



2014 - 15

The year that proved us right.



We spent eight years,
laying Ujjivan's foundations.
Bringing together the right people.
Developing our infrastructure.
Building processes and systems.

We spent eight years,
directing our energies and skill
not just towards the present
but towards the future we believed in.



We spent eight years,
for what Ujjivan achieved this year.
This year, we doubled our customer base.
This year, we doubled the loan portfolio.
And we believe, bettered more lives.
This is our Annual Report for 2014 - 15.



2006

1,000 Indian
dreams made real

2008

Awarded for
process excellence

2009

#1 microfinance
employer

2011

Microfinance
Organisation
of the Year

2012

More than
1,000,000 Indian
dreams made real

2007

Awarded for
innovation

2008

68,000 Indian
dreams made real

2009

621,000 Indian
dreams made real

2012

#2 Best financial
services employer



2013

Awarded for
innovation in
responsible business

2013

Among India's top
25 employers for
3 consecutive years

2014

Most Inspiring
Workplace Award

2015

#16 Best
employer in Asia

2013

#7 Best employer
in India

2014

1.3 million Indian
dreams made real

2014

#9 Best employer
in India

2014

23 states,
350+ branches,
5000+ employees



As we stride
towards our tenth year,
we look at the past
with satisfaction.
And welcome the future
with great expectation.

Looking back on
what made us succeed -
it's our values,
commitment in deeds.

So to commemorate the 10-year milestone
we put our thoughts together
to represent all we are
and all that we stand for.

Of the hundreds, one stood out.
The brainchild of Shijo R of Wadakkanchery,
it showed a profound understanding
of the idea behind Ujjivan.

A recognition that the woman
is the heart of the household.
The force that unites the family.
That nurtures all hopes and dreams.

And the hopes and dreams of the woman
and her household are realised
by our promise of a better life.

These values have carried us
to this 10-year milestone.
And will carry us forward as well.

Exciting times are ahead for all of us.
Let us all look forward to the journey.



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Letter from the Managing Director

My career as a banker started in 1975 and spanned 30 years. In 2004, I began preparations to set up Ujjivan which was established in November 2005. This year at Ujjivan, we will be celebrating ten years of providing financial services to those who are excluded by the banking world. I have spent four decades in the financial services industry. What makes me jump out of bed on Monday mornings and head to work?



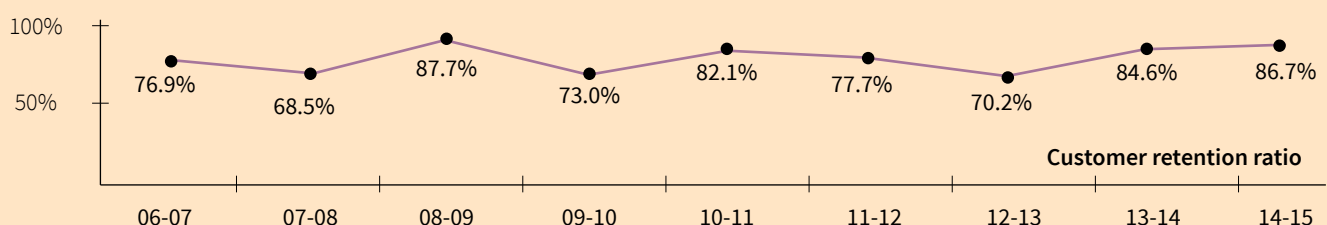
Customers

It is the stories which our customers tell us of their journey with us. It is the Dhokla lady in Surat - who used to prepare Dhoklas at home and sell them on pavements - who took a loan of Rs. 10,000. Three years later when I met her, she had borrowed Rs. 100,000 and had scaled up her business to become a wholesaler of Dhokla in Surat. She was joined in business by her husband and eldest son, and she now employs three karigars.

A lady in burkha at our Yelahanka branch who has a Rs. 99,000 loan, has scaled up her one-person tailoring shop to a business powered by ten machines, selling women's garments. She wants another lakh for the Eid seasonal sale.

Another customer in South Pune used her loans to train her sons in martial arts and has now helped her elder son set up a martial arts school. A whole bunch of our customers take higher-education loans for their children. They firmly believe that it is the long-term way out of poverty.

Thirty housewives in Garia over the years have turned into successful micro-entrepreneurs. A host of our women customers have availed loans to buy hybrid cows and buffaloes to supplement their family income. The enterprise of our customers and the varied businesses they are engaged in is mind boggling. We pride ourselves on being a customer-focused organisation. And the proof of the pudding is our customer retention.



As our customers move up the economic ladder and/or scale up their business, their financial needs vary, and increase from the simple Group Loan. Our Individual Loans provide the path for financial growth. We have over 70,000 Individual Loan customers. Our success is attributable to our ability to offer appropriate loan products for every stage of business growth as our customers scale up their business and family needs i.e. higher education, housing, etc.

In the first eight years, we acquired a million customers as we scaled up and opened our wings across the country in 24 states and union territories. Last year was a tipping point – we added another million customers! Our active customer base today, is 2.2 million.

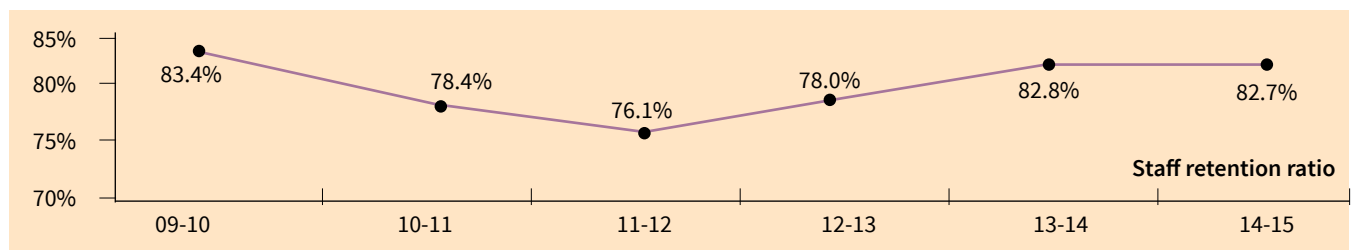
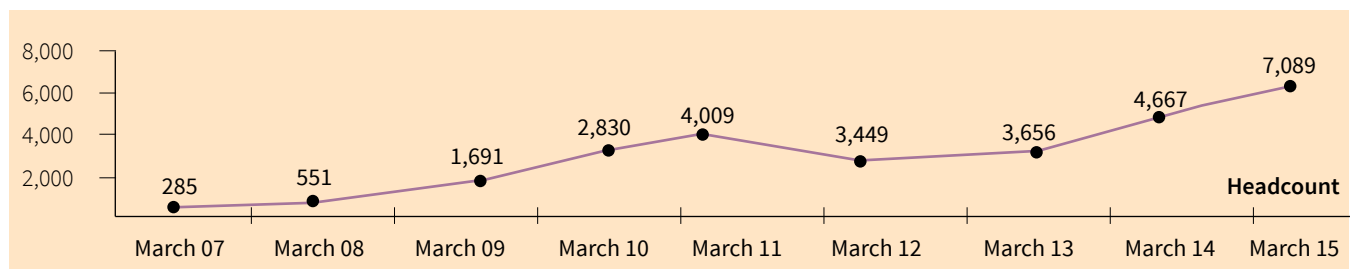
Employees

It is the stories of our staff and how they have transformed their lives, that gets me to work on Monday mornings. The branch manager of one of our most successful branches joined as a humble field staff. Today she ascribes her branch's success to monitoring performance using her branch

dashboard, planning and team work. She will put many of our business school-educated managers to shame. Her husband is in the catering business. Both of them are bringing up two sons, one of whom is studying engineering. We have a diversified workforce with people from a wide range of backgrounds. A quarter of our field staff are women, while 19% of our total employees are women.

Customer retention and staff retention are highly correlated. Providing the opportunity for staff to grow and develop in the organisation, is not only good for the employee but also for the business.

We continue to be among the top ranked organizations in India under the Economic Times/Great Place to Work ranking in India and Asia. We used to wonder how we can compete with the likes of Google, Intel, and American Express. It is not our compensation level & work environment. We get the highest score in employee survey on job satisfaction. The respect & appreciation our customers have for our staff, make all the hard work in an unpleasant & risky environment worth it.



Investors

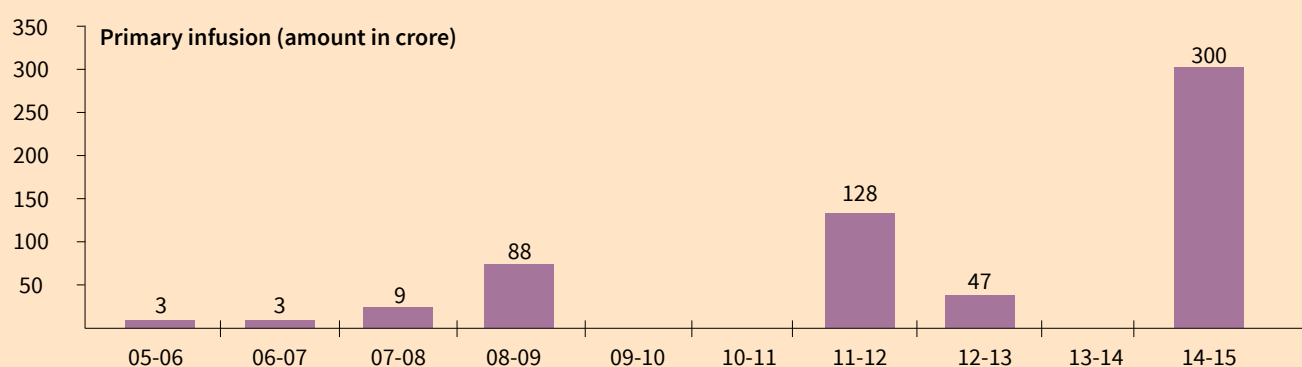
We have always enjoyed an excellent relationship with our investors. Most of our institutional investors have been our partners in progress through their active participation in the board and voluntary support for the various activities we undertake within Ujjivan and Parinaam Foundation.

They have actively supported us during periods of industry crisis by bringing in new investors. We have actively assisted our early investors to exit through secondary sales. In the latest round of capital raise of Rs. 600 crore (Rs. 589 crore during the financial year),

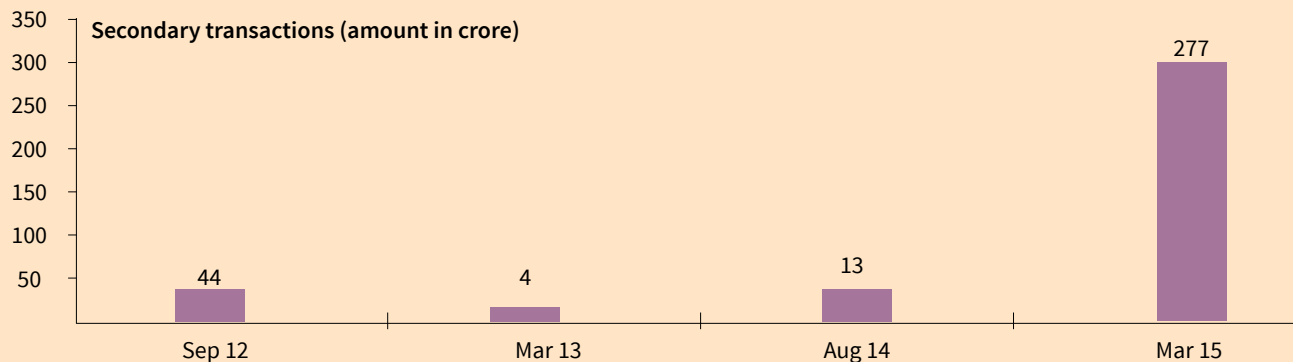
half of the same was to provide partial or whole exits to our early institutional and individual investors.

Investors have been able to generate 20-25% return on their investment in Rupee terms and some of the investors from our first two rounds, who exited in the latest round in the financial year, were able to get 14.6x return on their original investment. This is unparalleled in the industry. The details of both current and past investors along with their feedback, are on our website: www.ujjivan.com/html/our_investors.php

Primary infusion (amount in crore)



Secondary transactions (amount in crore)



ROE

