



# VILLAGE BARTA

**Vol.2 • Issue 28 • July 2011**

**Website: [www.village.net.in](http://www.village.net.in)**

## MD's Message

Greetings from Village Financial Services!

We always believe that customers deserve fair and efficient micro finance services in an ethical, transparent and respectful way. This belief helped us to demonstrate an exemplary for others in terms of transparency and maintaining values in this sector. Staff training and updating customers are the major tasks for us at present and it is pertinent to the Microfinance sector at present. It is also important for us at this moment to



ensure maintaining our Code of Conduct and to implement best practices in our day-to-day operations. We have been successful in implementing in many occasions but there is always a scope for improvement.

In this issue, we have highlighted different issues and our journey towards excellence. We hope the readers will enjoy and I sincerely look forward to your suggestions and feed back.

Kuldip Maity  
Managing Director

## At a glance

State :2 (West Bengal and Bihar)  
Districts: 21  
Branches : 95  
No. of Staffs & Associates : 822  
No. of Borrower : 181248  
Loan Outstanding :Rs. 98.63 Crores  
Cumulative Disbursement : Rs. 539.72 Crores  
Repayment Rate : 96 %

## Financial Inclusion

In India, a large proportion of the poor is excluded from the formal financial system. Most of them do not have savings account in banks . There is also a rural-urban divide in access to the Banking services. But Bank savings is the most popular savings medium. We have tried in our own way through various awareness

programme to make a habit of savings and to open a bank account . According to the latest survey it has been proved that 52% of our clients have savings account and 13% have Post-Office account. But here also, mostly in the urban and semi-urban areas the Banking habits have grown more than that in the rural areas. Also, there are several problems for Banks to meet the needs of the poor.



There is a need for changes to accommodate the outreach of the Banks to the poor household. But facilitating savings of the poor will help them to cover various financial risks and ensure them the socio-economic security.

# VILLAGE BARTA

## Backyard poultry production for sustainable livelihoods

In recent years the poultry farming has become a common way of earning for a rural family. Various



breeds are now available which are high yielding that are well suited to Indian environmental conditions. So the cost of production system is very low, which

enhance the poor household engaged in poultry production. Rani Jana raises 50 chickens in her farm. "With new varieties of chicken, it is well suited for us to look after the chicken and also do our household work. Also the varieties grow up faster, requires less grain and we get return from the business very faster," explained Rani, for last 3 years she has been doing poultry farming and she has really been benefitted from the poultry

business. There are many others like Rani has entered into poultry farming business with newer variety of chickens and got good returns from their business.

According to a study report, the growth trend in domestic poultry industry is likely to continue in the present decade, as the demand is growing steadily. In



West Bengal there has been increased adoption of poultry farming as alternative source of income. Indeed in backyard poultry production involvement of women has been sizeable as more and more women seemed quite confident in doing this business and getting good returns from better rearing practices.

## My life has changed....

Mausumi Das , 35, is staying with her husband who has been selling utensils. She is having two daughters and a son. The income of



her husband was not sufficient to satisfy the bare need of her family. Then she took the initiative and decided to take loan from VFS . At that time she took Rs.2000 from VFS and started a small grocery shop. Now she has transformed into a confident entrepreneur and is in 3rd cycle loan worth of Rs.15,000. Gradually her shop became very big in that area and sell is booming day by

day. At any point of time the stock lying at her shop is Rs.20,000 - Rs.25,000. She said that currently her income from that shop is above Rs.250-300 per day.

She purchased a land of 2 kattah now and thinking to build up a house of her own. "My life has changed... I have never been to school", said Mausumi. Her two son and a daughter are studying in class IX, class VII & class VI respectively. "I am really thankful to VFS for helping me at the time of need", she said.

She expects to get more credit from VFS as she has desired for expansion. But worried about the present situation, she wish the problems of microfinance sector will soon be over and she will able to move on with her future plans.

**Village Financial Services Pvt. Ltd. (VFS) is a microfinance company registered as an NBFC under Reserve Bank of India under section 45 IA. VFS has started Micro Finance Operations in the financial year 2005-2006 having its head office at Kolkata (West Bengal).**

# VILLAGE BARTA

## Client Protection assessment

VFS has strong systems and dedicated policies to ensure the protection of its clients. This is evident from a recently conducted “Client Protection Assessment” survey done by Access Development Services. The assessment was done mainly to evaluate the Organisation on the basis of the following areas :- Prevention of Over-indebtedness, Transparency, Responsible Pricing, Ethical Staff Behaviour, Appropriate Collections Practices, Complaints Handling and Resolution, Privacy of Client Data.

The overall score indicates that the organization has strong systems and dedicated policies to ensure the protection of clients. For the most part, it has met the requirements of the principles, but there is room for improvement. More could be done to monitor levels of debt during the loan

tenure, actively collect and use client feedback, and develop a policy for the protection and privacy of client data.

The result of the survey proves the point that in VFS there is a clear effort towards creating a value-based Organisation. It emphasizes the commitment of the organization towards the implementation of Code of Conduct. The results of the survey also indicate the fact that the customers are very satisfied with the quality and convenience of service. It also illustrated the focus of the Organisation to build an ethical and high performance work environment.



---

## Leadership and innovation

To give sustainability to the microfinance programme major initiative is to build women’s capacity to take up leadership. It is apparent



since microfinance works with women, automatically they emerge as leaders. But there are several challenges too. To address these challenges various

intervention programmes are taken up which will impact women’s position in the community and within the household.

The vulnerable class of the rural communities lacks adequate literacy. As a result, the rural communities always explored the chances to

face exploitation due to ignorance of the present consumer laws and processes that provides safeguard for necessary protection of each consumer in the localities.

The Financial Literacy concept has instilled the spirit in the poor couples to increase savings attitude through reduction of wasteful expenditures. Financial Literacy is an innovative idea to act as a “Savior” while developing an insight among the women to defeat such precarious complexity.

Thus by initiating the gamut of intervention programmes a women can able to build her confidence, can take risks, can able to mitigate risk and able to contribute in their family and society. As a result of developing and strengthening women, brings about efficiency and innovation in their activities and help them to emerge as leaders.

### Mission:

**'Our Mission is to strengthen the socio-economic condition of the society by providing financial and other support services mainly to the poor & women on a sustainable manner'**

# VILLAGE BARTA

## Emerging Dimension of Leadership - at all levels

It is very important for any organisation to be focussed on creation of a high performance work environment. The elements of organisation culture has to be articulated so that it can drive the leadership behaviors throughout the organisation.

VFS has been able to give an environment where a continuous growth of an employee is possible through a workforce competency development process. It is a continuous process to build a competency based career for all. The first step is to develop competency and align them with the Organisation strategy through continuous training process. It is too often observed that many person do not able to perceive the

Organisational goals and strategies. But to build a team of high competency - the most important is to understand and align to the goals. So it is important to empower and manage the capabilities of each individual.

In VFS an environment is created through the communication of values and that imparts the basic need of what an employee is doing matters to the Organisation and also the Organisation needs every person to grow and succeed. This has enhanced the fact of creating a win-win environment where nothing is thrust upon but it has been embeded to all by developing competencies and leadership capabilities among all.



*Managing Director, Mr.Kuldip Maity with VFS staff members at a Training Programme*

**Address: 'Village Tower', F-15 Geetanjali Park , Kolkata-700057, West Bengal  
Phone: +91 33 25646545 / 25645786  
Website: [www.village.net.in](http://www.village.net.in)**

**© Copyright Reserved. Village Financial Services Pvt. Ltd. Publication**

**\*For private circulation only**