

# The micro-credit messiahs

E. Kumar Sharma , February 05 2008 – Business Today



## **Universal lender**

*Kishore Kumar Puli is looking beyond micro-credit, and the poor.*

**Kishore Kumar Puli, 36**

**Year of Founding:** July 2007

**Focus:** The poor in rural and periurban areas, and also educational institutions in villages

**Disbursals:** Rs 3.5 crore

**Plans:** Disburse Rs 300 crore by 2013

**Current Equity:** Rs 2 crore

**Funding Plans:** Have an equity base of Rs 10 crore by 2013; also tap banks and other partners for debt



Kishore Kumar Puli

It's 30 minutes to 1 p.m. and Kishore Kumar Puli is getting anxious. We are on our way to the Rajiv Nagar slum near Mancherial town of Adilabad district, some 300 km north of Hyderabad, and Puli, 36, is keen to keep his appointment time of 1 p.m., and understandably so. Rajiv Nagar is where the business plan of Puli's Annapurna Financial Services is unfolding. Formerly with ICICI Bank as its regional head (Microfinance division) for Karnataka, Puli set up shop barely five months ago but has racked up 4,500 clients to whom he has lent over Rs 3 crore.

What makes Annapurna different from other MFIs, the MBA from Hyderabad's Osmania University, says, is that it is looking at both poor and near-poor clients (for example, personal loans for Class IV government employees), and also rural educational institutions. "The bottom line is we intend to offer as many products as possible to serve the needs of varied segments of the clientele," says Puli, who's also done a longish stint at Vijay Mahajan's BASIX.

Like some of the other MFIs featured in this story, Annapurna is leveraging IT to lower costs and improve delivery and service. Puli's goal is to halve transaction costs to 7-8 per cent and grow from four branches to 70 over the next five years. "We want to reach out to the untapped and under-served regions and hit total disbursals of Rs 300 crore in that time," says the laptop-toting Puli. No wonder, he is a man in a hurry.

— *E. Kumar Sharma*