



Update: 10

September 8, 2005.

### **MAJOR MILESTONE:**

- Shareholder agreement signed with Bellwether Microfinance for an investment of Rs.7, 000,000 on 17<sup>th</sup> August.
- Completed raising the initial tranche of domestic capital of Rs.24, 310, 000 on August 26<sup>th</sup>.
- First group field staff on board - September 1<sup>st</sup>.
- Application to Reserve Bank of India to start operations - September 8<sup>th</sup>.

#### **1. ORGANIZATION - Recruitment of Customer Relationship Staff (CRS):**

Our initial mini batch of CRS (field staff) & one CRM are undergoing the month long induction training. This gives us an opportunity to fine-tune our training program before the full complement of CRS joins us.

#### **2. CAPITAL:**

- **Domestic Capital:** We signed the Shareholder Agreement on August 17<sup>th</sup>, 2005 with Bellwether Microfinance Fund and completed raising our initial tranche of domestic capital of Rs.2.431 Crores on August 26<sup>th</sup>, 2005. We then had to complete a plethora of legal, financial & regulatory requirements to enable us to submit our application to the Reserve Bank of India to start our operations, which was done today.
- **Foreign Direct Investment:** We will start the process of raising capital from our NRI & foreign investor at the end of this month.

- 3. BUSINESS DEVELOPMENT:** The preparatory work for starting our business at our first site as soon as RBI approval is obtained, at the slums in Koramangala and garment factories, is progressing.

#### **4. MONTH AHEAD**

- Courier share certificates.
- Initiating formal discussions with financial institutions for funding.
- Recruitment of the full complement of field staff.
- Complete our operating manuals.
- Set up infrastructure of the first branch office.

- Complete the first field staff-training program.
- Complete formalities for Grameen Bank Technical Advisor.

Best Regards, Samit