



**Update 4**

**March 14, 2005.**

## **1. ORGANIZATION**

- Recruitment: We are pleased to report the leadership team is almost in place. Apart from Ajit Grewal, Executive Director, we have P. Radhakrishna to head Information Technology. He is a veteran of the financial services software business, having established Ajax Software in the treasury space, which he sold to ICICI Infotech and then headed their banking software business. Sarat Tripathy has joined us as Head of Human Resources. He is an HR professional and has over 5 years experience in this competency, including 4 with Share Microfin, a major micro finance institution in Andhra & Orissa. Pravin Kumar has joined us as Head of Marketing with 2 years experience with Share Microfin. T.M. Viswanathan will join us as Head of Credit with over 30 years experience at UCO Bank. Finally, Carol Furtado will head the back office operations. She comes with close to 10 years experience in this area with Grindlays/Standard Chartered and Bank Muscat/Centurion Bank. We have identified some candidates for the Financial Control position. We have started the search for the Field Operations/Distribution/Sales & Service teams.
- Training: We have started the initial work for the training programs, especially for the field staff.

## **2. BUSINESS**

- Technology: We have started work on implementing the technology plan with support from Nucleus & Mphasis. We are planning to put the software & hardware in place by June.
- Premises: We are working with the Mphasis team to set up our office by end of this month.
- Market Research: The market research with Delphi Research Services to understand our target customers: poor women in Bangalore & the suburbs and their environment, have started and are being co-ordinated by Pravin.
- Survey of Organizations working with the poor, who are potential partners in our business, is in process.
- Web site: We have registered our web site Ujjivan.Com and started work with assistance of Mphasis to establish our website.

## **3. CAPITAL**

- As of date, we have received capital contribution of Rs. 5.2 Million out of the Rs.13 Million commitment by 16 domestic investors. The rest are expected in the next 45 days. It is slow but steady!
- We have made the formal application for capital & quasi-capital contribution of Rs. 25 Million from three institutional investors: Grameen Trust, S.I.D.B.I. and Bellwether. It is unlikely that Aavishkar, a domestic venture capital company, will be able to invest with us, due to continuing SEBI restrictions.

#### **4. LEGAL & REGULATORY DEVELOPMENTS**

- The budget was a disappointment. Apart from the usual lip service to micro finance, no major hurdles were removed. Yet another commission will be set up to recommend fresh legislation.

A special thank you to the investors, who have already sent in their contribution.

Best Regards,

Samit