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**Japan Microfinance  
Symposium**

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# Today's Agenda

Acumen Fund: A Brief Introduction

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India: Setting the Context

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Drishtee: MicroFranchising in India

# Acumen Fund: A Nonprofit Global Venture Fund

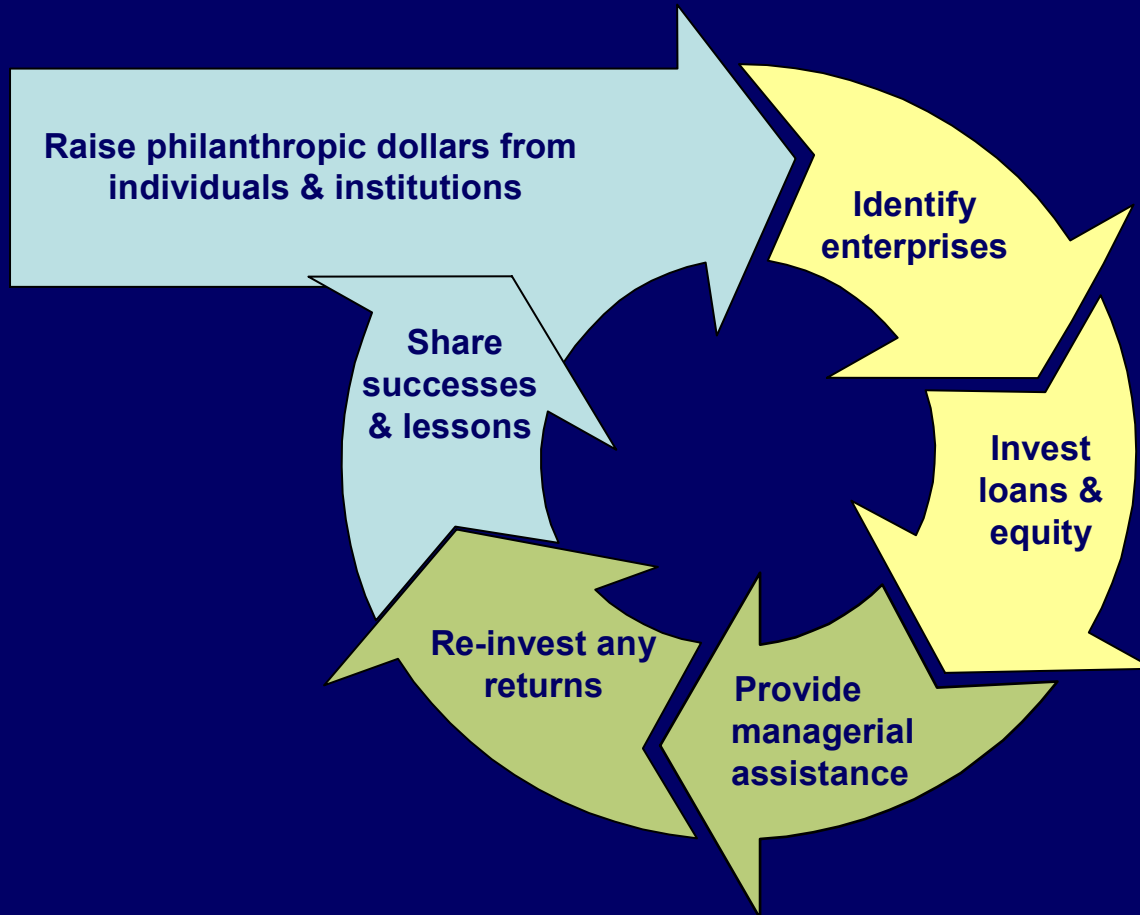
We Seek to Prove that Small Amounts of Philanthropic Capital, Combined with Large Doses of Business Acumen, can Build Thriving Enterprises that Serve Vast Numbers of the Poor.

All Individuals Want to Make their Own Choices and Have Access to Health, Water and Housing

Entrepreneurs are the Agents of Change

Market Based Models Have a Disciplinary Value

# Acumen Fund Business Model



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# India's Paradox: Booming Cities

- 400 Million Urban Residents
- GDP Growth About 9% Per Year
- Wage Rate Increases of  
in 2006
- Over 100 Companies With Market  
> USD \$1 Billion
- 4<sup>th</sup> Largest Economy in the World
- Exports Grew by 21.7% from Jan to Sept 2006



# India's Paradox: Rural Challenges

- 700 Million Rural Residents
- 47% Children Malnourished Stunted Growth
- School Enrollment Declined 2006
- 40% of Population Lives on < \$1 USD a Day
- India Dropped on UN Dev Index 115 in 2002; 126 in 2006
- Much of Rural India Lacks Adequate Water Supply, Electricity, Health Care, Education



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# Drishtee: An Agent For Rural Empowerment

## Vision

To Create and Implement a Sustainable, Scalable Platform of Entrepreneurship for Enabling the Development of India's Rural Economy.

## Implementation

Creating of a Rural Network of Franchisees  
Over 1600 Drishtee Entrepreneurs in Rural  
Villages In India



# Drishtee History & Awards



## Drishtee: Products and Services

Service Type	Feature	Example
Savings	Reduces unit cost of a service versus its conventional delivery system	E-Governance Low Cost Insurance Computer education Health Photo Studio
Buying	Utilization of disposable income for enhancing standard of life	Power Products Consumer goods Seeds / Agri Products Communication
Income	Increase in per capita income of a villager	Rural to Urban e-commerce BPO in Village Rural Finance

## Drishtee: Franchise Model

Offer a Profitable Model, Reducing Uncertainty and Leading to Economic Self-Reliance

- Upfront License Fee with Revenue Sharing
- Provide Training, Network Access, Business Planning Tools, Ongoing Support, Equipment
- Increasingly Earn our Revenue on Product/Service Growth
- Three Models
  - Kiosk Operator (Computer, Space) USD \$1300
  - Tele Sales Model (Web via Cell Phone) USD \$300
  - Village Resource Center (Call Center) USD \$240

# Drishtee: Challenges and Lessons

## Challenges

- Distribution and Supply Chain Issues
- Power and Connectivity
- Marketing Reach to Rural India
- Staff Retention

## Lessons

- Partner with the Community
- Have to Make Franchisee Profitable
- People with Limited Incomes Have Diverse Needs
- Failure of One Idea Yields Many More Opportunities

## Drishtee: What is the Impact

- 1600 Franchisees; 5 to 6 Thousand New Jobs Created
- Impacting Well Over 1M Villagers
- Provided Rural Savings of USD \$600 Million
- Created Hope and Self-Reliance

