

Insaan Annual Report 2022



Letter

Farahnaz Karim, Founder & CEO

Dear Insaan Friends,

On behalf of the Insaan team, I extend our deepest gratitude for your support and engagement as philanthropists, impact investors, co-investors, investees, pro bono experts, board directors, or fellows. Thank you.

Each year, we learn, relearn, un-learn.

Before I share our greatest lessons learnt this year, let me reiterate the theoretical premise on which Insaan was founded.

In a capitalistic economy with governmental incentives to redistribute wealth through donations (in most countries), the buyer of the service is the philanthropist, and the client of the service is the non-profit that is aiming to serve its customer. In this paradigm, the end-user, the ultimate client that the non-profit is meant to serve is left out of this market transaction - as it is not the one effectively buying the service. In other words, the philanthropic market is de facto designed to side-line the end-user, the artisan, patient, farmer, student, marginalised community represented by the non-profit.

To resolve this tension, Insaan has always believed, before the terminology of impact was trending, that any metrics of 'success' in doing good had to embed the voice, image,

video,¹ testimonial of the end-users in their own words, in their own language, in addition to the quantitative reach. In essence, impact is a story about the 'secondary' client in the philanthropic transaction.² Impact is fundamentally about the [forgotten stakeholder](#).

But Insaan also makes investments into social enterprises, emerging ventures solving challenges in low-income markets, where, there, the client is indeed the end-user. School models who focus on students' learning outcomes. Health clinics whose data on patients and their health outcomes is their core business. This makes the story simple, as you will see in our data.

Our data is not perfect. It is mostly verified by financial transactions, impact reports, and through our governance role, but verification of impact data on a regular basis in remote geographies requires resources to go to the field that no donor – at least none that we have met so far – allows.

We are delighted nevertheless to present you with our first catalytic investment report, which we hope you will find both transparent and meaningful. Every point of data is backed by documentary evidence.

In this report, we share what it means to hijack capitalism - which naturally tends to gravitate towards fast returns in lucrative markets, and instead channel capital to innovative models focused on low-income or under-served markets that have the potential to change many lives, for better, for good. This is Insaan's mission.

So what have we learnt this year?

✿ We are no longer confined to being experts in philanthropy as we operate in the space of catalytic capital. We mostly take equity stakes into early innovative ventures, but understand that these businesses are nascent, target an unsustainable 'client' by definition, in under-served and/or low-income markets, and therefore will need what we call '[timely capital](#)' and blended capital (grant, investment, or debt) to achieve sustainability.

✿ We believe that high-performing impact entities can be set up as non-profits or for-profits. The legal *façade* is just that, and in fact the boundaries between public, private, and philanthropic capital are increasingly blurred as all actors work with one another and understand that different sources of capital are needed through different growth journeys and risk stages. We are moving from a linear view to a matrix view.

✿ We learnt that philanthropists are also impact investors, and that when we raise funds we can bring along philanthropists as co-investors, for profit, for impact, with their own structures in place. Nothing needs to be re-invented. It just needs a little imagination and a lot of purpose.

✿ We learnt that our funders have so much more to offer than capital. They have vision, passion, an array of skill sets as entrepreneurs, creatives, technology architects, and a thirst to make a dent in seemingly insurmountable global problems, or simply animated, like us, by a desire to leave a legacy - however small.

✿ We learnt that in its broadest sense, the love of humanity, is about so many other things than efficient tax management. It is about connecting a 'donor' to explain currency fluctuation management in Guinea to an emergent fintech. It is about passionate Indian families trying to crack the code of democratizing quality education to millions of under-served children in India. It is about companies wanting to give back, beyond marketing campaigns. It is about a Canadian finance expert thinking with us about how to use capital to make the world slightly more equal and scale our collective impact, our [Impact Footprint](#).

✿ Most importantly, we learnt that Insaan, which means human, is about living a fulfilled life and hearing a whisper, as Roman emperors did: 'memento mori'. Insaan is also about legacy, about bequests, about conversations around the human condition.

As we build for scale, I am reminded of a saying attributed to Mahatma Gandhi: 'happiness is when what you think, what you say, and what you do are in harmony'. Here is to our continued journeys of fulfilment.

With gratitude,



¹ See [Insaan's YouTube channel](#).

² This why Insaan's logo represents the donor/investor, the non-profit/investee, the end-user, and Insaan, together creating the four-petal flower, and multiplying it.



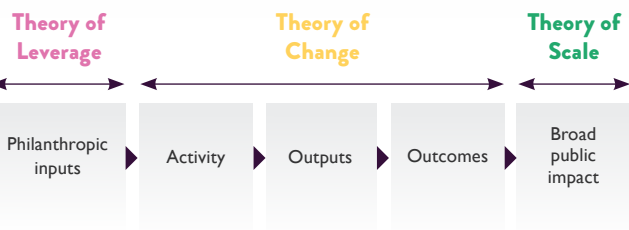
Catalytic Investments

Investment Thesis

Insaan invests in solutions to poverty.

We invest catalytic capital in early-stage ventures that create employment and/or deliver a service or product relevant to low-income markets.

Insaan’s Philanthropic Logic Model¹



Theory of Leverage

Each philanthropic contribution to Insaan is maximized or leveraged by pooling resources from various funders globally, investing in early-stage ventures that attract further capital after Insaan’s catalytic support, and re-investing returns after an exit to catalyze further ventures.

	Metrics
Total (Invested): Total (Current Valuation):	\$1,577,025 \$1,615,035
Total (Excluding Non-Profit):	\$551,585
Investment stage:	Pre-seed - Seed
Capital raised post-Insaan:	10x - 272x
Multiple (<i>Estimated at 31 December 2022</i>):	0x - 3.56x
Total Balance Sheet: ²	\$891,376

¹ The Essence of Strategic Giving, Peter Frumkin, 2010.

² This is the conservative book value.

³ 100% of Insaan’s targeted communities or end-users are from poorer, marginalized and/or under-served markets and live around \$5.50 a day or less – the threshold of poverty as defined by the World Bank.

As Insaan’s ethos is about humanity, we reject labels such as ‘black’ or ‘brown’ and continue to work where we always have, not as a matter of trend or political correctness but simply because ‘No Poverty’ as a primary goal (SDG 1) implies building a more equitable world regardless of colour, religion, nationality, ethnicity or gender preference.

Impact Investments

Number of equity investments (and blended capital)	8	Businesses founded co-founded or led by women	60%
Non-profit grant	1	Exit	1

Impact Geography

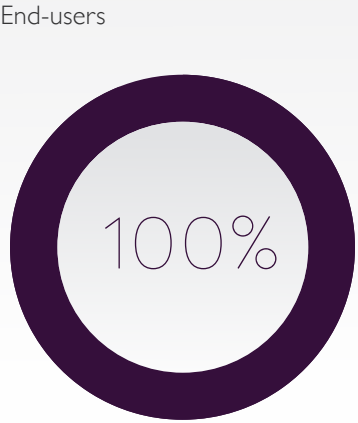


Theory of Change

If we make catalytic investments - with a gender lens - in sub-Saharan Africa and South Asia around education, health, and supply chain ventures then we could impact millions of lives positively through relevant products or services and/or employment creation.

	Metrics
Number of lives changed (2022):	500,000
Number of lives changed (cumulative):	+1,000,000
Gender:	75% girl/ women beneficiaries

Diversity Equity Inclusion³



Theory of Scale

Insaan investments, through their ability to support the emergence and growth of start-ups, measured in financial and impact terms, ultimately aim to test the expansion and/or replicability of innovative models that improve lives of the world’s underserved.

		Metrics
Health Model	Geographic expansion (2022):	14 health sites in 5 counties in Kenya
	Innovative model (for underserved markets):	Franchise model and telemedicine
Education Model	Geographic expansion:	4 states in India
	Innovative model:	Schools in slums model replicated in 1000 government schools in UP and 700 schools in Gujarat and Bihar
Supply chain Model	Geographic expansion:	Global online sales – retail, wholesale, Amazon
	Innovative model:	B2B supply chain technology platforms



Impact Footprint


Insaan fosters systemic change through innovation.

[Impact Footprint](#)TM - a platform imagined by Insaan, features innovative solutions contributing to the United Nations Sustainable Development Goals. Powered by accessible, standardised data, it enables changemakers to showcase their story and impact, and allows philanthropists and impact investors to discover and accelerate the financing of local solutions.





















	Organisations
Publications (2022):	<p>Logos of Impact Entrepreneur, Alliance, Indiaspora, Circle Mena, and 365.</p>
Insaan Fellow (2022):	<p>Logo of Amherst College.</p>
Pro bono Partnerships (2022):	<p>Logo of Thomson Reuters Foundation.</p>

Portfolio Overview

Africa

	SDGs Alignments	Mission & Alignments with Insaan	Investment date	Initial Amount	Current valuation	Multiple	Annual metrics	Governance	Gender UN 2x Challenge	
									Founded, co-founded or led by women	Products or services specifically or disproportionately benefit women
	 	Soko is an ethical fashion accessories brand and mobile technology-driven manufacturing platform from Kenya that brings together artisan communities with consumers worldwide.	9-Dec-2013 5-Nov-2022 (exit)	\$50,000	\$0	0x		n/a	✓	✓
	 	Access Afya is a digital-savvy, outcome-centered, data-driven health company focused on adapting health innovations for underserved communities in Kenya.	5-Oct-2016	\$100,000	\$109,775 (audited 2019)	1.1x		Board - Observer Proxy Vote for CRI	✓	✓
	  	Powered by People is a B2B transaction platform from Kenya, connecting creative manufacturers in resource-poor communities in Africa, Asia and Latin America with international buyers.	22-Dec-2019	\$50,000 (converted)	\$178,235 (current)	3.56x		Impact advisory committee	✓	✓
	  	Malakass is on a mission to contribute to the development of the cassava sector around Tulear (Toliara), in the Atsimo-Andrefana region of Madagascar, through an eco-conscious factory.	17-Dec-2021	\$69,550	\$69,550	1x		Board Impact committee member (Co-investment with Miarakap)	✗	✗
Total				\$269,550	\$357,560					

India

	SDGs Alignments	Mission & Alignments with Insaan	Investment date	Initial Amount	Current valuation	Multiple	Annual metrics	Governance	Gender UN 2x Challenge	
									Founded, co-founded or led by women	Products or services specifically or disproportionately benefit women
	 	Gyan Shala designs highly structured curricula to deliver low-cost, quality education to children living in slums in India.	10-Oct-2012	\$985,216	\$985,216	Non-profit		Advisor	✓	✓
	 	Mela Artisans is a luxury lifestyle brand that celebrates India's artisanal skills and fosters entrepreneurship and social revival in poor communities in India.	21-Aug-2013	\$125,000	\$75,000 (audited 2019)	0.6x		Board - Observer Impact committee member	✓	✗
	 	Essmart is an Indian rural retailer e-commerce platform for curated livelihood and climate-resilient products such as solar lamps and biomass stoves.	31-Jul-2021	\$50,000	\$50,000	1x		Board - Observer In partnership with KSF Impact	✓	✗
	  	Aakar Innovations, whose revolutionary technology has received a Government of India patent, aims to be a solution provider in menstrual hygiene, and other related products.	12-Feb-2022	\$97,259	\$97,259	1x		Board - Observer Impact committee member In partnership with Artha Impact	✗	✓
		Lal10 is a wholesale platform for handicraft enterprises in India, driving a maker's revolution by digitizing small and medium rural manufacturers to take their sustainable products to global markets.	28-July-2022	\$50,000	\$50,000	1x		Advisor	✗	✓
Total				\$1,307,475	\$1,257,475					
Grand Total				\$1,577,025	\$1,615,035					

SOKO

Company	Soko Inc.
Country	Kenya
Investment Date	9 December 2013
Exit Date	5 November 2022
Sale	\$550,000
To an Impact Fund	EMG Africa - Essence Ventures
Reason	Missed profitability milestone



Soko is an ethical fashion accessories brand and mobile technology-driven manufacturing platform from Kenya that brings together artisan communities with consumers worldwide.

\$1,000,000	40	5,000	\$3,100,000
Injection (2022)	Employees	Artisans/ Families	Total revenue for artisans



Company	Powered by People
Country	Kenya/Global
Investment Date	22 December 2019
Amount	\$50,000
Current Valuation	\$178,235
Multiple	3.56x

In Q4 2022, PBP raised over \$13.65M, including:

- \$8M from Altos Ventures
- \$5.65M in grant from Unilever and Mastercard to support equal market access for marginalized communities
- \$500,000 from TRANSFORM partners (EY, UK Foreign Office, Unilever) on makers' pipeline development



Powered by People is a B2B transaction platform from Kenya, connecting creative manufacturers in resource-poor communities in Africa, Asia and Latin America with international buyers.

\$160,000	\$1,600,000	836	240	150,000
Revenue (2022)	GMV (2022)	Activated buyers	Activated makers	Artisans (employment target)



Company	Access Afya
Country	Kenya
Investment Date	5 October 2016
Amount	\$100,000
Current Valuation	\$109,775
Multiple	1.1x Currently raising



Access Afya is a digital-savvy, outcome-centered, data-driven health company focused on adapting health innovations for underserved communities in Kenya.

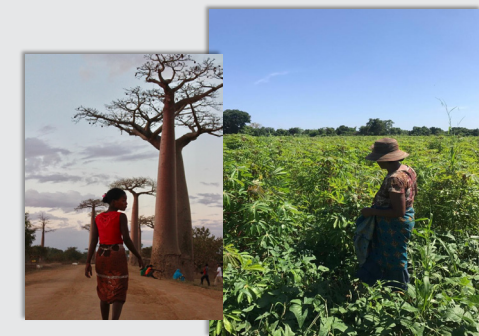
\$183,823	14	470,000	108,282	96%
Revenue (2022)	Facilities	Total patients served	Patients served (2022)	Satisfaction rate



Company	Malakass
Country	Madagascar
Investment Date	17 December 2021
Amount	\$69,550
Current Valuation	\$69,550
Multiple	1x

¹ The production and revenue are not linked as the manufacturing plant is in its launch phase.

² +20 more on daily rate



Malakass is on a mission to contribute to the development of the cassava sector around Tulear (Toliara), in the Atsimo-Andrefana region of Madagascar, through an eco-conscious factory.

\$397¹	21,68	11	20²
Revenue (2022)	Tonnes produced	Clients	Jobs created

India Portfolio



Company	Gyan Shala
Country	India
Investment Date	10 October 2013
Amount	\$985,216
Current Valuation	\$985,216
Multiple	Non-profit model

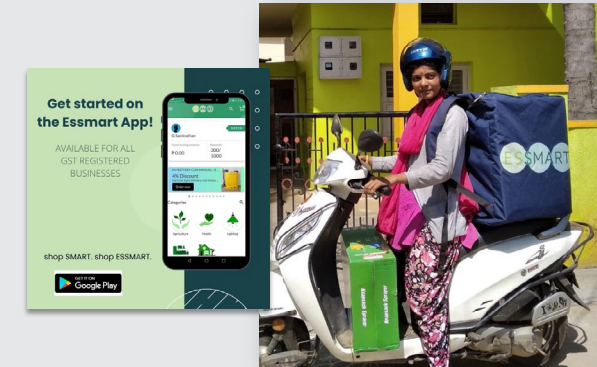


Gyan Shala designs highly structured curricula to deliver low-cost, quality education to children living in slums in India.

\$5	1,031	23,532	80%
Average cost per child	Number of classes in 7 cities (2022)	Students (2022)	Pass rate



Company	Essmart
Country	India
Investment Date	31 July 2021
Amount	\$50,000
Current Valuation	\$50,000
Multiple	1x Currently raising



Essmart is an Indian rural retailer e-commerce platform for curated livelihood and climate-resilient products such as solar lamps and biomass stoves.

\$1,218,103	4,800	293,143	1,207,636
Revenue (2022)	Shops	Clients	People impacted



Company	Mela Artisans
Country	India
Investment Date	21 August 2013
Amount	\$125,000
Current Valuation	\$75,000
Multiple	0.6x



Mela Artisans is a luxury lifestyle brand that celebrates India's artisanal skills and fosters entrepreneurship and social revival in poor communities in India

\$4,006,756	\$2,100,000	1,547	400
Revenue (2022)	Artisans' income	Artisans	Artisan women



Company	Aakar Innovations
Country	India
Investment Date	12 February 2022
Amount	\$97,259
Current Valuation	\$97,259
Multiple	1x Currently raising



Aakar Innovations, whose revolutionary technology has received a Government of India patent, aims to be a solution provider in menstrual hygiene, and other related products.

\$220,766	3	24,121	10,000
Revenue (2022)	Production centres	Sanitary pad packs	Clients

India Portfolio



Company	Lal10
Country	India
Investment Date	28 July 2022
Amount	\$50,000
Current Valuation	\$50,000
Multiple	1x Currently raising



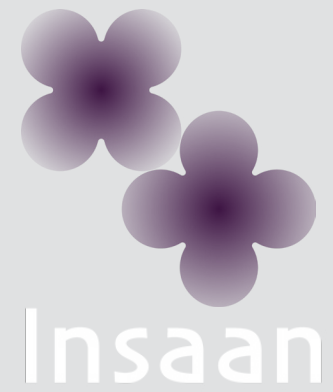
Lal10 is a wholesale platform for handicraft enterprises in India, driving a maker's revolution by digitizing small and medium rural manufacturers to take their sustainable products to global markets.

\$19,000,000	2,252	30	8,000
Revenue (2022)	Artisans' companies (2022)	Crafts revived	Artisans





About Insaan



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