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Micro Solution, Macro Benefits

Gradatim's MF Resolve is an IT solution that enables micro-financers to scale up their operations without investing millions in infrastructure.

Micro-finance is one of the most effective tools to fight poverty; however the industry is money-intensive and is riddled by challenges. The micro-finance industry (MFI) involves high risks, not only in terms of money lending, but also concerning the setting up of the physical infrastructure required to broaden the reach. Technology is a facilitator for smooth and effective functioning of MFI, even in remote areas with minimum infrastructure. It can open up new opportunities for the rural community.

Gradatim has developed an IT solution to scale up MFI with minimum infrastructure. "Technology plays an important role in connecting to people in rural areas. Gradatim's MF (micro-finance) Resolve, is a product that will help this industry to reach out at an affordable cost," says K L Balasubramanian, director - sales and marketing, Gradatim.

MF Resolve combines a number of technologies to take care of all aspects of MFI functioning. These include data capture, customer relationship management, database management, accounting and reporting.

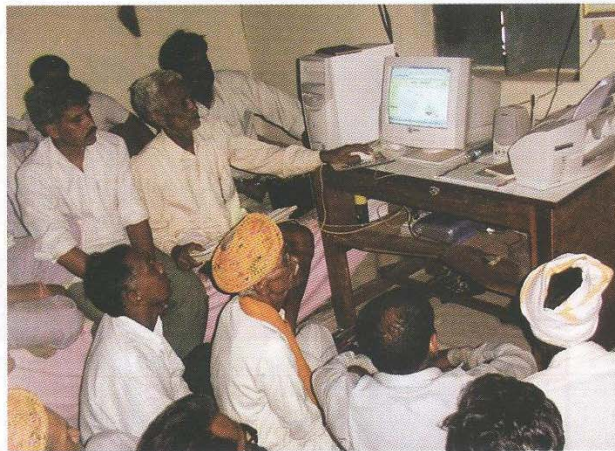
"Buying and implementing these technologies is a pain, so we have tied up with the industry's best companies to provide all these solutions, and it's an on-demand model, on one platform," says Balasubramanian. The hosted model is designed to meet the requirements of the industry at an affordable cost. "People can use it when there is a requirement and only pay for what they use and how much they use, without investing hefty amounts," says Balasubramanian. This reduces the cost of setting up a physical infrastructure for administration, sales, payment and collection.

Gradatim has also started discussi-

ons with service providers like Sify to provide Internet facilities to its customers. It will also use the data centre of the service providers for better protection of data. Based on the service-oriented architecture (SOA), Gradatim offers various modules that can be used and customised in real-time. It works on a business process utility model (BPU), where the company runs the business for its clients with the help of an expert advisory group. This will enable its partners to easily handle the expansion of their operations, while at the same time optimise the costs and improve efficiency.

In recent years, the micro-finance industry has evolved as the key to providing the minimum amount of capital required by rural entrepreneurs. Muhammad Yunus, founder of Grameen Bank, Bangladesh, who received the Nobel Peace prize in 2006 for starting the micro-finance industry, once recounted, "I made a list of people who needed just a little bit of money. And

when the list was complete, there were 42 names. The total amount of money they needed was \$27." This is how the micro-finance industry is: a large number of people who need a small amount of money. This practically makes everyone a potential money-lender; the only dampener keeping people away from the MFI was the complex administrative network required to handle it - now Gradatim promises to bridge that gap, smoothly.



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Pujya Trivedi
BenefIT Bureau