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LIGHTING UP LIVES

THE DARK KNIGHT OF RURAL INDIA

Is there life beyond profit-centric entrepreneurship? What if corporate India developed a throbbing, thriving social conscience? What if a young Indian returned to his *swades* with an American education and a desire to light up a million dark homes?

By Reema Moudgil



Does that sound like the screenplay of an Ashutosh Gowariker film? Meet Dr. Harish Hande, the co-founder and Managing Director of SELCO-India, a Bangalore-based rural energy service. He's rewriting a million life stories with a solar energy-based, conscience-driven business initiative—in real time, and in real life.

Just crunch the unbelievable numbers. Since 1995, the year of the company's inception, SELCO-India has installed over 95,000 solar lighting systems in rural households.

A Ph.D. in Energy Engineering (Solar) from the University of Massachusetts, U.S.A. (with a specialization in Solar Energy for Developing Countries), Hande lightly dismisses the institutional obsession in India with Ph.D.s. Ironically, it was after he finished his B.Tech (with Honors) in Energy Engineering at IIT, Kharagpur, and while doing his Ph.D. in the U.S. that the idea of bringing energy empowerment to the lesser privileged became more than just an academic idea.

Appalled while studying about rural electrification that he had never experienced life without electricity, Hande went to a Sri Lankan village and lived there for over six months without even a light bulb. Once back in India, he spent more than a year in a village in Karnataka in similar conditions. He learnt firsthand about the powerlessness (literally) that a large part of India deals with on a day-to-day basis.

"SELCO set out to destroy the perception that the poor cannot afford power," says Hande. And when asked how profitable his venture is, he is rather amused, saying, "No one ever asks if [the so-called] profitable businesses are sustainable. No one ever asks why some of the most profitable businesses also make losses. To make your profits sustainable, you have to make your business socially sustainable. CSR [Corporate Social Responsibility] should not

be peripheral, but central to the way companies function." The company has been involved with over 500 small rural and urban health clinics, more than 1,000 rural and semi-urban schools and dormitories, and over 1,500 irrigation and drinking water systems.

For over a decade, SELCO has worked grass-roots upwards to create 25 energy service centers across Karnataka and Gujarat. Its lean, committed and efficient workforce of 170 odd employees serves more than 95,000 satisfied customers. "We would like our technicians to be

nothing, no asset creation to show for it," he says. SELCO-India, on the other hand, is all about asset creation in the real sense of the word.

Hande explains, "Social inequality and the resultant problems, such as the Naxal movement, are far more devastating to India's well-being than natural disasters like the tsunami. SELCO is less than a drop in an ocean, but we are trying to give the daily wage worker—the rural artisan, the silk farmer, the bat maker, the silk weaver, the banana vendor—an opportunity to make a living."

Essentially, by working under a solar lamp instead of a kerosene one, they are given a fighting chance against poverty.

'Piggybacking' on microfinance from regional and rural banks, SELCO also ploughs back its own profits into the business of custom-designed services for the urban and rural poor. Says Hande, "A banana vendor, for instance, wouldn't want a white light, as the spots on his produce would show more. In India, we have a tendency to standardize the needs of the poor and push technology down their throat. SELCO understands that a household in need of energy might need a three light system, with a special light for the area where the woman of the house uses a sewing machine, maybe. We are bringing energy solutions to the end-user's doorstep. We extend a combination of technology and finance to those who need both."

He adds with some measure of irony, "We are supposedly in the 21st century, and we still can't provide a large chunk of our population with something as basic as a light bulb, which Edison designed 130 years ago. Ours is country that has

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not more than two hours away from a customer," says Hande.

There is wry humor in his manner when he reminds you that the global meltdown has seen has some of the biggest financial monoliths fall by the wayside. "But we are still here," he says, indicating how a company in the business of eradicating social inequality, though in its own small way, will never go out of business. He recalls how some of the most highly-paid techies who approached SELCO with their resumes post sudden layoffs. He wonders about the logic of paying professionals inflated salaries, only to render them redundant during a financial crisis.

According to Hande, one of the main reasons why the financial bubble burst worldwide is that most businesses expect to get more than the value of what they create. "You get an unrealistic salary and have

95
thousand

solar lighting systems
across rural households.
Have been set up by
Hande and his army of
like-minded associates.



iPods, sends out space missions, and yet we have nearly 1.5 million deaths every year due to indoor pollution. Seventy percent of our population still cooks with three stones, and yet we talk about an 8 percent growth rate without thinking if this growth is sustainable, if it is empowering everyone."

Next up, SELCO wants to address, among other things, the issue of indoor

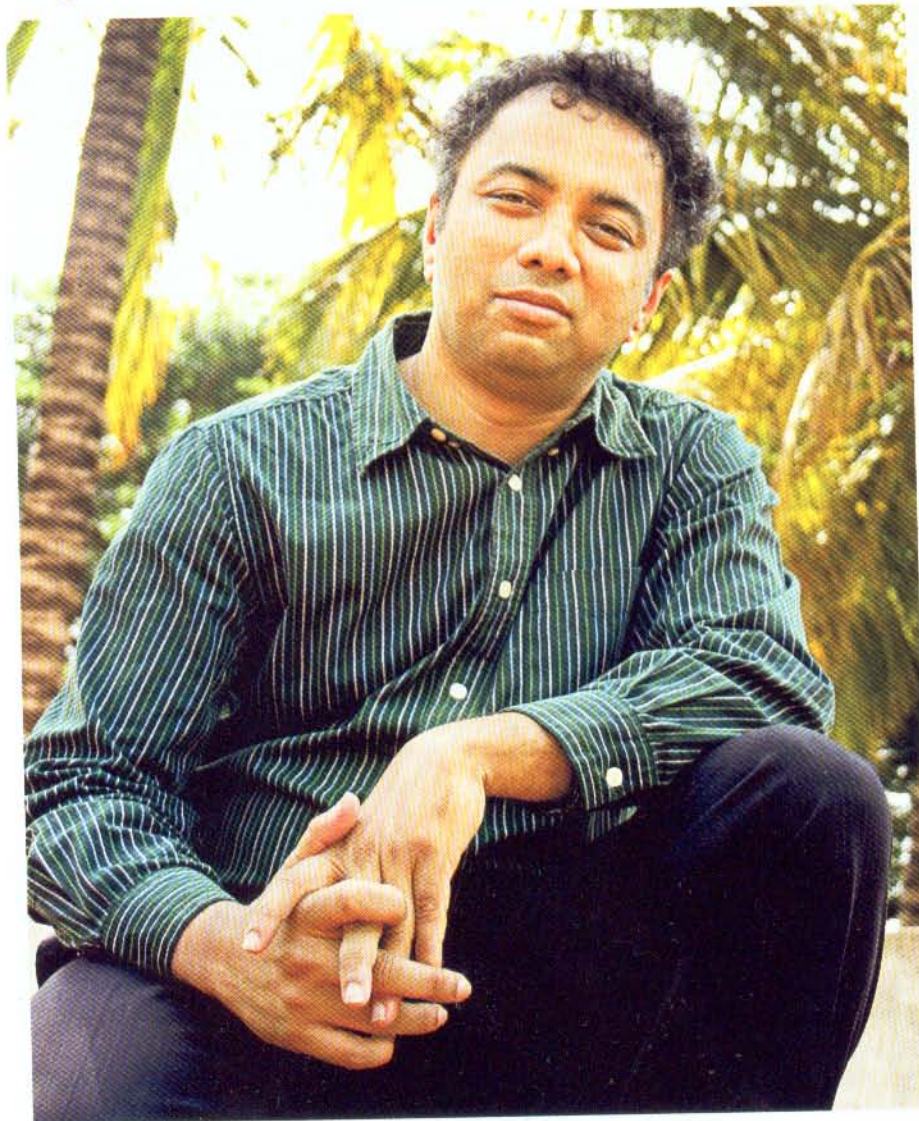
pollution and cooking solutions in tandem with housing organizations. Working with institutions as diverse as slum upgradation societies to MIT, Boston, Hande envisions an energy-efficient future for SELCO and its customers. But what does he most hope for most at this point? "Even though the IT sector enjoys tax breaks, a street vendor who buys a solar lamp has to pay 4 percent tax, 12 percent Central

Sales Tax (CST) and octroi as well!" he says. He hopes that, someday, renewable energy and its consumers will be given enough breathing space to grow.

SELCO-India is described as a 'for profit' company, but the profitability goes beyond balance sheets. As Hande says, "There is the satisfaction that a generation of kids has grown up in villages using solar energy. There is satisfaction when someone comes up and says their child passed the class 10 exam without having to study in candle light, or that a baby was delivered in a well-lit room."

Success has many definitions. For SELCO-India, success is a light bulb and a smile. ☺

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A HELPING HANDE

Dr. Harish Hande founded **SELCO-India** along with Mr. Neville Williams, Chairman, Solar Electric Light Company in 1995.

- **SELCO-India** was the first rural solar service company in India.
- **SELCO-India** created India's first rural solar financing program, utilizing the network of regional rural banks. The model has since been replicated in other parts of the world. It's also responsible for creating India's first sustainable rural service network in the field of renewable energy plans and operations.
- While mainstream energy solutions have made some inroads in rural areas, many will not benefit from these for decades to come due to lack of access or affordability. **SELCO-India** creates and promotes energy services in under-served and un-served areas of India. It attempts to build sustainable links between energy services and income-generating activities.
- **SELCO-India** aims to build a strong service network in rural areas for solar energy systems and other energy services.
- **SELCO-India** has proven that not only NGOs, but for-profit organizations, too, can create social enterprises—and in ways that can easily lead to sustained scalability.