

VILLAGE BARTA



Microfinance Update of
Village Financial Services Pvt. Ltd.

Volume 11; Issue 21; December, 2010



About Us

Village Financial Services (VFS) is a microfinance institution registered as an NBFC under Reserve Bank of India Section 45 IA. VFS began microfinance operations in 2005 with its head office at Kolkata (West Bengal). VFS has touched the lives of many thousands of poor underprivileged & backward section of our society by providing them credit for income generating activities & helping them to become economically self sufficient, sensitizing women about empowerment issues and bringing about a qualitative change in them and their families related to standard of living & their own status in the society.

VFS carries out all its developmental activities other than micro credit. The activities include -

- ◆ Vocational Training Programme,
- ◆ Financial Literacy Programme,
- ◆ Out Patient & Mobile Clinic,
- ◆ Day Care Centre for Elderly,
- ◆ Village Model School,
- ◆ Old Age Home,
- ◆ Adult Literacy Programme and many more.

'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'

MD's Desk

Last two months all the Microfinance Institutions (MFI) are experiencing some financial problem due to Andhra Pradesh crisis. Andhra Pradesh is having the largest Microfinance portfolio as well as the highest exposure by different Banks in the country. Due to this crisis all Banks have stopped lending to the MFIs and as a result the expansion plan of almost all MFIs has been affected and also facing difficulties to managing cash flows. VF SPL also has been forced to reduce their disbursement in the field due to non-availability of fresh disbursement by the Banks and it affects almost 50% reduction in monthly disbursement. I am very hopeful that we will overcome this situation and also can continue our activity as usual.



We are in a path of consolidation and we believe in strong social objectives and are committed to transparency issues, implementation of Code of Conduct and a pro-customer approach. This will help us in future for our growth and expansion.

Outreach

Branches	: 87
No. of Staffs & Associates	: 796
No. of Groups (JLG)	: 48800
No. of Borrowers	: 2,44,499
Loan Outstanding	: Rs.138.98 Cr. US \$ 30.72 million
Loans Disbursed	: Rs.425.23Cr. US \$ 93.99 million
Repayment Rate	: 99.5%



Mr.Kuldip Maity with staff of Balurghat Branch during his visit to North Bengal.

Training and development programme

Our Training department regularly conducts one day interactive session with the borrowers at various branch locations. Primary objective of these sessions is to promote leadership quality to the JLG leaders to bring about a positive changes in their life. Meanwhile it is an opportunity to have discussion with our borrowers regarding our service and taking feedback from them. Typically these women grow up with limited access to education, which further impedes their capability to earn a living. So our aim is also to give them some awareness about different aspects of livelihood, awareness of health related problems as well as induce leadership skills for developing self-reliance to generate profitable income-earning projects and businesses .



The borrowers interacted on various issues related to managing finance, savings, lending. More emphasis was given on the training session to JLG leaders to become a community volunteers and impart moral responsibility among themselves.

The borrowers attended the programme were very happy to get information which they were not aware. There has been a very positive feedback from them. We have planned to conduct more in the future.

It is to be noted that VFS sensitizes its employees throughout the year through various training and induction programmes of the values, culture, implementation of Code of Conduct and their responsibilities towards society.



Her Story



Malati Satra and her husband with three children used to live in extreme poverty. Her husband was a rikshaw puller and his earning was irregular. Then she thought of helping her husband started with a tea stall.

She observed that some women gath-

ered near her stall and discussing about increasing their income. At that time from that group she came to know about Village Financial Services (VFS) and thought that it will be helpful for her to join the meeting.

She then joined a group. Her income at that time was Rs.1500 per month. She took the first loan of Rs.3000 to expand her stall . Gradually she converted her stall to a roadside hotel and serve fast



food and rice meal in her stall. Her income also increased. Village Financial Services

extended support to her and now she is in her fourth cycle and her earning is now about Rs.8000-10,000 per month. Her husband is also helping her in the business and the business is flourishing . Her children are also studying in a good school . Recently she renovated her house and is having a pucca house.

Today she is very happy to be associated with VFS and is very much thankful to VFS for her improved condition.

Employment generation in the rural areas

There has been a sustainable effort towards employment generation in the rural areas of West Bengal by us. Firstly , we have given focus to recruit people mainly from the rural areas. As a result, among total number of employees, most of them are from the rural areas and that is about 80% of our employee strength. Our recruitment policy has been so, to encourage and empower the rural youth to work in this sector. This has worked

really well for us and have been one of our strength . As the rural people are more familiar with the MFI operations.

The growth-oriented approach has been reinforced by focusing on Microfinance provide greater opportunities to the people to participate in the growth process. Thus by encouraging people-for income generating activities, helped to create employment in the rural areas. There has been a lot of schemes

from Government also regarding rural employment but still there is a need for more self-employment generation programmes. The area of work for generating employment is so vast that any particular scheme or programme will not bring the breakthrough. The focus should always be on a collaborative approach between corporate, Government, local agencies and organizations like NGOs, Society groups, Foundations etc.

Photo Gallery



Training session on Code of Conduct at Head Office



Chairman, Mr.A.K.Maity interacting with the borrowers in North Bengal.