

Milaap Social Ventures

Financial Inclusion through innovative online platform

Team: *Sourabh Sharma, Anoj Vishwanathan, Mayukh Choudhury*

Milaap catalyzes adoption of basic services for the poor such as quality schools, clean water, safe lighting and produce aggregation. Using a Kiva.org-like marketplace, we leverage financing from global social investors to enable these communities access to life-changing products, services and market linkages at rates 50% cheaper than microcredit. We will create a new class of livelihood finance that values the poor as dignified consumers, suppliers and producers as opposed to mere borrowers.

Despite empirical evidence of poverty alleviation (Mahajan '08), livelihood services such as education, local infrastructure, supply chains valued at \$24B (Drishtee '09) haven't scaled. Microcredit, despite its outreach (30M), doesn't meet this need due to its cookie-cutter approach (informal daily trade, high-interest, short tenor, weekly payments). Milaap addresses this market failure by building livelihood-focused credit programs tailored to the needs & cash flows of poor households.

Milaap partners with grassroots organizations to provide affordable financing in areas such as vocational training, healthcare, energy, water-sanitation, sustainable farming and fair-trade especially where there are few alternatives for affordable credit. These include non-profit MFIs; producer cooperatives; rural distribution chains. We design customized credit programs around \$50-1000 loans with field partners, who are responsible for screening potential borrowers and servicing the loans. We are agnostic to type of loan offering (social "consumption" vs. business), as long as it demonstrates potential for job creation, increased productivity and improved living standards. To crowd-source low-cost, risk-tolerant capital, we've built an online platform using best practices from consumer internet startups, and creating marketing campaigns & partnerships targeting the Indian diasporas and social investors who invest \$50+ on a "principal-only" return basis, as also HNIs and CSR programs.

Sourabh Sharma: CEO & Co-Founder, MicroAppli Pte. Ltd. Co-founded and managed MicroAppli Pte. Ltd. For two years and sold it to OnMobile.

Anoj Vishwanathan: Credit Plus Portfolio of SKS microfinance, carried out extensive field research, Assessed the potential of different credit plus products

Mayukh Choudhury: Business Development, DLight Design

- Devising new distribution channel strategies for affordable solar lights;
- Formulating financing strategy and forging partnerships with MFIs for product financing.