



Stanford eCorner

Beyond Microfinance

Harsha Moily, *Moksha-Yug Access*

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The CEO of Moksha-Yug Access, Harsha Moily, explains how his microfinance institution offers a variety of services to poor rural clients. He explains how clients need more than loans and how insurance serves as a risk mitigation tool for farmers growing crops or raising animals. Moily is optimistic about India's growing economy and predicts that many Indians will rise from poverty in the future.



Transcript

Global X interviews social entrepreneurs who tackled some of the world's biggest problems. They are pioneers of innovation could benefit humanity. I run a company called Moksha-Yug Access India Private Limited. It's a rural infrastructure services company which has a primary focus on microfinance. It's based out of Bagalkot in the state of Karnataka, which is the southern part of India. We have 25,000 customers. We've dispersed loans of close to US\$2 million. We have set up 10 branches. We have 97 employees who are working for us, creating wealth for the poor and we have a huge insurance tribal based. We provide a range of financial services which is loans and health insurance, life insurance, cattle and good insurance products.

Unitus brings the network that they have and also the team that they have. I mean, the team members have diversities right from banking to advertising to just about, you know, consulting and the rest in banking. So this is a real value for a startup neophyte such as us because the way we operate is really focused on microfinance and then make a leverage on microfinance to provide a range of financial services. So in that sense, we're trying to, you know, really innovate in microfinance and having Unitus who do think outside the box is very comforting for us. One primary advice is microfinance shouldn't be looked at as just a microloan. I mean, microfinance is a range of financial services to the poor. So do not focus this on the micro credit, but also look at other financial intervention. So, purely because, you know, if you focus on the customer's needs, you'll find out that they may need more than a loan. They need additional financial services and additional value-added services. So, focus on the needs of the customer and then accordingly provide them the services.

We believe that insurance is a good risk mitigation tool because especially they aid at the operating and sometimes if a cow or a buffalo, you know, dies, you know, the source of income for that client, you know, isn't really there, so it will be tough for her to repay the loan. So in that sense, we provide a risk mitigation tool in the form of an insurance. So in case a cow or a buffalo dies, the insurance form, these are the mortgage to cover their losses. I'm really passionate about this. I cannot be a spectator to what's happening in rule India. I mean, I need to be a player in terms of, you know, making them active participants because India is growing immensely and, really, I'd like to make them, you know, part of that growth stories. I really believe that we have a once-in-a-lifetime opportunity to do something about poverty in India and I believe that the growing economy will enable, you know, me to do this. So, yes, I really couldn't think of much doing anything else other than this, yes. Currently, what's happened is you have 70% of India really, you know, in that sense, left out of all of the good things that life can offer. So I would say, you know, poverty is going to be half in India.

You have pretty much 300 million to 400 million people, you know, living under the poverty line. So I believe at least 80% of that would be alleviated from poverty and, yes, I see technology playing a huge role in terms of getting people out of poverty. Global X is also on Social Edge at socialedge.org.