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FORBES INDIA BRIEF
Every fortnight, exchange tales of the road with successful entrepreneurs

WHO IS AFRAID OF THE DARK NOW?

SELCO's Harish Hande has spent 14 years lighting up remote, forgotten villages, based on a business model revealed to him through real life experiences

by Subroto Bagchi

The man in front of me — with a mop of curly hair, side burns that seem to be growing with a mind of their own, wearing a *khadi* shirt — does not look like a man for *Forbes India*. I met him for the first time as a fellow jury to choose India's Social Entrepreneur of the Year for 2008, an award instituted by UNESCO-Schwab and Khemka Foundation. The winner is chosen every year by a jury that includes the previous year's winner and this man, Harish Hande, was seated next to me as the 2007 winner — as the founder of SELCO, a solar electric enterprise that has been around since 1995. It employs 125 people and today reaches 105,000 households in Karnataka.

I want to hear from Harish, the making of the man, of SELCO and what goes

into lighting up the lives of the poor.

"I was born in 1967 and grew up as a pampered steel plant kid in Rourkela; my father was in power distribution. From there, I went to the Indian Institute of Technology where I studied Energy and in 1990 went to University of Massachusetts (UMASS) for my masters and PhD. This is where I started getting interested in solar-thermal energy. Until then I was a geek with equations in my blood.

"During that time, on a field trip, I happened to visit the Dominican Republic and lived in a village. I saw poverty and darkness and the two began to look as one to me. I was churned deep inside. When I came back, something told me to go and live in a place where I could look at the challenge of living and the potential of technology without any of my urban layers. I needed to know life before applying technology to solve its issues.

"I decided to go to Anuradhapuram in Sri Lanka with my scholarship money and a solar-powered laptop. For six months I lived in a sugarcane-growing village with no electricity. The idea was to install solar panels there. I lived among a people whose language I did not know. Elephants visited us routinely at night; I sat with temple monks who only spoke Sinhalese and through the interactions I understood how the urban elite is simply banking on the patience of the poor.

"My PhD started receding into the past and I got in touch with a former Green Peace activist, Neville Williams. He asked me if I would install a 100-home solar project in India — I did that for him and at the end, the calling came. SELCO was born. But I needed a business model that looked at a customer, a problem, a solution and a deployment. I survived on Rs. 1,000 a month. That was not easy.

"One day, my contact in a village told me about a rich areca nut farmer. We went to him and I explained the concept of solar lighting to him. He would not see the benefit. He dismissed me and went off. His 70-year-old mother was listening to the conversation and she came forward. She wanted me not to talk about, but to show the son that my idea works. She quietly gave me Rs.15,000 to secretly install the system in her son's field. We did that in three-and-a-half hours and pushed off. When night fell, the son saw the field lit up. The old lady established the business model for me. I wrote to Neville and my supplier to underwrite 25 more systems for me so I would repeat the feat. In 14 years, that model has not changed. We do that in every village we go to.

"We went from place to place — in a border village between Kerala and Karnataka that frequently experienced power cuts, there was this Don Bosco Church where Father Thomas Myladoor had darkness during mass. He wanted a solution. We installed a single solar light for him. During the next mass, power went off as usual but there was light on Jesus! The whole congregation asked how Jesus was lit up.

"I get my intensity from the poor. The *thelawalla* [street side vendor] never says at 11 p.m. that I am working hard. We kept at it. Finally, a time came when SELCO became profitable. For four years in a row. We put the money back into work. In 2005, the German government announced a big subsidy for people to turn to solar. Germany sucked up all the world's solar panels — for eight months, we could not get supplies.

Subsidies are for the rich and sustainability is for the poor. We hung in there. Thanks to the recession, subsidies in countries like Germany are coming down and we are back in business. We pitched to four social investors and three came forward to fund. Now we are all set to reach out to 200,000 additional rural households above the 105,000.

"Today, when we go to carve out a solution for a villager, a vegetable seller, a silk-worm breeder, we begin with the precept that the solution must not be paid from the existing income of the person. It must extend it. So, there was this auto-rickshaw guy who bought our panels, charged batteries during the day and rented them to roadside vegetable sellers in the evening for Rs. 20 — it means the woman selling vegetables can now extend her work by a couple of hours — she earns more, her vegetables do not stay overnight and rot."

Harish married his college mate at UMASS, Rupal Trivedi. Rupal has no relatives back in India. The two have a five-year-old daughter. Because Harish must go from village to village, mother and daughter continue to live in the US. The family gets together once in three months for a week or two.

I am looking at Harish Hande in silence. It has been a while since we got talking. I want to ask him many more things, but I have to let go. It is time for him to leave because tonight he is off to Davos where he has to speak at the World Economic Forum.

Outside, it has become dark. I have not noticed it; I did not remember to switch on the light. I did not need it. ■

NAME
Harsh Hande

PROFILE
Founder of solar electric company, SELCO

BUSINESS PRINCIPLES
* You need to know life before applying technology to solve its issues.
* Show, don't tell: That's the best way to convince a client that the product works.

Photographs by Mallikarjun Katakol for Forbes India

