

1. ORGANIZATION

- **Recruitment:** The initial response to the advertisement for the field jobs was luke warm. We tried an alternate strategy of identifying candidates with our NGO partners & met considerable success. We are also in the process of recruiting full & part-time candidates for the trainers.
- **Leadership Team:** We have made an offer to a candidate for the Financial Controller's job with considerable experience in the micro finance industry.
- **Collaboration:** We hope to hear from Grameen Trust this week on the arrangements under their replication program.
- **90 Days Implementation Plan:** Completed for each functional area.

2. CAPITAL

- As of date, we have received **domestic share capital contribution** of Rs. 13.31 MM out of a commitment, which has risen to Rs.17.31 MM from by 21 investors. The balance expected to be received by end of this month. We are in the final stages of negotiation with an institutional investor, who may be contributing up to Rs.7 MM. The total domestic investment will be Rs. 24.31 MM.
- We will raise capital from **NRIs & foreign investors** of around \$0.5 Million in the second tranche, after we complete raising funds from domestic investors. We are in discussion with two major foreign institutional investors, who have indicated interest in Ujjivan.
- We have approached or entered into discussion with S. I. D. B. I., Grameen Trust & FWFB for **grants & long term low cost funding.**

3. INFRASTRUCTURE

- **Technology:** Considerable progress has been made to in defining our requirements from the core system. We have also ordered the PCs for the office automation.
- **Premises:** Our euphoria with office premises was short lived. Due to regulatory problems we are shifting out of Mphasis office & moving into a temporary office kindly vacated by C.P. Consulting. We will be here till August, after which we will move into a more permanent accommodation.
- **Market Research:** The market research is expected to be complete in mid-June. We have expanded the scope by including garment factory workers. The results of the study we have seen so far, is fascinating and possibly only one of its kind for urban poor women in India.
- **Product Management:** The initial draft of our first lending product is complete.

4. LEGAL & REGULATORY DEVELOPMENTS

- We are in the process of completing our **accounts for 31/3/05** and have it **audited**.
- The **draft application to RBI** is completed & we plan run it through the local RBI office by this week.
- We will have a **Board meeting** to expand our Authorized Capital to Rs. 25 MM and complete the allotment of the domestic investors.

Best Regards,

Samit