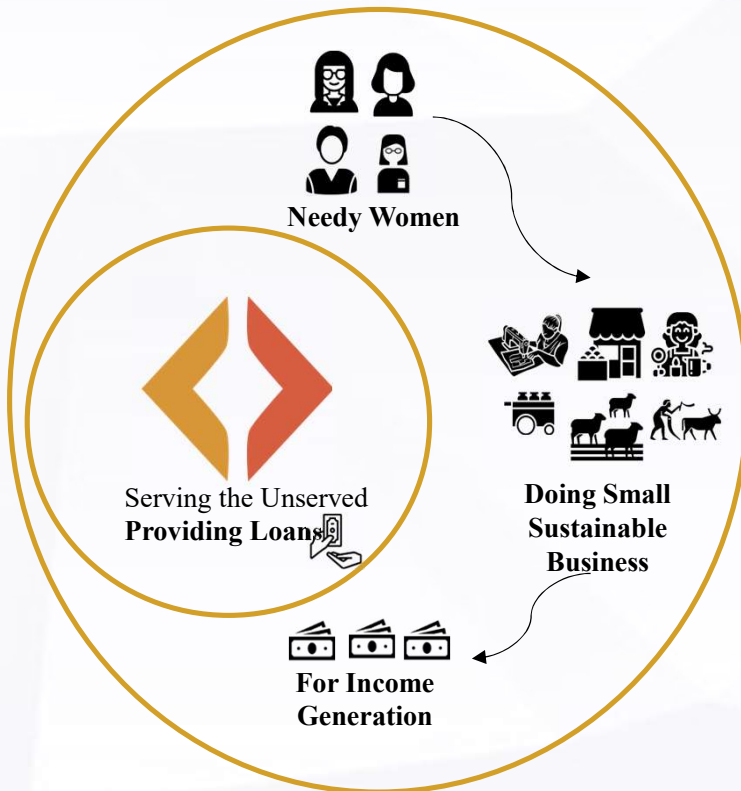




Corporate Presentation

June 2022



- ✓ VFS Capital Ltd started its microfinance operations in 2006, headquartered in Kolkata, India.
- ✓ Its operation outreach spreads across **13 States** through a network of **246 Branches** spread across **78 districts**.
- ✓ **Customers**
 - Primary focus is to provide credit facilities to needy women for income generating activities to become economically self sufficient.
- ✓ **Employees**
 - Under the guidance of Skilled managers, local staff are well trained.
- ✓ **Lenders**
 - Always in effort of strengthening the lending force and proud to say no debt default by VFS Capital Ltd till date.
- ✓ **Regulators and Governments**
 - Abide by various rules and regulations of regulators and government.

VISION

To meet aspirations of every Indian, empower them and help them become entrepreneurs.

MISSION

To be a responsible lender and a provider of all financial needs for the masses in a cost-effective and digital way.

OBJECTIVES

- ✓ To set the benchmark for the microfinance industry for value creation and for responsible citizenship by providing effective, transparent and quality service to people.
- ✓ Improve the quality of life of the poor and the underprivileged rural and semi urban citizens through social action by promoting, supporting and developing voluntary groups engaged in the social and economic development.
- ✓ Build an institution which is best in class in all aspects – customer service, innovation, efficiency, workplace engagement, leadership, governance and reputation.

Transparency

Striving to promote organizational unity and a vibrant culture to be transparent in our actions and finances.

Social Responsibility

Our Mandate is to help the needy by spotting their entrepreneurial spirit and raising their standard of living.

Integrity

Upholding high standards of professionalism and Integrity in our actions and decisions making management fair and honest.

Commitment

Delivering value to all our stakeholders through commitment that runs across functional groups, hierarchies and geographies.

1

Executive Summary

2

Key Strengths

3

Awards & Recognition

4

Annexure



₹ 143.84 cr.

Disbursements



₹ 34,682

Average Ticket Size

3,93,010

Loan Accounts

41,515

No. of Loans Disbursed

40
years
of
Endeavours

13

States

₹ 804.27 cr.

AUM

24.60 %

Capital Adequacy



246

Branches

₹ 2.23 cr.

Profit After Tax

Operational

Asset Offerings


Liability Profile


Financials

 78 Districts in 13 States


 246 Branches

 1,724 Employees

 3,80,867 Borrowers

 **AUM:** ₹ 804.27 cr.
MFI – 98.57% | SME – 1.43%

 **Disbursements:** ₹143.84 cr.

 **Asset Quality:**
GNPA: 3.87%
NNPA: 1.48%

 **Yield:**
16.57 %

 **Total Loan:** ₹ 675.54cr.

 **Average Cost of Funds** 10.05%

 **Net Worth:**
₹ 170.29 cr.

 **PAT:** ₹ 2.23 cr.

 **CAR :** 24.60 %

 **NIM**
6.52 %

 **Collection Efficiency:**
96.73 %

1982-83
Formation of
Village Welfare Society

1996-97
Beginning of
Microfinance Operations

2004-05
Formation of
Village Microcredit Services

2006-07
Started NBFC journey as Village
Financial Services Private Limited

2017-18
Turned to
Limited Company

2013-14
Reclassification as
NBFC - MFI

2019-20
AUM crosses
₹ 1,000 cr.

2022-23
Renamed as
VFS Capital Limited

2023-24
Total AUM around
₹ 2,250 cr.

2024-25
Spread across **18 States** &
AUM around ₹ 3,000 cr.

Key Strengths



Socially responsible
community centric
organization with
more than 4 decades
of vintage

1



**Niche local
presence in**
underpenetrated
markets

2



Strong focus
on employee
training and
efficiency

3



Robust
systems and
technology in place
for exponential
growth

4



Well diversified
borrowing profile &
improving credit
profile

5



Highly experienced
Board of Directors
& Senior
management

6

Financial Awareness



Creating financial awareness amongst customers about micro credit, saving and banking operations

Literacy Initiatives



Educating and engaging future generations

Counselling Sessions



Main challenge for target customer segment to break the social shackles

Women Empowerment



Key in creating a sustainable capacity and overall upliftment of family

Environmental Sustainability



Creating awareness about impact of climate change and achieving environmental sustainability.

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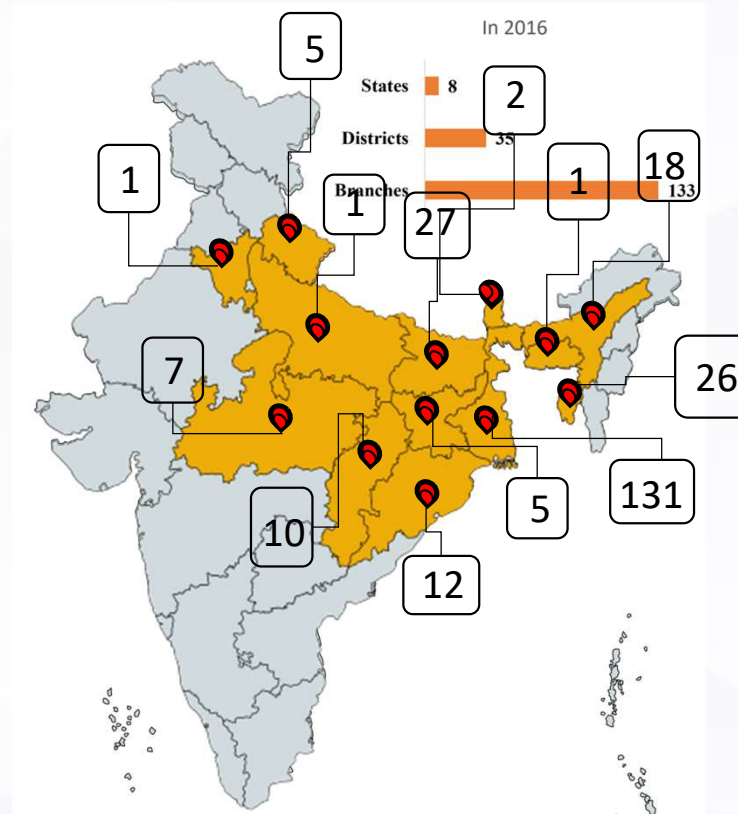
Well diversified
borrowing profile &
improving credit
profile

5



Highly experienced
Board of Directors
& Senior
management

6



VFS Capital Ltd. **Branch** presence as on 30th June 2022

States
Assam
Bihar
Chhattisgarh
Jharkhand
Tripura
West Bengal
Uttar Pradesh
Meghalaya
Sikkim
Madhya Pradesh
Odisha
Uttarakhand
Haryana

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Stages:

✓ Shortlisting Criteria:

- Potential candidates are evaluated for necessary skills along with the desirable personality traits.

✓ Field Exposure:

- Mandatory on field experiential training

✓ On-Job training:

- In depth training of company's working, products and processes.

✓ Special Training:

- Based on requirements.

New Entrant

- 3 Level Orientation Module.
- ✓ To understand the in and out of VFS Capital Ltd.
- ✓ Pre-Training Evaluation of performance is done to further carry forward grooming and induction process.

Management Level

- Managerial Induction on Leadership & Entrepreneurial Skills.
- ✓ Participatory Refreshing Employee Meet to boost the cohesive bond within all departments.

Various Training Programmes

Entity

- Reorientation Training (every six months)
- Customized Special Training
- Renewed Adaptability to Changing Environment (RACE) programme.

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Loan Origination

- On boarding through mobile app
- KYC and all relevant data captured in digital format
- Complete data stored on cloud

- Easy access of data on tap allows better customer service

Credit Underwriting & Disbursals

- Real time credit rating check – Integration with high-mark and Equifax
- Centralised decision making on loan disbursement

- Superior credit underwriting framework
- NEFT and IMPS disbursements

Collections

- Real time accounting – improved cash management / lower fraud incidences
- Passbook entries on the system and entries on customer copies while collecting
- Customers notified through SMS on daily basis post reconciliation

- Streamlined collection process

Real-time MIS

- Negligible manual intervention
- Dynamic modules for securitisation & BC
- Real time updates to branch managers of visits conducted by field officers – GPS mapping to be introduced

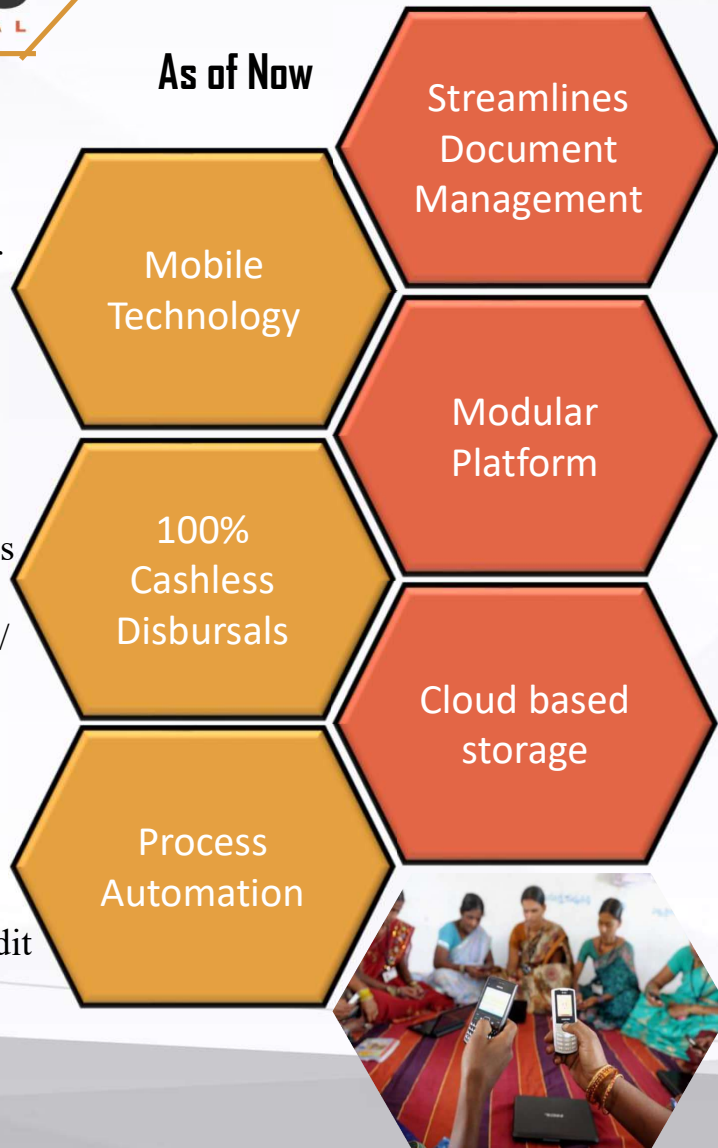
- Opex savings
- Higher productivity

As of Now

Use of Mobile technology for easy & handy reasons.

100% cashless disbursements through IMPS/NEFT

End to End process is automated, helpful for audit purpose.



Future Focus



Digital Strategy

Virtual Customer Grievances redressal



Offering a Self-Service Model



Integration with Self declaration & CIC



Cybersecurity to mitigate risk & threats



Key Strengths



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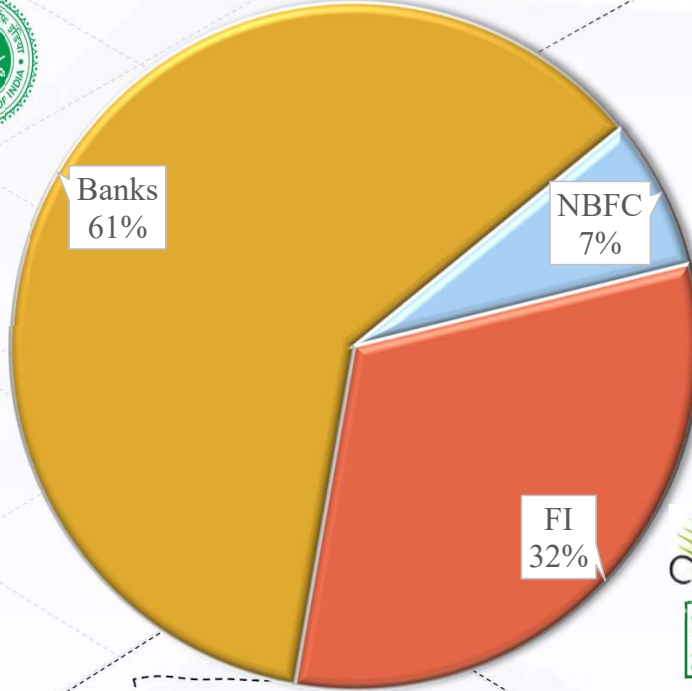
5



Highly experienced
Board of Directors
& Senior
management

6

BANKS



Financial Institutions

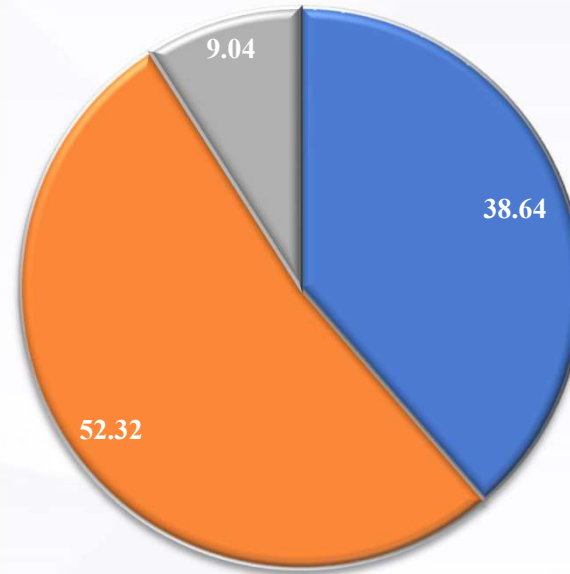
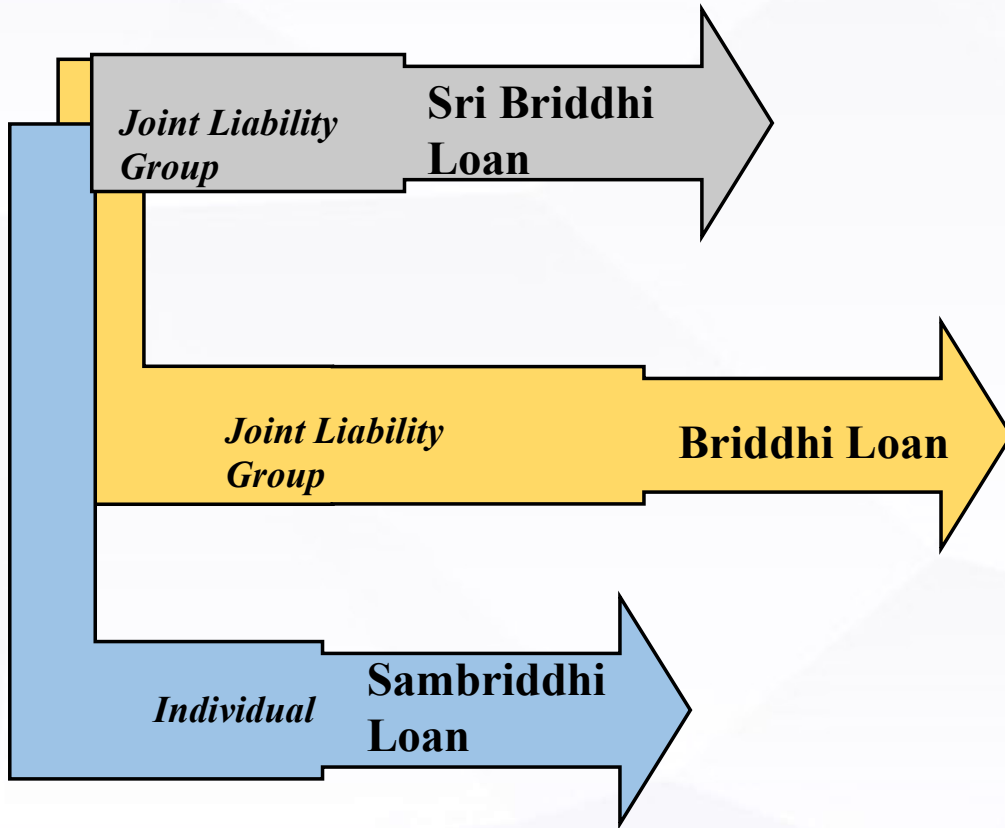


NBFC



Lending Partners





Purpose wise AUM (%) 2021 - 2022

Key Strengths



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profile

5



Highly experienced
senior management
team backed by
dynamic leadership

6



Mr. Ajit Kumar Maity, *Chairman*

- ✓ Visionary entrepreneur with over 3 decades of experience in microfinance and development.
- ✓ Ex. Executive Board Member of Sa-Dhan and Ex. Member of the SIDBI Project Advisory Committee



Dr. TK Mukhopadhyay, *Independent Director*

- ✓ Over 3 decades of experience in corporate finance, MSME and Business Development
- ✓ Previous role as Chief General Manager and Country Head at IDBI Bank



Dr. Ruldip Maity, *MD & CEO*

- ✓ Over 2 decades of integrated experience in microfinance and social development.
- ✓ Associated with various microfinance associations like Sa-Dhan, MFIN, and AMFI WB.



Dr. Sankar Datta, *Independent Director*

- ✓ Over 3 decades of experience in social service and microfinance
- ✓ Member of 12th five year planning commission, advisor to IFC, Food & Agriculture Organization



Mr. Pradipta Kumar Jena, *Independent Director*

- ✓ Over 3 decades of experience in general banking with special interest in rural development and microcredit
- ✓ Former Regional Director at RBI

Ms. Debjani Chattarjee,

Asst. General Manager - ESS

14 years of experience in CSR related activities.

Mr. Swapan Kumar Giri,

General Manager - New Initiatives, Digitisation & Corporate Partnership

More than 40 years of experience in Banking and technology activities..

Ms. Piyali Deb,

Company Secretary & Compliance Officer

12 years of experience in the fields of corporate laws, governance and compliance.

Mr. Dipanjan Chatterjee,

Chief Operational Officer

30 years of experience in Banking end to end functions.

Mr. Arindam Chakraborty,

General Manager – Technology & Business Support

22 years of experience in the domain of IT.

Mr. Bijay Indra,

Head of Internal Audit

10 years of experience in audit, risk, finance & corporate lending.

Mr. Jitendranath Mahato,

Manager – Business Planning & Expansion

20 years of experience in different field of Microfinance.

Mr. Subhasis Ghosh,

Asst. General Manager - Accounts

20 years of experience in field of finance & accounts.

Capt. Sandeep Goswami,

Asst. General Manager - Training

20+ years of experience in HR, training & skilled development.

Mr. Amit Kumar Das,

Asst. General Manager - HR

25+ years of experience in IT & Non-IT, Microfinance organisations.

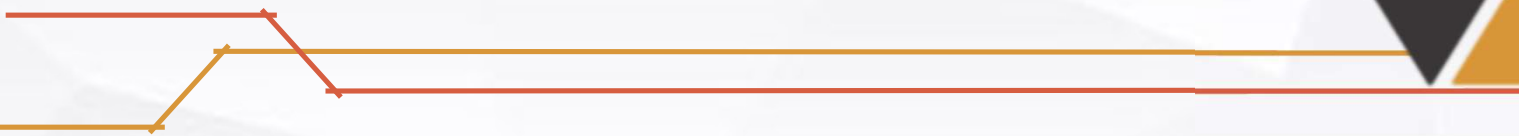
Ms. Priyanka Gathani,

Chief Financial Officer

Keen knowledge in financial planning and analysis with over 9 years of experience.

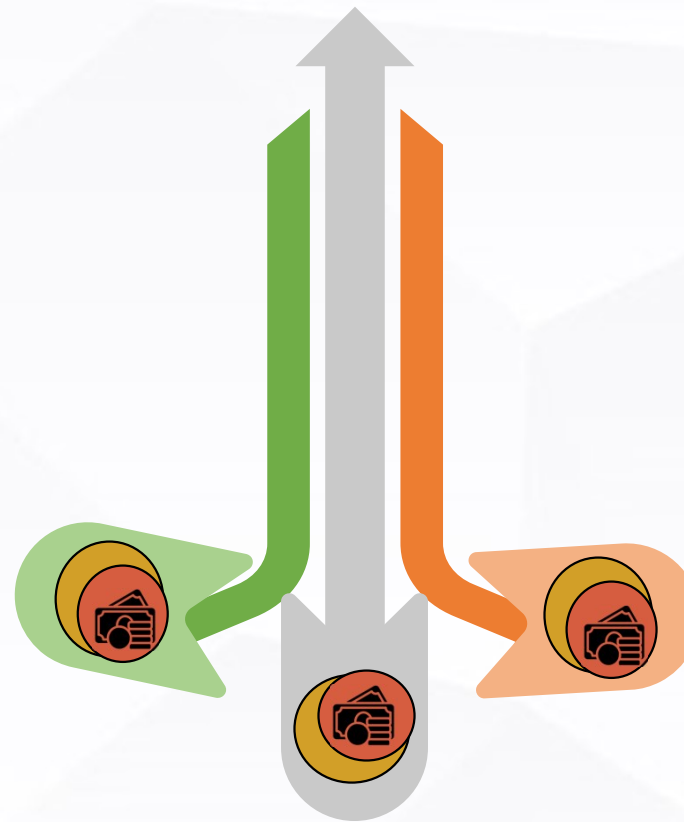


Annexure



Qualifying Asset: 75%

- ✓ MFI can increase the **secured loans** share up to **25%**.



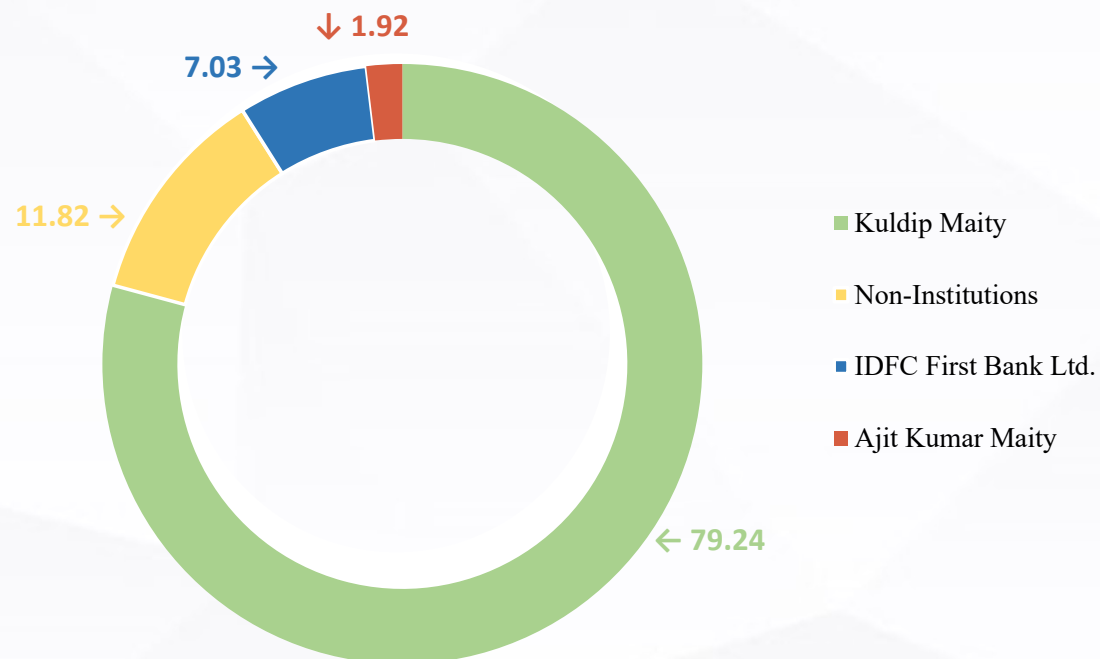
Family Income Criteria: $\leq ₹ 3.0 \text{ L}$

- ✓ Can broaden customer segment

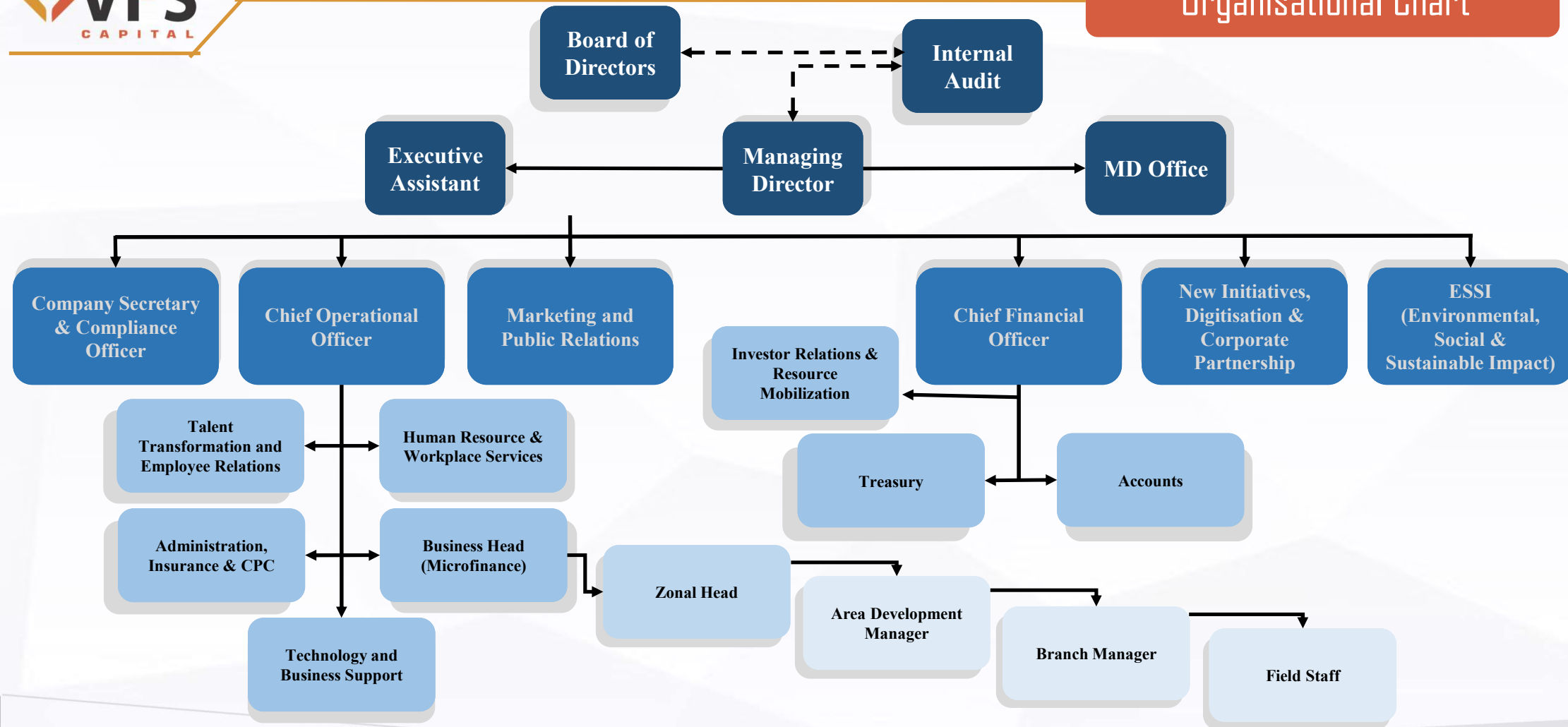
Margin Caps limit removal

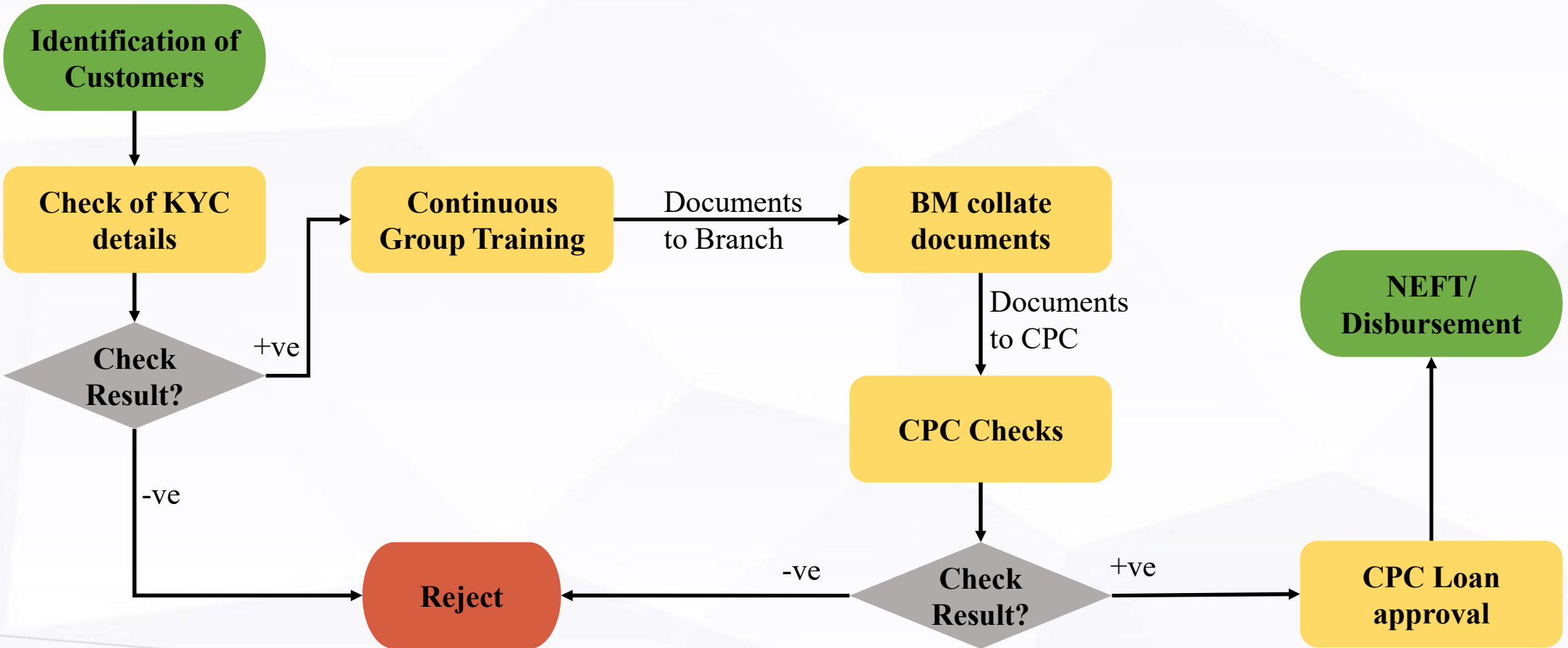
- ✓ Interest rates and other fees can be fixed by MFI (subject to scrutiny by the Reserve Bank).

PROMOTER & PROMOTER GROUP	% Holding
Kuldip Maity	79.24
Ajit Kumar Maity	1.92
BANKS/ FI	% Holding
IDFC First Bank Ltd.	7.03
NON - INSTITUTIONS	% Holding
Mukul Agarwal & Param Capital Research Pvt.	8.14
Satyanarayan Karwa & Priti Karwa	2.79
Others	0.89



Organisational Chart





Continuous Group Training

- ✓ Aimed at making customers understand the concepts, functions and significance of Microfinance
- ✓ 3-day training workshop for customers; Group leaders are identified and are made to understand their roles & responsibilities
- ✓ Audio visuals in local vernacular language are used in workshops

Group Recognition Test

- ✓ Each group training workshop ends with group recognition training
- ✓ Function is to run a background check on customers and test organization ability of group
- ✓ It also facilitates in KYC verification and deciding loan amount

Customer Awareness Training

- ✓ Customers are often made to go through customer awareness training once in every 2 months
- ✓ This allows customers to be updated about social issues and other development activities; this also helps VFS stay connected with customers



Audit & Risk Management Committee

Monitoring the overall risk management framework, the financial reporting processes, the compliance processes and overseeing the overall audit program and process.

Borrowing & Investment Committee

Defining strategies and oversee the effectiveness and materiality of the fund requirements and investment activities of the Company. Overseeing the Company's evaluation of contemplated investments and also financial portfolios.

Securities Allotment Committee

Analysing the requirements of capital enhancement and settling the modes and basis for the same and also monitoring the post issuance formalities as per applicable rules and regulations from time to time.

Board of Directors

IT Strategy Committee

Guidance to Board towards alignment of IT with the business direction to meet the strategic objectives of the Company for ensuring business continuity.

Corporate Governance

Nomination & Remuneration Committee

Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend the Board the policy relating to the remuneration of Directors, Key Managerial Personnel and other employees.

Corporate Social Responsibility Committee

Implementation and execution of CSR initiatives/ activities vide a transparent monitoring mechanism. Reviewing performance of the Company in areas of CSR and monitoring CSR Policy.

Asset Liability Committee

Overseeing the management a company's assets and liabilities for effectively evaluating on and off-balance sheet risk to the Company along with ensuring adequate liquidity.

Rating

Acuite Ratings & Research Ltd.

SEBI Registered and
RBI accredited rating agency

Assigned rating on **September 6, 2021** | Valid up to **August 5, 2022**

Rating **Acuite A⁻** | Outlook – **Negative**.
(Adequate Safety & Moderate Credit Risk)

Proposed Long-Term Facilities of **900 cr.** & Tenure **Long Term**

Based on credit facilities availed of/ proposed to be availed of by the company.



Infomerics Analytics & Research

SEBI Registered and
RBI accredited rating agency

Assigned grading on **May 24, 2022**

Grading **MFI 1**

(Highest capacity to manage operations in sustainable manner)

SMERA

Conceptualised by Ministry of
Finance, Govt. of India & RBI.

Assigned grading on **March 25, 2022** | Valid up to **March 24, 2023**

Grading **M1C2**

(Highest capacity to manage operations in sustainable manner and
good performance on code of conduct dimensions)

Grading





Business Leaders Award
Worldwide Achievers, 2017



Operational & Customer Service
Excellence Award
PWC, 2017



MSME Banking Excellence Award
in Eco-Technology Savvy, CIMSME, 2016

Customer Service
Excellence Award



Most admired service provider
BFSI Awards, 2018

NICHE Industry Award
ECC Goldspear, 2018



Excellence Award
3rd Mine India, 2018



Commendation Certificate for
Strong Commitment to Excel
CII-EXIM Bank

Most Promising MFI in India
Worldwide Achievers, 2017

Order of Merit
2016 & 2018

Best Financial Inclusion Initiative,
ETBFSI Excellence Awards, 2019



Best Employer Brand
9th Asia's Best Employers
Brand Awards



Customer Service Excellence
ABP, BFSI 2018



MSME Banking Excellence Award
Best NBFC-MFI, Chamber of MSME



Best Enterprise

Awards & Recognitions

Champion of Change



Outstanding Achievement Award for Social Service



Most promising MFI in India

















Best Microfinance Company in East India



Rajiv Gandhi Excellence Award



Awards & Recognitions

		Rajiv Gandhi Excellence Award	
	CEO of the Year, BFSI Awards, 2018		Bharat Gaurav Award
			
BFSI Leadership Award		Champion of Change	
	Global Visionary Award Vision World Academy		Youngest Leaders AMFI-WB, 2018
			
		Business Leader Award ET Now, 2020	
			
			

Farmer Anjali grows vegetables... and 3 graduates!



Anjali, 45, got into the “business” when she married Swapan 27 years ago. Swapan had around 1.5 bighas of land in Nityanandapur, a village in West Bengal’s Bankura district. She took her first loan from Village Financial Services three years ago and the current loan was sanctioned in 2021.

With this money, she grows fresh vegetables in the farm and fortunately her vegetables are always in demand in the local market, making her average income of ₹20,000-50,000 per month. She said that **VFS loan was a savior** during her tough times and is forever indebted to the Company.

Anjali also exclaimed happily that she could provide proper education to her children with the earnings and her eldest son is doing his Master’s in history while looking after the business, their second one is a graduate in hotel management now working in Gujarat and their youngest daughter is in second year of graduation.

Subala Roy’s husband Asit was a worker in the silk-yarn business who took some training in weaving. So, when Subala decided to start a business to add to the family income, it was quite natural for Asit to suggest that they weave traditional Assamese wear such as mekhela chador, and gamchas.

Subala took her first loan from Pathsala branch of Village Financial Services in Assam’s Bajali district, of an amount of ₹ 30,000 to buy a handloom and some silk yarn from Khowai Khusi Silk City.

Subala now earns upwards of Rs 10,000 for a mekhela chador set, and up to Rs 500 for a gamcha or woven towel. She has two handlooms.

With her earnings she send seven years old son to school to add colours o education in his life, which had unfortunately been missed by Subala.



Assam woman learns to weave dreams of silk

Our Happy Entrepreneurs

Our happy customer form Bihar



Suity Kumari got married to Naresh Kumar Sinha, a resident of Bahadurganj in Bihar Kishanganj district. When Naresh decided to launch a tailoring shop, Suity being a quick learner, decided to help her husband with his sewing machine.

In 2018, she took a loan from VFS to buy readymade garments from Kolkata’s Burrabazar market, with an aim to expand the tailoring shop into a readymade garment shop.

Besides, tailoring activities, the shop will also have readymade garments for sale.

Today, the happy couple earns ₹ 15-20,000 a month. The couple have a son seven years old, and two daughters five and three years old. The son is in Class 1, one daughter is in kindergarten and the youngest is in nursery.

Suity conveys her gratitude towards VFS and also states that she plans to establish a bigger shop, with a wider range and may be some helping hands.

Reaching out to Odisha



Satyabhama Sahoo of Haldharpur in Keonjhar is an award winning terracotta craftsperson. She and her husband decided to take a loan from VFS in 2019 to grow her business. After availing the loan, her business flourished and she made different items of terracotta like terracotta horses, elephants, flowers and many more and sold these items from ₹ 500- ₹ 5000.

They even started to sell their products to different dealers in Puri, Rourkella and Cuttack or at fairs. She now earns more than ₹ 2 Lakhs from a single handicrafts fair.

Satyabhama, though had studied till only class 8, ensured that her children are not deprived of education. Today her son teaches painting in an art school and her daughter is studying medicines.

Satila Boro is one of the many customers of VFS who make a living and create jobs. She joined the family when VFS first stepped into Meghalaya. She is the resident of Kadamshali village in West Garo Hills and has been weaving mekhla chadors and gamchhas for around 20 years.

Initially, she faced many hurdles in the business but finally her fortune showed up bright colours and today she fetches the yarn in ₹ 10,000. She even dictates the designs and supervises two weavers.

She sells each mekhla chador ranging from ₹ 1000- ₹ 5000.

She earns a decent living to sustain herself and her family.



Penetrating into the hills

Our Happy Entrepreneurs

Serving in Madhya Pradesh



Four years ago, Pramila Soni, 40, was running a beauty parlour in her home. The incomes generated from their was not enough to send her children to school. So, she decided to try her hand in selling saris. Initially, she got small stocks from her Indore- based brother. But, even that much was not enough.

So, to scale up her business, she decided to tap VFS for loan. After getting the money from VFS, she took a sari shop on lease and began buying from wholesale markets of Surat and Indore. With her earnings, today she had sent one of her sons to study engineering and the other is in Class 12.

Thanks !

Connect with us



Registered Office:

Village Tower, F15 Geetanjali Park, 18/3A
Kumud Ghoshal Road, Ariadaha,
Kolkata – 700057, West Bengal, India.

Corporate Office:

Eco Space Business Park, Tower – 4B,
4th Floor, Room No – 403, New Town, Rajarhat,
Kolkata – 700160, West Bengal, India.

