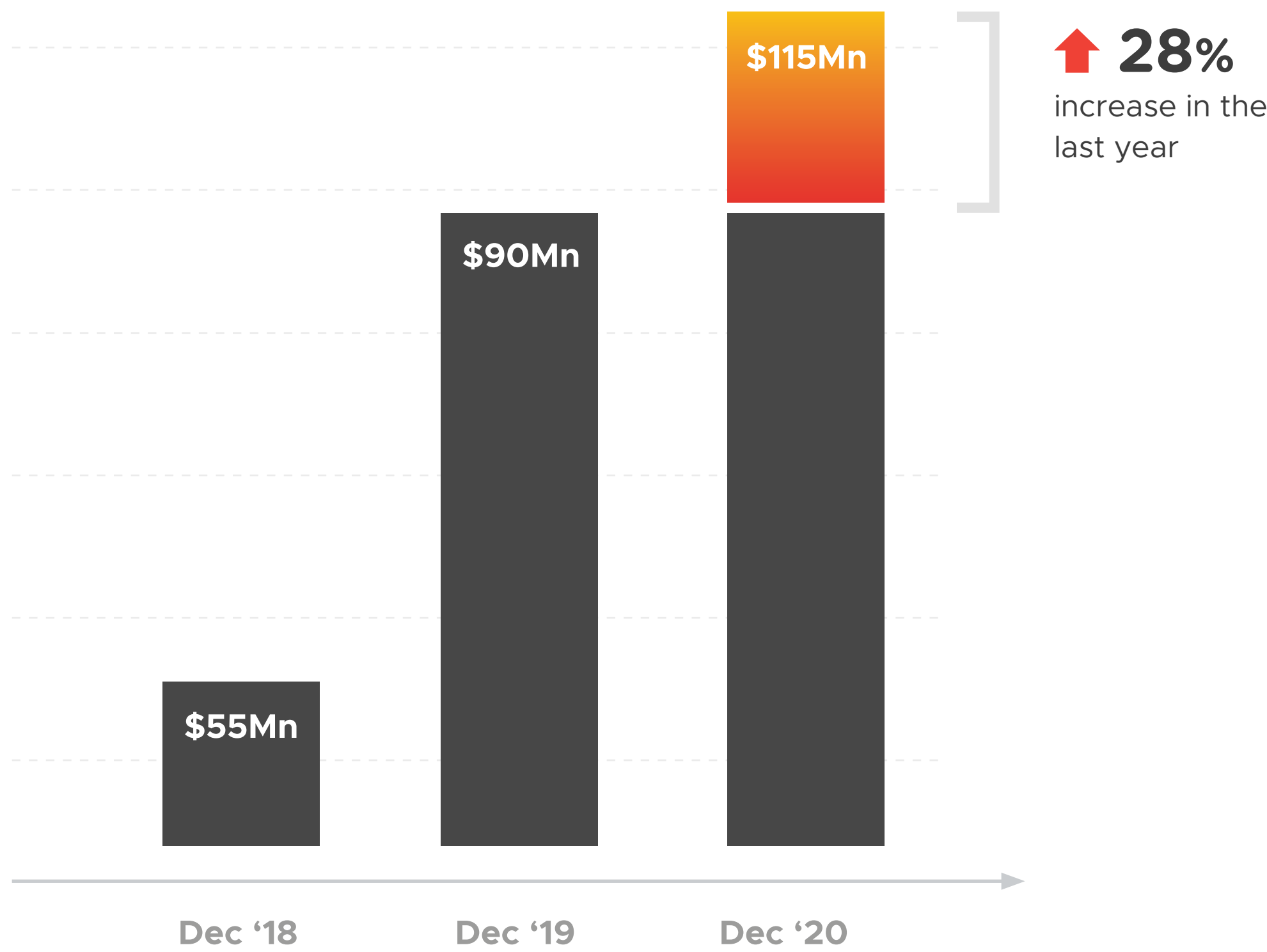


9,221
active jobs on payroll

¹. BoP lives impacted includes impact to general BoP consumers like students, patients, artisans, borrowers and gig workers.

Financial Impact in Sector


Cumulative revenue generated across portfolio





\$115Mn

overall revenue generated



7.2x

additional capital raised

Portfolio Showcase



Blowhorn is a marketplace for intra-city logistics using mini trucks. From micro-warehousing to hyperlocal distribution, they provide same-day delivery for a variety of intracity logistics needs.



4500+

Active drivers on the platform

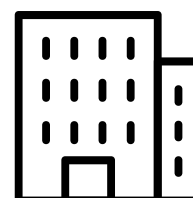


1.2x

Avg increase in income / driver



Awign works with enterprises to take up work like auditing, diligence, proctoring etc., across India at a large scale. They break projects down into uni-skill tasks and get them fulfilled end to end, through highly trained gig workers.



400k+

Gig enablers on the platform



7000+

Number of pincodes covered

FinTech

With more than 600 million users and steadily growing, India is now the second-largest internet market in the world. Low-cost technology has democratized access to the internet. With growing willingness among Indians to borrow, ease of access to credit has put FinTech at the forefront of innovation.

Expected to reach a value of **\$83B by 2025**, FinTech will only become more critical as our economy recovers from the pandemic.



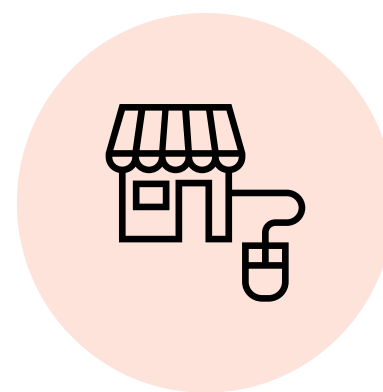
Primary sub-sectors of focus



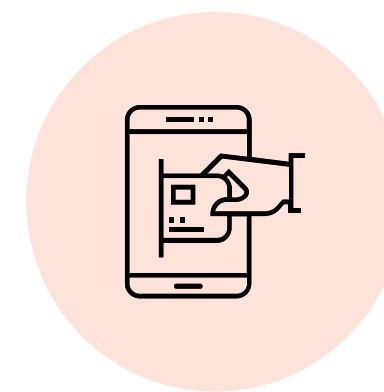
**Vertical focused
lending**



**Savings & investment
platforms**



**SME digitization
& lending**



**Last-mile financial
services distribution**

Challenges during COVID



Govt. declared a 6-month EMI holiday during lockdown: This affected all lenders as they were unable to collect cash from their borrowers. They reacted by stopping all new disbursements and going into cash conservation mode. Cash flow issues and NPAs spiked in the short term.



Inability to do KYC led to reduced lending: Since KYC field verifications involved in-person interactions and were high-risk, companies had to avoid them. This hindered the NBFCs' ability to price loans and determine risk accurately which led to a further reduction in disbursement.

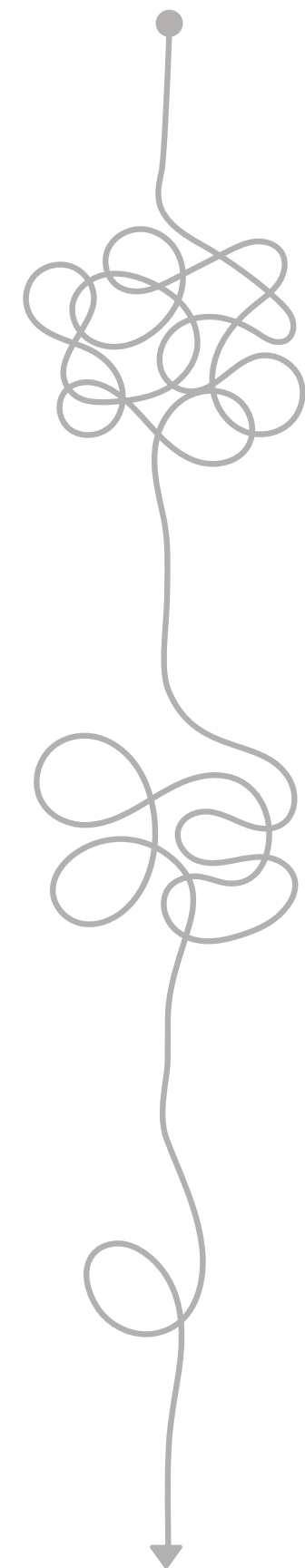
Market Innovation during COVID



Move to contactless verification: Companies adapted to the situation and built technology and set processes to make their onboarding nearly wholly digital. Now verification, onboarding, credit checks, loan disbursement as well as collection happens with minimal paperwork.

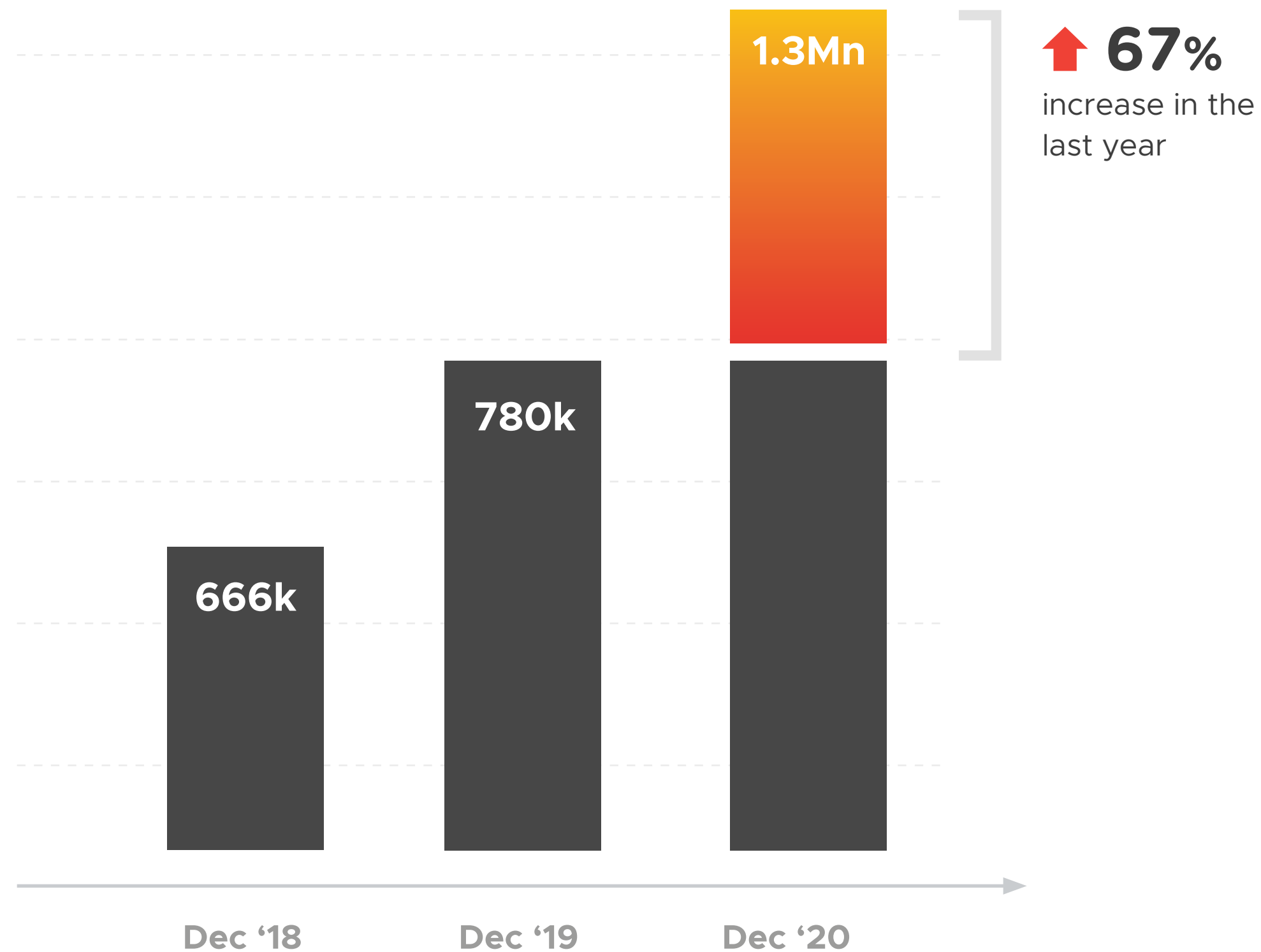



Digitization of processes in SMEs: The lockdown pushed SMEs to reevaluate their processes, leading to a rise in the number of software solutions that help them manage their businesses better. These solutions, in turn, are able to monetize through loans, supply chain optimization, lead generation etc.



Social Impact in Sector

Cumulative number of BoP lives impacted¹

1.3Mn
BoP lives impacted

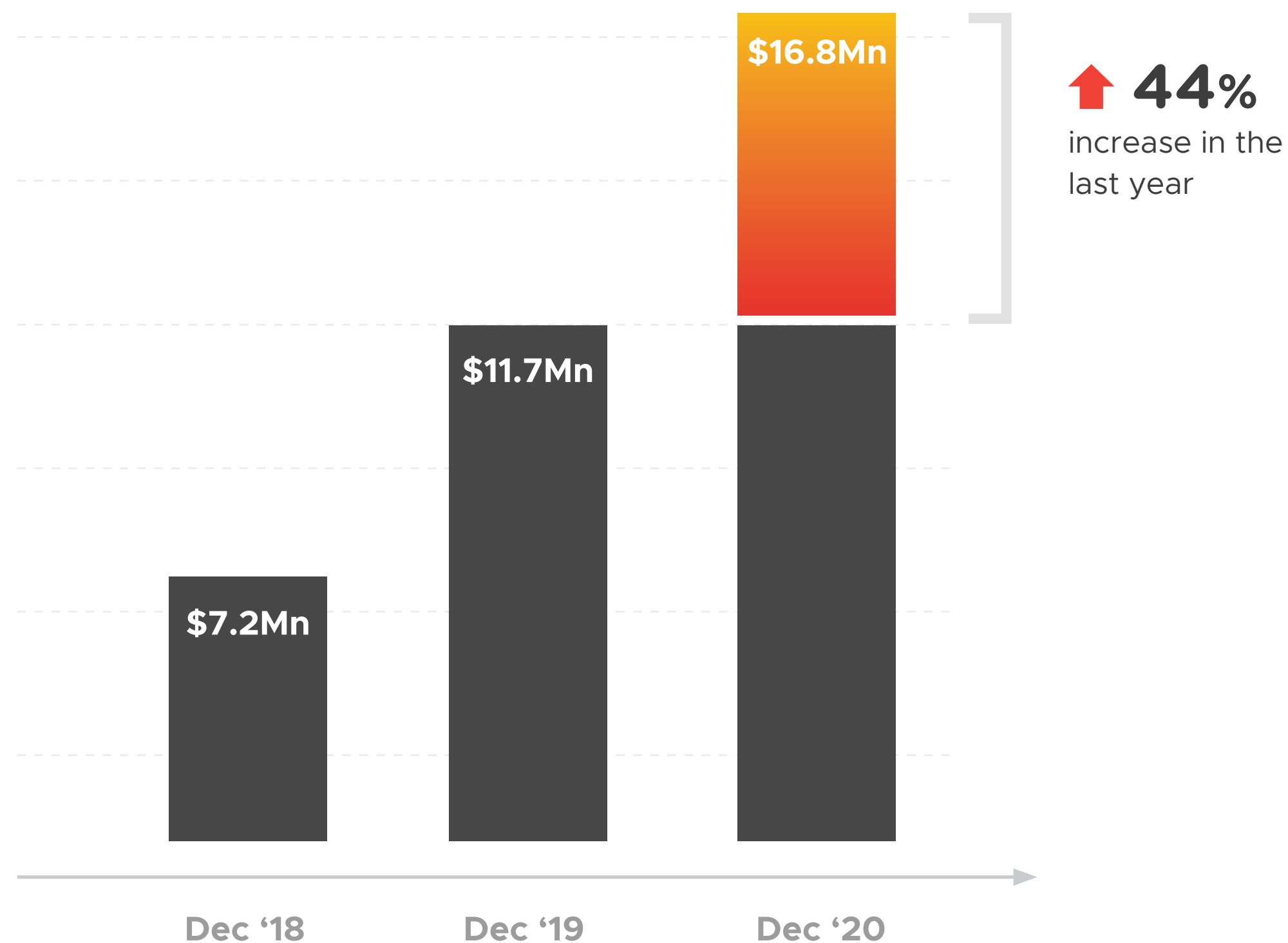


560
active jobs on payroll

¹. BoP lives impacted includes impact to general BoP consumers like students, patients, artisans, borrowers and gig workers.

Financial Impact in Sector

Cumulative revenue generated across portfolio



\$16.8Mn

overall revenue generated



4.5x

additional capital raised

Portfolio Showcase

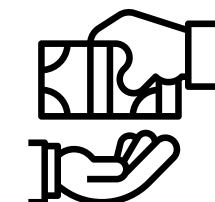


Eduvanz is a new-age digital finance company that provides education loans starting from zero interest for students and skill seekers.



20k+

Skill seekers on the platform



INR 69k

Average loan amount disbursed



Milaap is an online crowdfunding platform that enables anyone across the globe to raise funds for healthcare, education, sports, disaster relief and other personal causes, with great ease.



830k+

Number of lives touched



INR 70k

Average amount raised per campaign

Healthcare

India's healthcare infrastructure has long been plagued by a host of problems - lack of access to healthcare services in rural India, a shortage of trained specialists (physicians and diagnosticians) and poor utilization of technology to improve outcomes.

The sector is in need of an overhaul and businesses offering products and solutions that are on the cutting edge of health tech are leading the way.



Primary sub-sectors of focus



**Medical
devices**



**Healthcare
services**



**Digital
health**



**Health analytics
and AI**

Challenges during COVID



Lack of access to healthcare services: Owing to the risks of physically visiting healthcare settings, many people turned to telehealth solutions for their medical needs.



Exacerbated mental health issues: The pandemic pushed the existing mental health problems to the edge owing to isolation, fear, lack of social interaction, loss of livelihoods, etc.

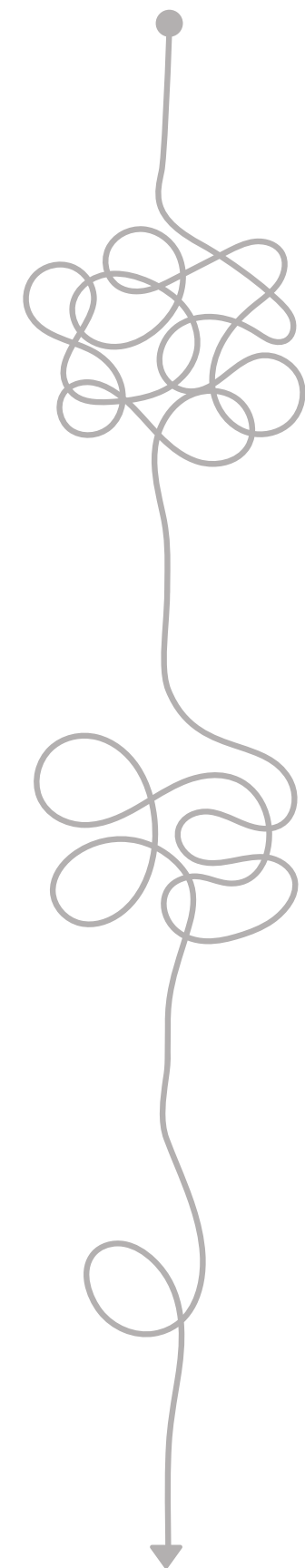
Market innovation during COVID



High adoption of telemedicine solutions: This quick jump can be attributed to lack of alternatives. Given the ease of accessibility, comparable quality of consultations and reduced risk of exposure to the virus, telemedicine is here to stay.

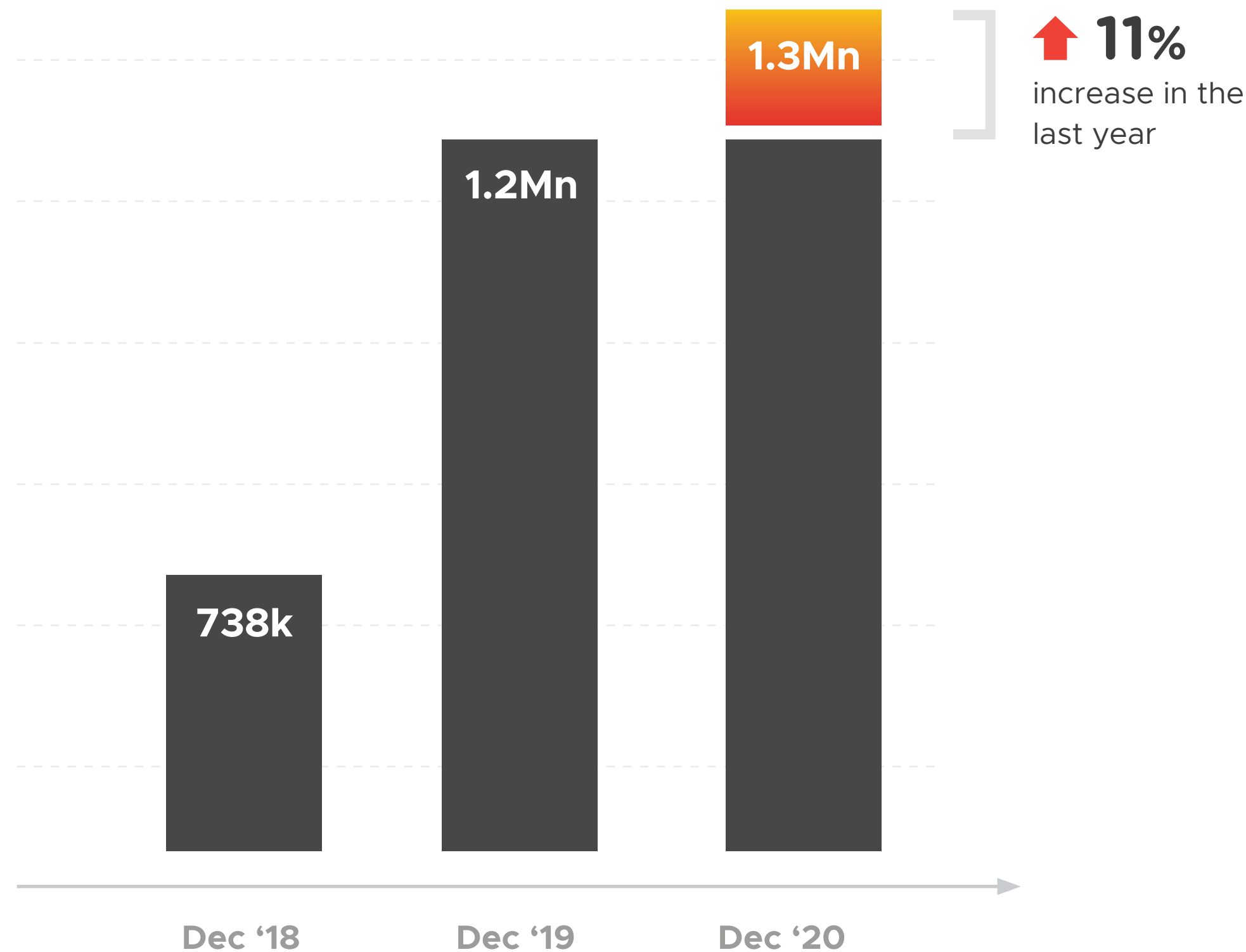


Use of AI for diagnosis: During the lockdown, the inherent weaknesses in India's healthcare infrastructure were uncovered, especially the poor distribution of specialists and physicians in tier 2, 3 India. AI in healthcare continues to play a critical role by improving the efficiency, accuracy and accessibility of these services.



Social Impact in Sector

Cumulative number of BoP lives impacted¹



1.3Mn
BoP lives impacted

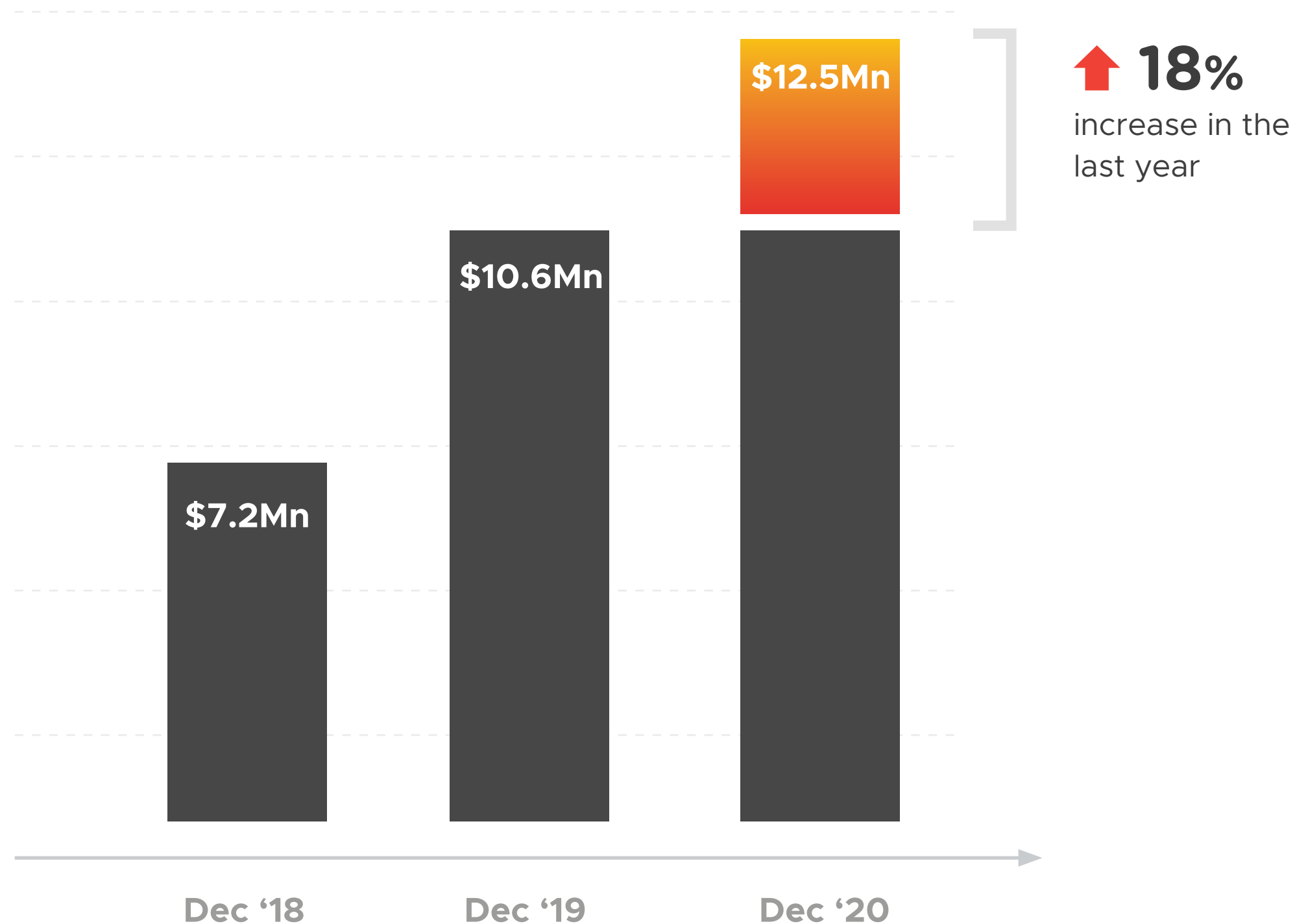


564
active jobs on payroll

¹. BoP lives impacted includes impact to general BoP consumers like students, patients, artisans, borrowers and gig workers.

Financial Impact in Sector

Cumulative revenue generated across portfolio



\$12.5Mn

overall revenue generated



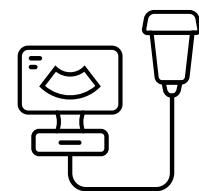
1.5x

additional capital raised

Portfolio Showcase



UE LifeSciences' flagship product, iBreastExam, is a high-tech, portable, radiation-free device that has the potential to provide millions of women access to a painless breast health examination and early detection of breast lesions.



262k
Scans done
across the globe



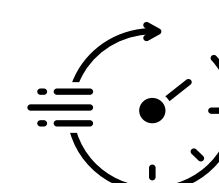
15k
Potential cancer
cases detected



5C Network is an AI-powered radiology platform connecting trained radiologists with patients in remote geographies who have limited access to quality diagnostics.



900k
Scans performed
in tier 2/3 cities



37mins
Average turnaround
time for a report

PART 03

Fund Showcase

Summary of performance of Unitus Fund I & Fund II investments in the year 2020. Here's a quick snapshot of what you can expect in the next few pages:

↳ **OUR INVESTORS**

↳ **MEDIA COVERAGE**

↳ **PORTFOLIO SNAPSHOT**

Our Investors



Unitus in the Press

THE HINDU
BusinessLine

Impact investing is not about subsidised capital, it is about benchmarked returns

[Read Here >](#)

Inc42

Surya Mantha of Unitus on backing Innovations that Impact India's digital first-timers

[Read Here >](#)

live**mint**

Unitus plans investments across jobtech, fintech, healthcare sectors

[Read Here >](#)

Read more about the impactful work being done by two of our portfolio companies, [Betterplace](#) and [Masai School](#).



Active Portfolio



Tech platform that connects radiologists and hospitals/ diagnostic centres, giving the latter access to quick and high-quality radiology services.



Pediatric healthcare services such as health checkups, mental health services and quality health education at affordable prices, delivered through schools.



Tech platform for businesses to execute tasks, packaged as paid micro-internships for college students.



Digital trust platform for blue-collar workers, which allows them access to jobs, training, financial services, healthcare and others.



Marketplace for intra-city logistics using mini trucks.



Premium retail brand that gives Indian artisans training and market linkages, leading to improved incomes and livelihoods.



After-school math program for K-8 distributed through micro franchisees run by stay-at-home women.



Affordable eye-tracking-based diagnostic and rehabilitation solutions for neuro vestibular disorders.



Tech-enabled service providing on-demand, background-verified drivers for private vehicles and businesses.



Access to affordable financing for skill development and vocational training courses.



On demand staffing platform that optimises priorities of businesses and of gig workers.



Online marketplace that leverages technology to connect weavers and artisans with domestic and international buyers.



Access to tech-enabled high-quality pre-school services to children in rural India.



Digital platform that uses data science and medical science to enable health and life insurance products for the masses.



Digital platform for group savings and borrowing that helps low-income individuals and small businesses gain access to capital.



Masai School is a 21st-century career focussed coding school.



India's largest online crowdfunding platform that helps raise funds for healthcare causes from domestic and global donors.



Customer-centric, blockchain-based platform for last-mile delivery of affordable financial services.



Deep-learning platform for analysis of radiology imaging applied to oncology.



AI based platform that provides real-time assistance to customer service agents during calls.



Aiding millions of India's households to access financial security.



Non-invasive, pain-free, low-cost and easy-to-use breast cancer screening services.



Tool for blue-collared workers to learn conversational English for the workplace, through chatbots and live tutoring.

Annual Impact Report 2020

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ventures



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