

# Varta

"We are committed to responding effectively to the situation, working together with other international organizations and our respective memberships. Global, co-ordinated action is required to deal with the extraordinary challenges the pandemic poses to people's health as well as their livelihoods"

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WHO and WTO



- Wear mask
- Wash hand with soap
- Avoid gathering



## Stay Safe

Dear Reader,

We are in the middle of a pandemic that killed over 1.7 lakh people globally as on date. Corona virus didn't make any distinction between rich and poor. Europe, America, China, Japan almost all the countries in the world are affected.

In India we are doing relatively better so far in preventing spread of infection and loss of lives.

Alongside killing people, the pandemic brought world economy to a standstill as many countries including India imposed lock down. This is unprecedented in world economy. Even the two World Wars didn't disrupt economic activities to this scale.

Such a disruption is necessarily costly and may bring some hardship at all levels across the world. Sudden work stoppage hit corporate earnings. Like the rest of industry, VFS is also affected. Our collection has come to a standstill.

However, I am confident that with your support we can tide over the crisis. Please remember that when the going gets tough, the tough gets going. Stay safe!

**Kuldip Maity**  
MD & CEO



## Need Breather

**"We request the PMO to urgently intervene and help clarify that all banks, DFI's (NABARD, SIDBI & MUDRA), and NBFCs who lend to the MFIs should grant them a back-to-back moratorium for the terms loans that they have taken," wrote Sa-Dhan in a letter to the Prime Minister Narendra Modi on Aril 13, 2020.**

## VFS@Lockdown

The long and unprecedented lockdown forced major changes at the operations of most organizations. At VFS we started taking precautions almost a week in advance so as to ensure health of employees and customers.

After the lockdown was enforced from midnight of April 24, we designed a standard communication protocol to reach out to customers. VFS ground team touched base with each and every borrower twice in a day through telephone or other digital channels. This was to ensure that our customers remain safe and do not worry about repayments during the lockdown period.

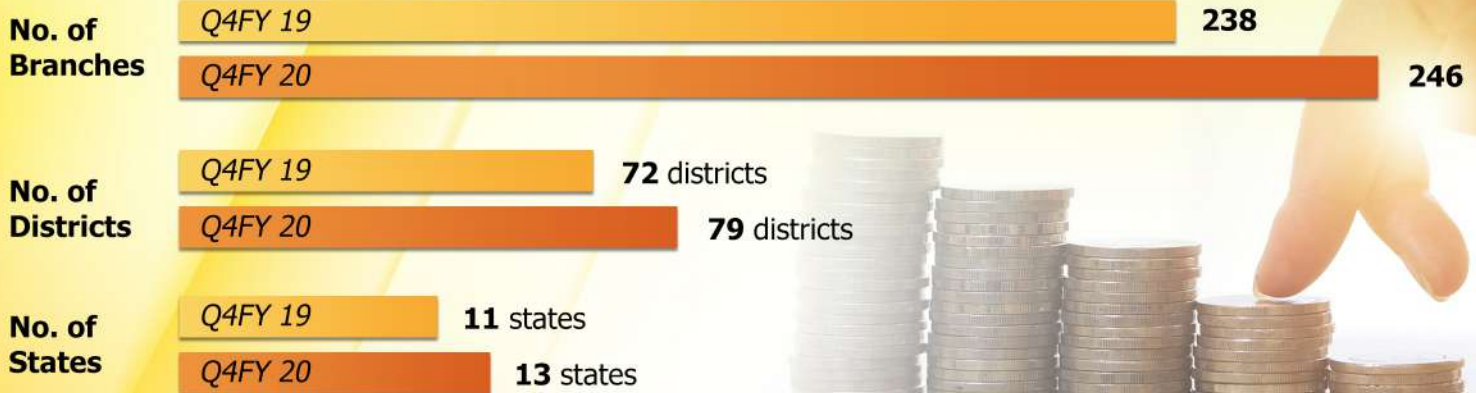
While VFS offices were closed, our executives used smart digital tools to continue with the regular training and reskilling exercise, so that once the lockdown is lifted we can hit the ground with greater enthusiasm.

We are confident to tide over the crisis and play a bigger role in ensuring financial inclusion of India's poor in the days to come.





## VFS Branch Spread



## VFS borrower base crosses 5 lakhs

Village Financial Services Ltd., one of India's leading microfinance companies (NBFC-MFI) which has always been committed to empower the borrowers to create their own identities, celebrates reaching 5 Lakh borrowers on this Women's Day.



## VFS figures for Q4FY20

**Rs1110 Cr.**  
Principal outstanding

**124811**  
Number of disbursed accounts

**Rs390.68 Cr.**  
Disbursed amount

## RBI announces ₹50,000 crore TLTRO 2.0 for NBFCs, MFIs

RBI governor Shaktikanta Das on 17th April announced TLTRO 2.0 of ₹50,000 crore to ensure the different segments of financial markets such as non-banking financial companies (NBFCs) and microfinance institutions (MFIs) to get enough liquidity. The RBI is open to increasing this amount beyond ₹50,000 crore, the governor said.

At least 50% of amount availed by banks must go to mid and small sized NBFCs and MFIs. Last month, the RBI had announced special targeted long term repos operations (TLTRO) operations to ease liquidity conditions. Under this, RBI will be conducting auctions of targeted term repos of up to three years tenor for a total of up to ₹1 lakh crore at a floating rate linked to the policy repo rate. Liquidity availed under the scheme by banks have to be deployed in investment grade corporate bonds, commercial paper, and non-convertible debentures over and above the outstanding level of their investments in these bonds as on March 27.

RBI said banks has to buy 50% of these incremental holdings from primary market issuances and the rest from the secondary market, including from mutual funds and non-banking finance companies.

Source Livemint 17 April, 2020

