

Ahimsa VC announces the launch of India's first fund focused on sustainable food and materials.

Monday, August 16th, 2021

Bangalore, India: Ahimsa Venture Capital ("Ahimsa VC") is pleased to announce the launch of India's first fund dedicated to investing in startups creating alternatives to animal products, primarily in the food and materials sectors. The fund will be based in India and invest in companies headquartered in India that sell in India and also across the world.

Animal agriculture is an unsustainable industry and causes 14.5% of all human-induced greenhouse gas emissions¹ and also uses 77% of the world's agricultural land to produce just 18% of consumable calories according to the FAO². The industry will need to be transformed in order to reach net-zero emissions by 2050, as recommended by the IPCC's latest sixth assessment report that was issued earlier this month³.

Plant-based alternatives to animal products cause up to 90% less greenhouse gas emissions in their lifecycle and also use 90+% less land and 90+% less water, based on currently available products in other markets⁴. This is particularly relevant in the context of India where over 600 million people face water stress according to a 2018 report by NITI Aayog.

In response to these challenges, we have witnessed the rapid growth of the alternative products industry in the past few years across the globe, as illustrated by the IPOs of Beyond Meat (IPO valuation of [\\$1.46 billion](#)) and Oatly (IPO valuation of [\\$10 billion](#)). [Research](#) from the Good Food Institute shows at least \$3.1B was invested in alternative protein in the year 2020, a 3x increase on 2019 as the Covid-19 pandemic underscored the need to diversify away from animal food and agriculture.

India will have a crucial role in this global shift and is an emerging market in the alternatives space with consumers shifting towards healthier categories⁵ in response to growing causal links between animal products consumption and public health challenges like [cardiovascular disease](#) and [antimicrobial resistance](#). Demonstrating this, a recent market research study found that 62.8% of Indian consumers showed willingness to purchase alternative products like plant-based meat⁶.

Due to the increasing demand for alternatives to animal-based products especially within the younger generation, as well as the efforts of the Good Food Institute India (GFI - India) and Humane Society International (HSI), a number of Indian entrepreneurs are setting up early-stage ventures in this space. Yet despite the demand for such products and the entrepreneurial energy, capital hasn't flowed into this industry yet. Motivated by a desire to invest in a new sunrise sector early, the founding investors set up the Ahimsa VC fund, with the support of Lead Angels.

The \$10 million fund has capital committed from prominent HNIs and foundations and will look to invest in this growing space of early-stage companies in India at the pre-seed and seed stage. The investment team brings extensive experience in early-stage investing in the Indian startup ecosystem and across the world. The fund also has brought onboard advisors and partners with diverse backgrounds to support Indian companies as they create better

solutions to products traditionally sourced from industrialized animal agriculture. Specifically, the fund and its advisors will help portfolio companies with technology, distribution, and overall business guidance.

Coinciding with this launch, the fund is also announcing its first two investments in Brew51 - a plant-based seafood company, as well as Ultraw - a next-gen materials company making sustainable and cost-effective alternatives to leather.

Commenting on the launch, Jay Karandikar, Principal Unovis and part of the Investment Committee at Ahimsa VC, said: "It's been amazing to see the rapid growth in the alternative protein space in India over the past year and a half. In order to address the global issue of animal agriculture effectively, we must address the issue in India. The time is ripe to tap into the ingenuity of Indian entrepreneurs to come up with innovative solutions for this pressing need."

Varun Deshpande, Managing Director at the Good Food Institute India (GFI India) said: "As we navigate the devastating impacts of the Covid-19 pandemic and impending climate crises, India and the world can no longer continue with business as usual. Transformative innovations such as alternative protein represent our best chance at feeding a growing world while stewarding public and planetary health. We've seen promising developments across business, science, & policy as India brings world-class talent, agricultural biodiversity, and manufacturing to the global alt protein table, and we are delighted to support Ahimsa VC in bringing mission-focused, catalytic capital to lead this transformation."

The name Ahimsa VC was inspired by the mission of the fund to free our societies from the unnecessary harms that we inflict on our environment, our health, and on animals. Large-scale animal agriculture is an extremely destructive industry that harms our biodiversity, degrades our environment, and damages our health. Ahimsa VC's mission is to champion a new era of dynamic companies that free us from the harms associated with large-scale animal agriculture.

About Ahimsa VC

Ahimsa VC is a new venture capital fund that is India's first fund investing exclusively in alternatives to animal products across a range of industries. Ahimsa VC provides pre-seed and seed capital to promising startups that develop more sustainable alternatives to traditional products in the food & materials industries. For more information, please visit www.ahimsa.vc

Media Contact: Sushanto Mitra <sushanto@ahimsa.vc>