

Vivekananda Sevakendra--Sishu Uddyan

VSSU ANNUAL REPORT 2010-11



AN ORGANIZATION FOR COMMUNITY DEVELOPMENT SINCE 1983



VIVEKANANDA SEVAKENDRA-O-SISHU UDDAN

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Our Vision

COMMUNITY DEVELOPMENT THROUGH COMMUNITY RESOURCES

Our Mission

**POVERTY ALLEVIATION AND SOCIAL DEVELOPMENT
THROUGH MICROFINANCE**

Our Objective

BUSINESS DEVELOPMENT FOR COMMUNITY DEVELOPMENT

MESSAGE FROM THE SECRETARY

Respected friends,

At the very outset I would like to express my heartfelt gratitude to all beneficiaries, colleagues, well-wishers and all interns & visitors on behalf of Vivekananda Sevakendra –o-Sishu Uddyan on the eve of the auspicious annual general meeting for the year of 2010-2011.

First of all I would like to pay homage to the departed soul of Late Bhabani Sen Gupta, who was not only our chief patron but also was our friend, philosopher and guide. Needless to say, this sudden demise of Bhabani Babu is an uncompensatory loss to all of us. Therefore, we would like to extend our sympathy and solidarity to his family and all well-wishers.

My reflection of the past year is summed up in only one word grateful; grateful to Economic & Social Council (ECOSOC) for conferring on us international accreditation of “special consultative status” and to the Indian Government for electing me to be a member of 12th Planning Commission. Undoubtedly these recognitions will go a long way in enabling VSSU to achieve its targets and its pledge to its stakeholders.

The past years were full of activities in the honored presence of many interns and visitors nationally as well as internationally. There were lot of knowledge dissemination from the visitors and also through local, national and international conferences & seminars attended by the staff.

According to resolution of VSSU’s executive committee dated 10th October, 2010 we have begun to focus on some important activities such as establishment of bio-village project for organic farming, water conservation; permanent premises for Jawahar Navaday Vidyalaya and widespread use renewable energy from solar panels. We have yet to make some inroads into the establishment of Eco-tourism programme in the Sunderbans, in parallel to our ongoing activities like micro finance and other community developmental activities for the sustainability of target group.

We are grateful to all our donors who have made us obliged by extending their kind cooperation like Read Global pertaining their support to our Oceanic library, World Bank for their support to our NAIP project, VEECUS-France, AIESEC, social welfare Board, Govt. of West Bengal and Planning Commission, Govt. of India for extending its support for organizing a seminar on ‘The Impact Of Micro Finance in Agriculture & Allied Sector`.

Thanking you with best wishes,
Regards,



Kapila

(Kapilananda Mondal)
CEO & Secretary

TRIBUTES

It's with immense regret that we are to announce the demise of three dear associates of our organization this year. We have been grateful and proud to have known these distinguished individuals. We pray that they find peace in the eternal life.

Dr. Bhabani Sengupta, 11.09.1921 – 18. 01. 2011



Dr. Bhabani Sengupta was born on 11th September 1921 in the village Kartikpara District of Faridpur now named Bangladesh. His literature “Rajpath Janapath”, “Mukhaya Mantri”, “Se Nahi Se Nahi” opened new doors in Bengali literature. His research on International economy and subsequent neutral stance on political matters was highly acknowledged by the wider society. Shri Sengupta was a renowned student of Calcutta University and pioneer in the left movement. Due to his vast experience as a news correspondent he was entrusted by Govt. of India with the responsibility of Information broadcasting Development. He resigned from Govt. service and joined Colombia University to complete his PhD. Later on he joined as professor of political science in Colombia and JNU University and then center for policy Research as senior fellow where he wrote many books for which he received various awards.

He had high esteem for India's strong liberal tradition and saw that as a multi-lingual, multi-religious country it should remain secular. He was a great sympathiser with the most neglected sections of the society. At his instigation, a group of young boys established “Vivekananda Seva Samiti O Sishu Uddyan” in 1978 in Ullon Village. The organization later headed by Shri Kapilanada Mondal with the immense contribution of Shri Bhabani Sengupta quickly gained international reputation for its social work in Ullon. Shri Sengupta was heart of the inauguration of VSSU; he not only donated funds but also played a crucial role garnering support for community development work in the village. His ideas inspired millions and his numerous charitable works demonstrated his commitment to his nation for which the people dearly cherished him for it.



Shri Amritlal Mistry, 31.01.1942 – 30.08.2011

Late Amritlal Mistry was born on 31st January 1942 in Lakshmikantapur, District South 24 Parganas. Educated in M.A.B.T he joined Income Tax Dept. of Central Govt. where he held the Senior Accounts post. After retiring he decided join VSSU where he was appointed to the executive committee. He was instrumental in the establishment of JNV School at Poke Gabberia. Shri Mistry was an immensely knowledgeable man deeply committed to the social development of South 24 Parganas.



Shri P.K. Paul, 21.04.1971 – 09.11.2010

Shri P.K. Paul was the Chairman of SBEG Consultants Pvt. Ltd. He began working with VSSU because he wanted to make a difference. He was advisor of our organization for a long time. In the Planning Commission Meeting he was our honor person, he will be remembered for his generosity, wisdom and dedication. We will remember him by his work.

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The Economic and Social Council of the United Nations (ECOSOC) awarded

'Special Consultative Status' to VSSU

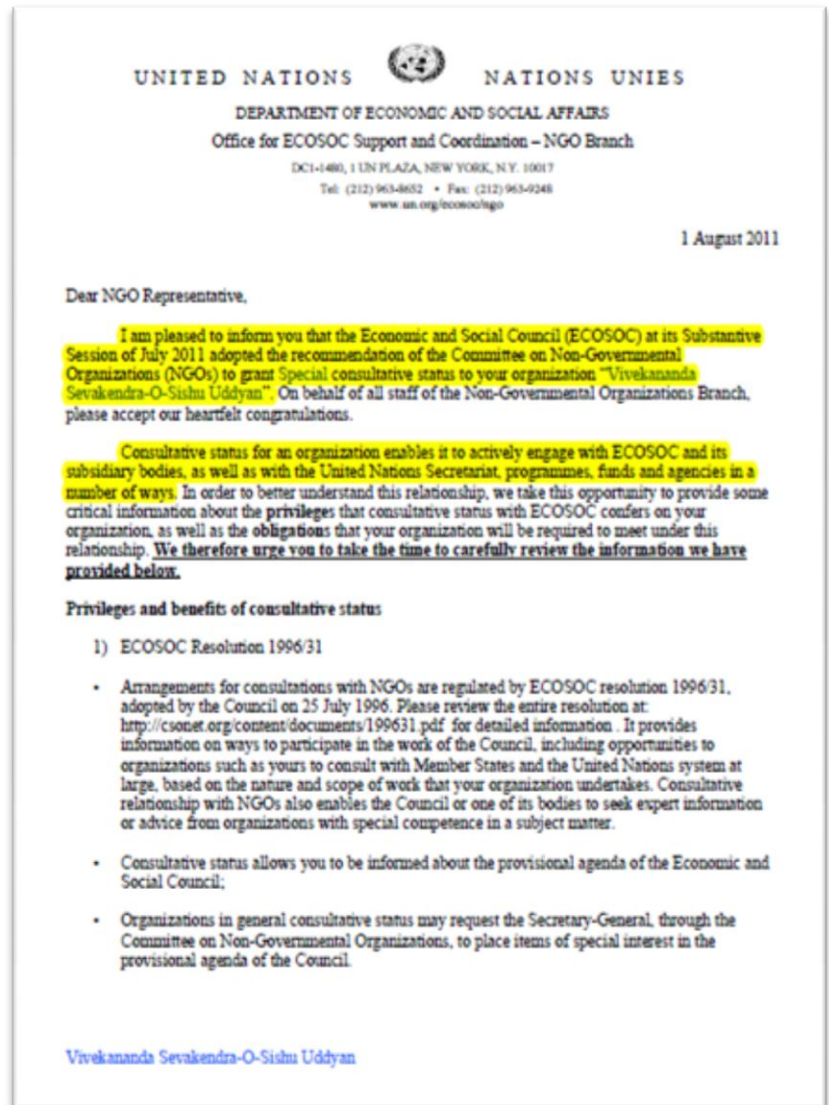
"Special consultative status is granted to NGOs which have a special competence in, and are concerned specifically with, only a few of the fields of activity covered by the ECOSOC."

VSSU was granted *Special Consultative status* on 8th February, 2011.

To be eligible for consultative status the NGO must:

- have been in existence (officially registered with the appropriate government authorities as an NGO/non-profit) for at least two years.
- have an established headquarters a democratically adopted constitution, authority to speak for its members, a representative structure, appropriate mechanisms of accountability and democratic and transparent decision-making processes.
- The basic resources of the organization must be derived in the main part from contributions of the national affiliates or other components or from individual members

Organizations enjoying Special Status can attend meetings of the United Nations Economic and Social Council and circulate statements, while those with general status can, in addition, address meetings and propose agenda items. Organizations with general and special status must also submit a report every four years.



Another momentous event was when our Founder and CEO Shri Kapilanada Mondal was selected to be Member of the Twelfth Five Year Plan Working Group on Outreach of Institutional Finance, Cooperatives and Risk Management (2012-17). He was selected for his experience and expertise on the field of finance. His role is study efficacy of micro-financing institutions with regards to: -

- their rates of lending
- And their contribution in credit outreach.



The Planning Commission was set up by a Resolution of the Government of India in March 1950 in pursuance of declared objectives of the Government to promote a rapid rise in the standard of living of the people by efficient exploitation of the resources of the country, increasing production and offering opportunities to all for employment in the service of the community.

The Planning Commission is charged with the responsibility of making assessment of all resources of the country, augmenting deficient resources, formulating plans for the most effective and balanced utilisation of resources and determining priorities. Shri Kapilananda Mondal was given the membership 7th April 2011. Since his acceptance as a member Shri Mondal has had the honor of attending three meetings with the agriculture division.

The focus of the working group that Shri Mondal is part of is to review the access of credit to farmers throughout the country with special emphasis on women farmers, laborers and other groups in very vulnerable groups. Furthermore, the group shall consider the credit agencies part and if there can be made changes in order to reach farmers in a better way. In this consideration will they also assess if the microfinance industry is available and to which extent the farmers can take this option in to use.

Prior to the acceptance of the committee a seminar was executed through the planning committee in Ullon. The title of the seminar was 'The impact of Micro-finance in Agriculture and Allied Sector.' It was the union Planning commission Govt. of India, New Delhi; sponsored seminar took place on 20th and 21st of august in 2010.

Mr. Daljeet Singh, the director of the Agriculture Division inaugurated the occasion in the glorious presence of several eminent personalities from different disciplines.

SECTORS
Agriculture
Education
Employment
Environment & Forests
Health
Urban Affairs
Industry
Infrastructure
Rural Development
Science & Technology
Social Justice
Others

History from homepage

BACKGROUND

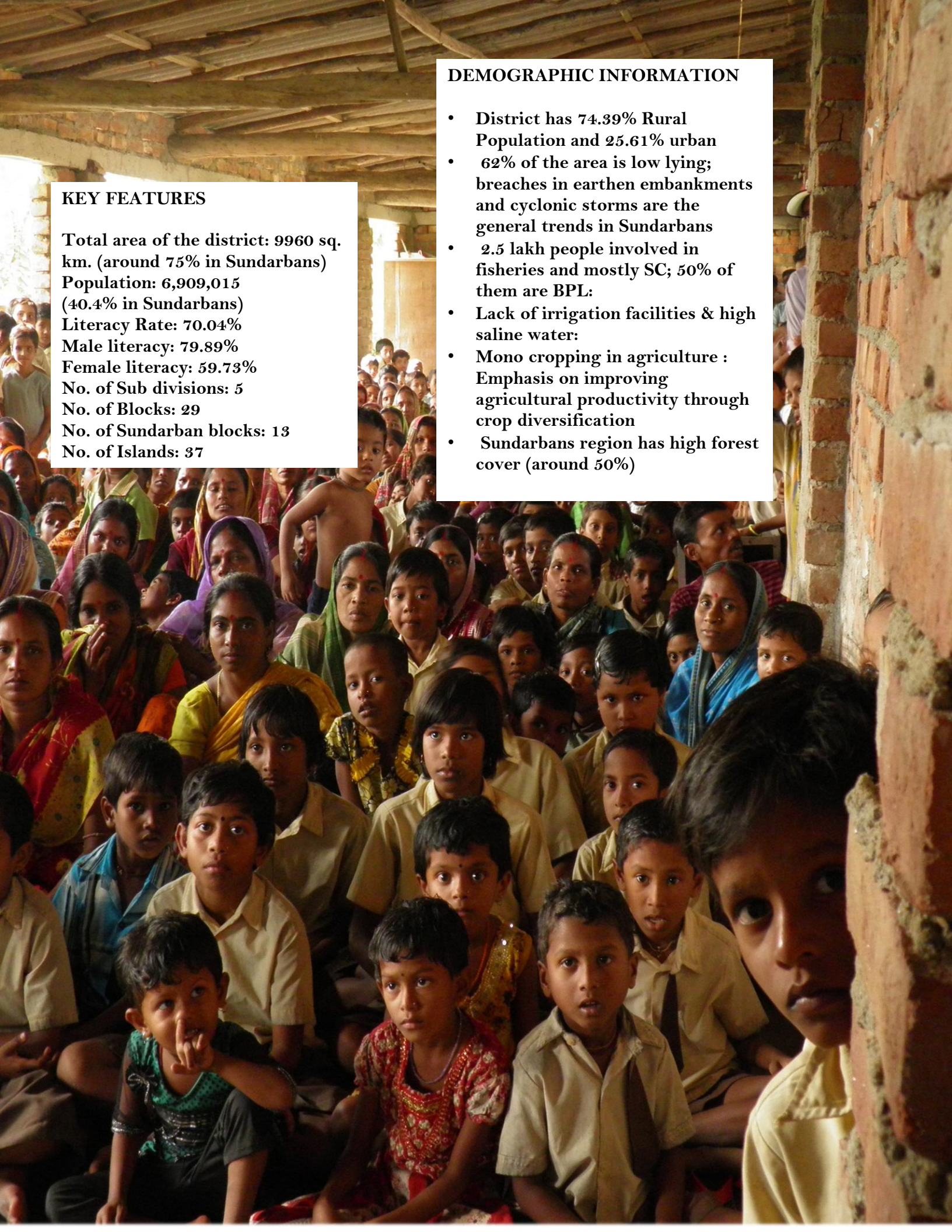
South 24 Parganas is one of the least developed districts in the state of West Bengal with 76.2% of the population both severely marginalized and living Below the Poverty Line. VSSU Our organization began on this backdrop with the guiding principle “Community development through community resources”. The practical application of this vision means that profits from the microfinance branch are re-invested into the community by providing and facilitating education programmes, income and employment generating ventures.

Unlike other Microfinance Institutions (MFI) VSSU provides credit and depository services to all community regardless of their financial status. Given that, at the heart of VSSU is the question of sustainability, the procurement of funds from the community rather than big banking institution or the government serves to reinforce this.

The basis of this approach is the belief that rural India has abundant resources what's needed is a mechanism to utilise those resources more efficiently. VSSU works as a patron to mobilise the community resources so that the poorest and the destitute can benefit the most. Our 25 years of experience in community development has taught us the importance of small local enterprises in creating necessary surplus for overall community regeneration.

VSSU grew from small organization providing one pre-primary school and commitment to reforest much of Ullon road side to a distinguished microfinance institution with numerous leading community development projects.





KEY FEATURES

Total area of the district: 9960 sq. km. (around 75% in Sundarbans)

Population: 6,909,015 (40.4% in Sundarbans)

Literacy Rate: 70.04%

Male literacy: 79.89%

Female literacy: 59.73%

No. of Sub divisions: 5

No. of Blocks: 29

No. of Sundarban blocks: 13

No. of Islands: 37

DEMOGRAPHIC INFORMATION

- District has 74.39% Rural Population and 25.61% urban
- 62% of the area is low lying; breaches in earthen embankments and cyclonic storms are the general trends in Sundarbans
- 2.5 lakh people involved in fisheries and mostly SC; 50% of them are BPL:
- Lack of irrigation facilities & high saline water:
- Mono cropping in agriculture : Emphasis on improving agricultural productivity through crop diversification
- Sundarbans region has high forest cover (around 50%)

CORE IDEAS

Community development

Since its inauguration on 11th January 1983 VSSU has been at the forefront often without any assistance in promoting education, healthcare, reforestation, the development of a community library, hygiene & sanitation programmes, a home for destitute children.

Economic development

VSSU began its 'Savings-based Credit Programme' in 1994 in order to give financial freedom to poor villagers with special focus accorded to women. Today VSSU micro finance services provide microloans, savings and insurance facilities to the enterprising but otherwise poor individuals. It targets those people who are not considered bankable.

Livelihood development

After a decade of experience VSSU learnt that microfinance alone is not sufficient for the empowerment of the society. Generating employment is also an essential component that can harmonise the microfinance and social development activities. To achieve this we have started promoting livelihoods projects among low income families.



In the last 25 years we have learned to appreciate the importance of being self sufficient, in all the time VSSU has been in operation it has not received any substantial subsidy or grant support. Our growth has been organic and our microcredit activities financed entirely from deposits. As a result, we were awarded 148% for financial self-sufficiency, in a World Bank study putting us in the highest bracket of MFI performance world-wide¹. They have also stated in the same report that “International microfinance can learn from VSSU”².

Our founder and CEO Shri Kapilananda Mondal was honored with Ashoka Fellowship for innovations in Micro Banking as such he was subsequently invited to visit numerous microfinance programs abroad most notably to Grameen–Ashoka International Dialogue program where Nobel Laureate Muhammad Yunus affirmed “I am trying but Kapil has already achieved 100% loan from savings in the micro credit sector”³. We also had the privilege of hosting numerous distinguished individuals and international organizations most notably the World Bank consultants on three occasions.

All this resulted in wider acknowledgement of our organisation by numerous state banks, firstly, by Small industries Bank of India (SIDBI) who approved loan in excess of Rs. 4.94 cr. to VSSU of which 4.38 cr. was repaid promptly with interest. Subsequent they instructed us to halt monthly savings collection of approx. 52 lacs in order to be eligible to avail a further loan of Rs. 10 cr. At their instigation we discontinued all saving collection; however, no fund were sanctioned and no explanation provided as to the reasons; putting severe financial strain on our microcredit activities not least depriving most vulnerable clients of vital credit and essential community development projects.

Secondly, we were approached by State Bank of India (SBI) who on their own accord offered VSSU Rs. 15-20 cr. of which Rs. 9.60 cr. was sanctioned after an 88% internal scoring of the organisation⁴.



Unfortunately after extended delay only Rs. 1.98 cr. was made available to us with no notification or consultation in any way. They advised us to seek rating from CARE, (an external rating agency), to the bewilderment of all and against the bank 88% scoring CARE assigned us the lowest grade.

Following these episodes we were advised to seek another third-party rating agency - M-CRIL who after preliminary review and examination forwarded us a summary report which stated that "VSSU can be lend Rs ... Crores from Commercial banks."⁵ However, in the final report submitted 10 days later states "VSSU is financially not in a position to avail commercial Fund"⁶. Another report supposedly conducted early 2009 by *EDA/M-Cril, Argidius, and the SEEP Network contrarily* asserts "VSSU is a very innovative MFI, with a unique business model"⁷.

It's widely acknowledged, rating agencies offer judgment — "opinions" which although free from outright bias, nevertheless, lack of common criteria and clear framework resulting in contradictory appraisals. The inconsistencies between the reports and lack of transparency associated with their production throws doubts into their inherent value. The Microfinance bill 2007/2011 envisaged to create a common framework for MFI operations and provide comprehensive regulation of rating agencies by Malegam Committee Report is still pending in the legislative process. This bill, when it's passed, should provide an inclusive assessment for all MFIs rather than just conventional large profit-based MFIs.

Cumulative effects of these events, in addition to, operational weakness in the organisation owing to rapid expansion in the year 2007-2008 presented severe challenges to the organisation mitigated by only client confidence in our organisation allowing us to swiftly mobilise savings once more. Our products are flexible our services local — further to the conventional security provided to client deposit we provide further assurance through VSSU's enhanced land value and other fixed assets.

For years our innovative approaches to microfinance, community development projects and efficient operational management have been praised. Despite these challenges and in spite of its size VSSU allocated Rs. 1.10 Cr from its resources for the startup Finance of several NGOs and MFI in three eastern states the majority of whom prospered and became successful most eminent being Bandhan, Adikar and VWS. In the last four years these very organisation extended financial assistance to us for which we are sincerely grateful.

Our commitment to our clients and stakeholders unwavering despite the numerous challenges we have faced and continue to face due to the orthodox attitude of the Indian banking system and contradictory operational workings of rating agencies.

¹ Stuart Rutherford and Mark Staehle "Innovative Approaches to Delivering Microfinance Services: The case of VSSU, West Bengal" July 2002 MicroSave-Africa. (<http://www.safesave.org/VSSU%20Report%20July%202002.pdf>)

² Ibid

³ Grameen-Ashoka International Dialogue Program, Dec12-23 2003 Dhaka

⁴State Bank of India, RURAL BUSINESS MICROFINANCE & FINANCIAL INCLUS. SI. No.: 593/2008-09. Circular No.: RABG/RBNFMCFI-FININC/4/2008-09. Received through appeal from Right To Information Act 2005 released 26-07-2010.

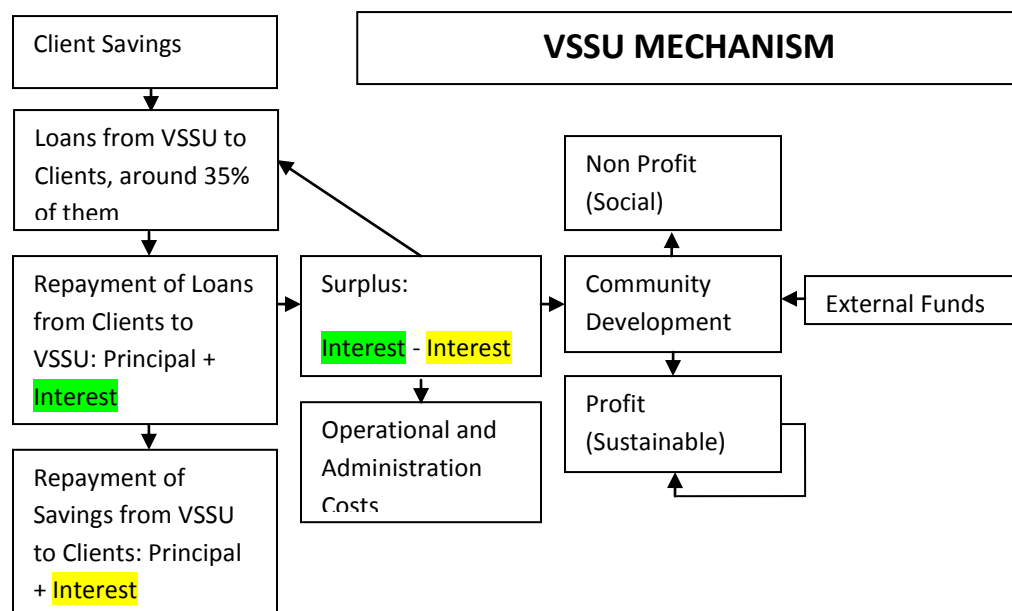
⁵Mcro Rating International (M-CRIL) New Delhi August 2007 review Preliminary report

⁶Mcro Rating International (M-CRIL) New Delhi August 2007 review Final assessment

⁷www.veecus.com/blog/wp-content/uploads/.../vssu-social-report.doc

MICRO FINANCE

VSSU has been microfinance NGO since 1994. However, our product type is not new - our strength lies in our ability to adapt existing rather than inventing new products to our locality. We are entirely local; work with men as well as with women and have built our capital base on client deposits rather than donor funds. Our products are adaptable to a wide variety of uses, especially



when compared with the rather rigid fixed-term credit-centred approach used by many 'mainstream' MFIs.

Our clients can choose a savings plan that suits them in terms of its deposit value and frequency; they then may or may not borrow against their deposits. Furthermore, VSSU model has proved that the rural people of the backward areas are also bankable. They have the power and inclination to save and also have good intention and habit for regular repayment of the loan. We have always aspired to continue to serve the rural poor under high professional and moral standards implementing transparency and forums for client consultation.

Savings Products							
Sl.	Product	Term (Months)	Minimum Deposit	Rate of Interest p.a. (%)	Calculation System	Accident/ Death Insurance Coverage	Pre-maturity charges (under 12 months)
1	Daily Deposit (DD)	12 & 18	Min. Rs. 10/- or its multiple	4 , 6	Simple	Equal amount to the Deposit (Max of Rs. 25,000) redeemable only to regular depositor as per contract agreement	4% of dep Bal or Rs.60 whichever is higher
2	Weekly Deposit (WD)	12, 24, 36	Min. Rs. 10/- or its multiple	3, 5, 7	Flat		No Coll Charges
3	Monthly Deposit (Recurring Deposit)	12, 24, 36	Minimum Rs. 50/- or its multiple	10, 11 , 12	Compound Interest		Flat Rs. 50/-
4	One time (Fixed) Deposits	12,24,36,48 ,60,72	Minimum Rs. 1,000/- or its multiple.	10 , 11, 12 (12% for 36 to 72 months)	Quarterly Compound		Flat Rs. 50/- upto 6 months (from Dt of opening.)
5	Monthly Income Scheme (MIS)	36 & 72	Minimum Rs. 50,000.	10 , 12	Flat		Rs. 100/- within 1 year.

Details

- To be able to open a saving plan, client must be a member

- Being a member costs 10Rs
- There is no minimum age to open a saving plan
- In case of premature withdrawal:
 - 3 days to close the account
 - Must withdraw all the money
- Weekly deposit are only for group
- After maturity, if the deposit is under 300Rs, 20%, 30% and 50% are respectively taken the 1st, 2nd, 3rd year.
- Calculation
 - Daily: (interest rate/12) applied to balance amount each month
 - Weekly: interest rate applied to total deposit
 - Monthly: monthly deposit multiplied by index/5. Index is given by table used by banks
 - One time: deposit multiplied by $(1 + \text{interest rate}/4)^{(\text{months}/3)}$

All these above conditions (rate, guarantee, waiting time to get loan) can be changed depending on client's background. A good client who's taken several loans and repaid them back without any setbacks could get better conditions for a new loan: low interest rate, less guarantee, shorter waiting time. A very poor client who can't repay his/her loan could receive a gesture of goodwill from VSSU i.e. decrease of interest rate or loan waiver. In case of natural disaster we provide loan restructuring to ease the burden to the client.

Loan Products						
Sl.	Product	Rate of Interest p.a. (%)	Calculation System	Security Deposit	Repayment period (Max)	Mechanism
1	Group Loan	15% Flat	Flat	20% of Loan Amt.	46 weeks	Gr. Lending methodology, Joint Liability
2	Individual (Over deposit)Loan	15% and 24%*	Declining	30% of Loan Amount +30% Guarantor's deposit	12 Months	Client's previous track record, Guarantors's deposit & Risk coverage aspects.
3	With in deposit Loan	18%	Declining	Whole Deposit amt.	Upto Maturity Date.	Upto 80% of Deposit money in reduced interest rates.
*24% reducing interest is applicable only to those loyal clients who repaid his/her previous loan properly & wish to repay with in 6						
Micro Credit loan to A: Agriculture B: Business C: Consumption D: Development E: Enterprise						

Details

- Borrower must have a saving account to get a loan
- 18 is the minimum age one is able to obtain a loan
- Only daily and weekly deposits are accepted as guarantee for over deposit loan
- Group:
 - 5 persons
 - only for women
 - if one member of the group defaults, the others automatically will not be eligible for a new loan
- Individual:
 - guarantor must have deposit at VSSU
- In case of default, the client will not be eligible for a new loan.
- If the loan is not completely repaid after 1 year: the amount is adjusted from saving deposit, then from guarantor's saving deposit then 2% is applied each month during at maximum 3 years then criminal procedures will be taken.
- Calculation
 - Reducing: interest rate/12 applied to due balance each month

Micro-insurance

Death Insurance Coverage						
Only for 100% regular depositors						
Sl	Product	Minimum Deposit amt	Minimum term (Month)	Insurance facility	Valid	Beneficiary
1	Daily Deposit	20	18	Equal to the Deposit Balance Max. payout of Rs. 25,000	Until maturity of the product	Nominee (Chosen by Clients at the time of Opening)
2	Weekly Deposit	20	36			
3	Monthly Deposit	100	36			
4	Fixed Deposit	5000	72			
5	Monthly Income Scheme	50000	72			
In all respects, NIC guidelines to be followed						

Credit Plus Facility (7 in 1)				
Applicable to all Over Deposit Loans				
Sl	Product	Registration fees (HUHY)*	Valid	Facilities/Insurance Coverage
1	Accidental Death Coverage	1% of Loan amount	Up to 1 year from the date of loan disbursement	Loan due Balance waiver
2	Accidental Medical help			Max. up to Rs. 10,000
3	Group Exposure & Training Facility			50% of Exposure cost max. of Rs. 5,000
4	Creche Prog.			Free Pre-Primary School for group member's children
5	Interest Free Sanitation Loan			Rs. 3,000 (in two instalments) to Construct Cost Effective Hygienic Latrine
6	Recognition as a Best Group			Financial rewards & Social Recognition to the 10 best groups of VSSU each year.
7	Support for Development Work			Financial Supports @ 50:50 ratios for any kind of constructive social development initiatives.
Only 100% agreement wise proper <u>loanee</u> can have access to said facilities after registration				
*Help Us to Help You				

CASE STUDY: 1

Biswaneth Leder



from loanee to saver

With his friendly greeting, Mr. Biswaneth Leder, 45, happily welcomes us into his small tailor shop in the Laskmikantapur market. He's been a VSSU client since 1994 after hearing about VSSU and its mission to provide financial services to people of his economic profile. He decided to avail Rs 5,000 business loan from VSSU and began selling rice in the local market; however, after successive months of declining profitability Mr. Leder, decided to quit the rice selling and become a full-time tailor. He now has small shop next to the station sewing clothes.

Currently, he has 2 saving plans daily deposit of Rs. 10 and One Time deposit of Rs. 15, 000 both at 12 months maturity cycle. He was also at pains to inform us of his cordial relations and his immense respect for Mr. Kapil Mondal who has visited him on 2 occasions. He is motivated to continue working and making small saving so that he can send his children to good schools and colleges so that they can move ahead in

their lives. Mr. Leder story is a testament that effective microfinance products can enable the poor to transform from being just a loanee to being able to make substantial savings for the future.

Mr. Jummet Ali Laskar, 60, lives in Laskminkantapur area along with his wife Roshida Bibi in a modest dwelling few yards from the local train station. Generally, VSSU has a clear credit policy and loan procedures for evaluating each client. In this regard, Mr. Laskar is one of the qualified borrowers in terms of business activity, clear source of income, business growth, experiences, good attitude and the like. After hearing about VSSU from friends he requested a loan mid-1991 to start water bottling business. It quickly became successful and he was able to pay his loan in full and request further loans to buy new supplies to increase his sales.

Unfortunately, due to the tsunami and bad weather that followed he had to renegotiate his loan as the storm destroyed his home rendering him unable to pay the outstanding of his Rs. 20,000 loan. He informed us that Shri Mondal, the Founder & CEO of VSSU, personally visited him to pay his condolences and ensure that the outstanding loan was rescheduled until such time that Mr. Laskar is able to pay back. The current loan of Rs. 10, 000 was given in his wife name, Roshida Bibi and has been used to reconstruct their home, business and to purchase supplies. He feels the daily repayment of Rs. 10 towards his loan is reasonable and manageable. Mr. Laskar feels very proud that for a man with minimal education he been able to achieve so much.

Asked about future, Mr Laskar is confident about his business and his overall financial situation. His dream is to expand his services to further towns and to do so; he would like VSSU to give him a larger loan.

CASE STUDY: 2

Jummet Ali Laskar



In the foreseeable future microcredit will be limited to potential clients with a dream — can see it realised with a clear ambition and good business plan. By this VSSU will reduce its exposure to defaults from potential loaners. VSSU feels confident that non-entrepreneurial needs for credit will be fulfilled by numerous NGOs and MFI institutions operating in the area. Nevertheless, special consideration will be given to people living in the Sunderbans area where we will expand our services to include 3 new branches with various changes made to products to ease the availability of credit in this neglected part of West bengal.

OCEANIC LIBRARY

Oceanic Library is the first project of READ Global, USA in India in collaboration with VSSU. It is the type of Community Library and Resource Centre which encompasses healthcare, income generating, skill development training and education programmes. In a typical month the library gets used for several different activities;

- Books, Newspapers and Magazines
- Audio Visual Show
- Games
- Sports equipment
- Musical instruments
- Cultural events
- Dance lessons
- Yoga classes
- Mothers meeting

There are several projects running in the buildings that were set up to enable the library self-sustainable. In one area of the library a honey production center has been opened to help generate income. However a drawback that remains is the lack of funds to initiate and fund the startup of big projects.



Unfortunately the generator that the honey production is reliant upon has broken the production is temporarily on a standstill. This does not, however, compromise our aim to succeed in the ongoing project of building a strong foundation that the whole community can benefit from.

Every year Oceanic Library conducts

Every year we offer free health check-up camps in collaboration with Local Nursing Home where the community people are examined by qualified doctors free of cost. In addition, free of charge blood tests for sugar and other diseases are provided to everyone regardless of caste, religion or economic background.

HOME FOR DESTITUTE CHILDREN

SATYAKAM & KAJAL BITHI

The homes for children 'Satyakam' and 'Kajal Bithi' were established in 2005. 'Satyakam' is intended for the boys whereas 'Kajal Bithi' is meant for the girls. The homes were established to provide food, shelter and education to vulnerable or neglected children from surrounding towns and villages.

At the homes the children receive education for their physical, mental and spiritual development so they may have opportunity to be economically self-reliant, and socially responsible. To complement the children's curricular activities there are also provisions for special classes, annual sports, meditation and Vedic recitation classes, singing, dancing, drama performances and yoga.

Currently there are 14 girls and 16 boys living in the homes, they are between the ages of 5 and 18. The children have been brought to the destitute home for different reasons, the most recurrent being; following the father's death the mother often



unskilled finds it difficult to provide for the child. Many of these children have been through traumatic episodes, for instance, we have several children who have father either in prison or missing following the unexplained demise of the mother.

CASE STUDY: 3



Sarbani Pramanik

Age: 6

Sarbani is a sweet natured girl with a big smile, she was admitted into the children's home in mid 2010. Shourbani moved away from a small family of her mother and grandmother but says she doesn't miss her family because she is very happy here. She likes to draw on her free time and wish to become a dancer when she grows up. In school she learns how to read and write she says she is very pleased with school and the teachers there. Her father is not around so her mother is working as housekeeper and is not able to take care of her.

Krishanu Datta

Age: 14

Krishanu is in 8th grade and comes from a big family before moving to the children's home. He says he misses his family but is very happy with the home he has now. In his free time he enjoys playing with the others and his favorite game is "hide and seek". In school he learns how to read and write and wants to become a doctor when he grows up. His father has left and his mother is not able to support him.

CASE STUDY: 4



VIVEKANANDA SHAKTI KENDRA

A Renewable Energy Centre

(Solar | Wind | Hydro | Bio - Energy)



VSSU inaugurated the Renewable Energy Centre, 'Vivekananda Shakti Kendra' (VSK) on 26th January, 2010 in collaboration with ONergy, Sankalpa/ARTS, Kolkata based organizations with technical support from 'Barefoot Power', Australia. The center is located in the Oceanic Library. VSSU provides the premises free of charge which includes a shop and two storage rooms.

This center is one of a kind in South 24 Parganas. VSK works by assisting village-based communities in South 24 Parganas and in Sunderbans lacking in clean energy to gain access to affordable but high quality products, services and effective renewable energy technologies that best reflect the needs of the target beneficiary communities and groups in need. They offer products for lighting, cooking and electrification in rural areas. ONergy supplies the solar lights and train the rural entrepreneurs in customer education, battery replacement and sales and demand generation.

Currently only available to existing VSSU customers the solar lights and batteries are offered to the villagers at affordable prices and can be paid over a period of time through micro-credit. Much of South 24 Parganas lacks proper electricity; therefore, people are generally dependent on Kerosene which are not only expensive but extremely dangerous. Often a person representing VSK accompanies VSSU collector to inform clients about alternatives to Kerosene. Unlike kerosene lamps the solar light do not emit carbon dioxide and have no recorded incidences of burns, fatal fires and respiratory deaths.

"ONergy a leading provider for best quality solar solutions and servicing in East India and offers extremely affordable solar systems to people who do not have access to clean and reliable energy. In the last 18 months they have reached to over 1500 rural households. The project aims to reduce monthly family expenditure on lighting by 50 per cent and increase family incomes by 20-30 percent"



Solar light are often the first step in developing a comprehensive, decentralized renewable energy approach that can not only meet household energy needs but also support small scale enterprises. For VSSU, an organization which campaigns on climate change and sustainable development issues, this project is an important step in demonstrating that countries such as India can meet some of their energy needs in a clean and inexpensive way.

A VALUE CHAIN OF WILD HONEY BEE

VSSU in collaboration with the University of Agricultural Science has established the honey processing unit currently situated in the far end of the Oceanic Library. It's part of the Jeebika Livelihood project intended to provide employment to the traditional honey hunters in the Sunderbans.

Since April 2010 eighty traditional honey hunters have been trained in the sustainable method of



honey harvesting in different groups through practical trials and demonstrations in a participatory method. The income level of the traditional honey hunters have been increased phenomenally. Generally the traditional honey hunters are forced to sell their harvested honey to the forest department for Rs.50-55 per K.G. With the installation honey processing unit at Ullon they are receiving on the average Rs.120 per K.G. of the honey. Consequently the project has more than doubled their income.

Goal of this project was:

- To improve the living conditions, income level and socio-economic status of the traditional honey hunters.
- Traditional honey hunters have learnt new technology in sustainable honey harvesting.
- The honey collection skill of traditional honey hunters has been upgraded.

Challenges we have faced last year include the breakdown of the generator few months ago. This is a major concern and is a crucial factor to keep the business running. For the future VSSU wants to develop a brand name for the honey and develop secure line of distribution to establish a steady income.



VSSU'S ENDEAVOURS

TO ACHIEVE MILLENNIUM DEVELOPMENT GOALS

The Millennium Development Goals (MDGs) represent the world's commitment to deal with global poverty. This commitment is supported by a global partnership, which calls for country-led strategies and support from developed countries in the areas of trade, Official Development Assistance (ODA), debt sustainability and access to medicine and technologies. With only five years left until the 2015 deadline to achieve the Millennium Development Goals VSSU is working hard to contribute.

MDG GOAL 1: ERADICATE EXTREME POVERTY & HUNGER

- By providing savings schemes and loans, the microfinance branch encourages income growth in the very poor districts.
- Moreover, VSSU is continuously making a positive contribution to local employment. Its microfinance operation supports a large number of small and medium enterprises, some of which have grown and hire a number of non-household employees.
- VSSU contributes to the reduction of worldwide hunger through its feeding of the destitute programme, which distributes 5 kg of rice and 1kg of pulse every month to almost 700 elderly people.
- The Home for Destitute Children provides free meals, accommodation and education to 30 children that cannot longer be supported by their parents.
- VSSU donated new clothing to 60 people.



Future plans:

- VSSU is expanding the facilities in children's home to accommodate an extra 20 children. By providing these children with free education and a safe place to stay VSSU give them the most important tool to escape poverty.
- In the year 2012 VSSU will expand its microfinance operations in the Sunderban area to include three new branches. The additional branches will serve areas that do not already have access to credit. The targeted clients are some of the poorest in the district, therefore, VSSU aim to provide microcredit at minimal collateral and below market interest rate.

MDG GOAL 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION

- VSSU owns 19 preschools in the district which provide non-formal pre-primary education for nearly 700 underprivileged children.
- Assisted Central Government supported project of providing quality education to rural poor children, in setting up Jawahar Navodaya Vidyalaya (JNV) in South 24Parganas district.
- Access to rural Community Library and Resource Centre (CLRC) at 'Ashok Nilay' in collaboration with **READ GLOBAL, NEW YORK, USA** which has been set up adjacent to JNV site.

- Since 1983 VSSU has been running Creche Programme and more than 2500 children who received preprimary education free of charge through VSSU.

MDG GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

- Reaching women through microfinance by providing flexible microcredit and saving products to poor rural women.
- VSSU offers training in weaving and other like skills at the Oceanic Library to teach women an alternative income generating skill.



Future plans:

- Currently 50% of overall VSSU clients are women, our aim is to increase this to 70%.

MDG GOAL 4: REDUCE CHILD MORTALITY

- We frequently Organise free health checkup through 'Medical Camps' for the community children.
- Periodically de-worming of the community children by VSSU homeopathy clinic.

Future plans:



To better understand the cause of high infant mortality we aim to classify it into four groups:

Factors related to infants only

1. Factors related to mothers only
2. Medical services.

Sponsor program will be very essential for our area for the focus of:

- A. Health
- B. Education
- C. Nutrition

- D. Family assistant
- E. Community assistant

MDG GOAL 5: IMPROVE MATERNAL HEALTH

- VSSU owns two homeopathy health centers where the community women receive useful information from a lady doctor about the safety measures for maternal health at immeasurably low cost.
- We work in collaboration with **FREEDOM FROM HUNGER,USA** to help safeguard and protect 'Maternal Health' through '*SwasthaSahayika*' (Community Health Worker) and to create awareness through them.
- Health education is also been provided to targeted women to increase their understanding of easily preventable diseases. Te meeting is held on the 10th of every month. We go to the selected areas once a week every month

- Through VSSU MCH (Mother & child health) clinic conducts regular health checkups to maintain the health and nutrition of every child. It also has received huge response to meet the local treatment. Primary health checkup & treatment are being rendered through this static clinic for general people. The clinic comprises of one qualified homeopathic doctor and part-time Allopathic.

GOAL 6: COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES

- Two homeopathy health centers are run by VSSU and will provide treatment at a subsidised cost.
- HIV /AIDS seeking – VSSU provides HIV/AIDS counseling in selected localities.

MDG GOAL 7: ENSURE ENVIRONMENTAL SUSTAINABILITY

- VSSU acquired community level support to plant trees along 140 km. (87.5 miles) of road side to turn the time on soil erosion and make timber for building and fuel available to poor villagers. Efforts are also being made to educate local community people of the importance of replanting trees.
- VSSU also runs a seed nursery on 3 acres of land, every year 300,000 saplings are generated.
- Over 70,000 people from the Sunderbans are under the risk of losing their habitat permanently due to rise in sea level, consequently, increasing the frequency of cyclone and flooding. To overcome this environmental crisis, VSSU has embarked upon planting 10 million trees within the next 5 years in the Sunderban and entire district of South 24 Parganas, West Bengal.
- Provided sanitation to 1100 families through interest free sanitation loans to construct 'Sulav' (cheap) toilet at home.
- VSSU has established a Renewable Energy Centre (Vivekananda Shakti Kendra) to access to electricity through solar panel with appropriate technology from M/s **BAREFOOTPOWER, AUSTRALIA**

Future plans

In Future Opportunities section page 20 there is a map showing how VSSU area will use large area for managing water resource and reforest large sections.

GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

We have collaborated with:

- **BRAC, BANGLADESH & VEECUS, FRANCE** for expansion of VSSU Microfinance programme.
- **READ Global, New York, USA** for setting up Community Library and Resource Centre (CLRC).
- **AIESEC International, KOLKATA**, (H.Q. at Rotterdam, The Netherlands), send students to learn mechanisms of VSSU Microfinance along with mechanisms of community development by making use of community resources.
- **FREEDOM FROM HUNGER, USA** in order to ensure improved child and maternal health.
- **BAREFOOT POWER, SYDNEY, AUSTRALIA** along with **ENERGY, KOLKATA, INDIA** For RENEWABLE ENERGY CENTRE using Solar and Bio-gas Energy.
- **UNIVERSITY OF AGRICULTURAL SCIENCES, BANGALORE, INDIA** for 'Value Chain on Wild Honey Bee', a NAIP(National Agricultural Innovation Projects) supported by **WORLD BANK** through ICAR (INDIAN COUNCIL OF AGRICULTURAL RESEARCH), New Delhi, VSSU being a consortium partner.
- **SVYASA UNIVERSITY, BANGALORE, INDIA** for the establishment of the Yoga Institute for ensuring improved health of the community, especially for women.
- VSSU has taken another innovative step to expand VSSU-Microfinance Model (VSSU-MF) in other countries through foreign interns. One such intern Mr. Inacio Nery from Coimbra, Portugal originally from Brazil is trying to set up organization in with VSSU-MF model.

Future plans:

- VSSU is actively looking for partnership with several upcoming projects. We have set aside large areas of land for possible partnership that will bring educational institutes to our community.

CASE STUDY: 5

Amena Bibi



Each group comprises of minimum 5 individuals and each center of 5 groups.

(History of loan: 5 loans in 5 years. First group loan Rs.5, 000 each and last loan Rs. 10, 000).

Amena Bibi, 45, lives in Dhola village, South 24 Parganas and is a tailor by profession. Being a group leader, as well as, a centre leader Amena is a very resourceful woman. Five years ago she along with 4 other women formed on the first SHG in their village in which she received Rs. 5, 000 to recapitalize her ailing tailoring business. Amena along with her husband and three adult children makes sawarani (traditional Bengali shirt) at her house and sells them to wholesalers in Metia burug, Kolkata.

Sought for her outspokenness and intellect, Amena has been the group leader since its inception. With the loans she has received from VSSU Amena has been able to expand her output to meet the increasing demand from the wholesaler by investing in much need machinery. This also had the intended effect of allowing her four younger children to continue their education uninterrupted unlike their older siblings. Currently she makes Rs. 4 profit per shirt which is more than sufficient to satisfy the immediate needs of her family, repay her loans and make small savings for the future. She proudly asserts that her group has always maintained a 100% repayment rate and consequently, they would like their next loan to be Rs. 15,000, she feels confident that they would be able to repay the loan.

FUTURE OPPORTUNITIES AND VISIONS

In coming years Shri Kapilanda Mondal has a long term vision for the development of Ullon and the surrounding areas. There are a number of external factors that will bring growth to the area as far as the local development is concerned. Our core belief is that a single change can bring about long term effects and give others the same motivation to join in, thus creating a multiplier effect.



The plan of the area under gives an idea of the area that VSSU owns and how the future plans will be accommodated. On the top the head office of VSSU and the far end is the main road going to Laxhmikantapur. This straight road is still under construction and the water canal next to it is being built along with the road.

Shri Kapilananada Mondal dream is to make the entire area into a self-sufficient economic hub facilitated by numerous VSSU projects and the planned construction of Kulpi harbour to assist the other closest terminal Haldia with ever growing demand. There are also ongoing plans to supply

regular electricity to much of Ullon which along creation of Special Economic Zone around Kulpi harbour will bring growth in the form of new businesses creation and therefore provide more job opportunities hence considerably increasing the land value

Future plans are to secure some of the land for agricultural, educational and amusement purposes. To achieve this we seek external funding and collaboration with the aim to turn community development projects into profitable and sustainable ventures.

Joint partnership

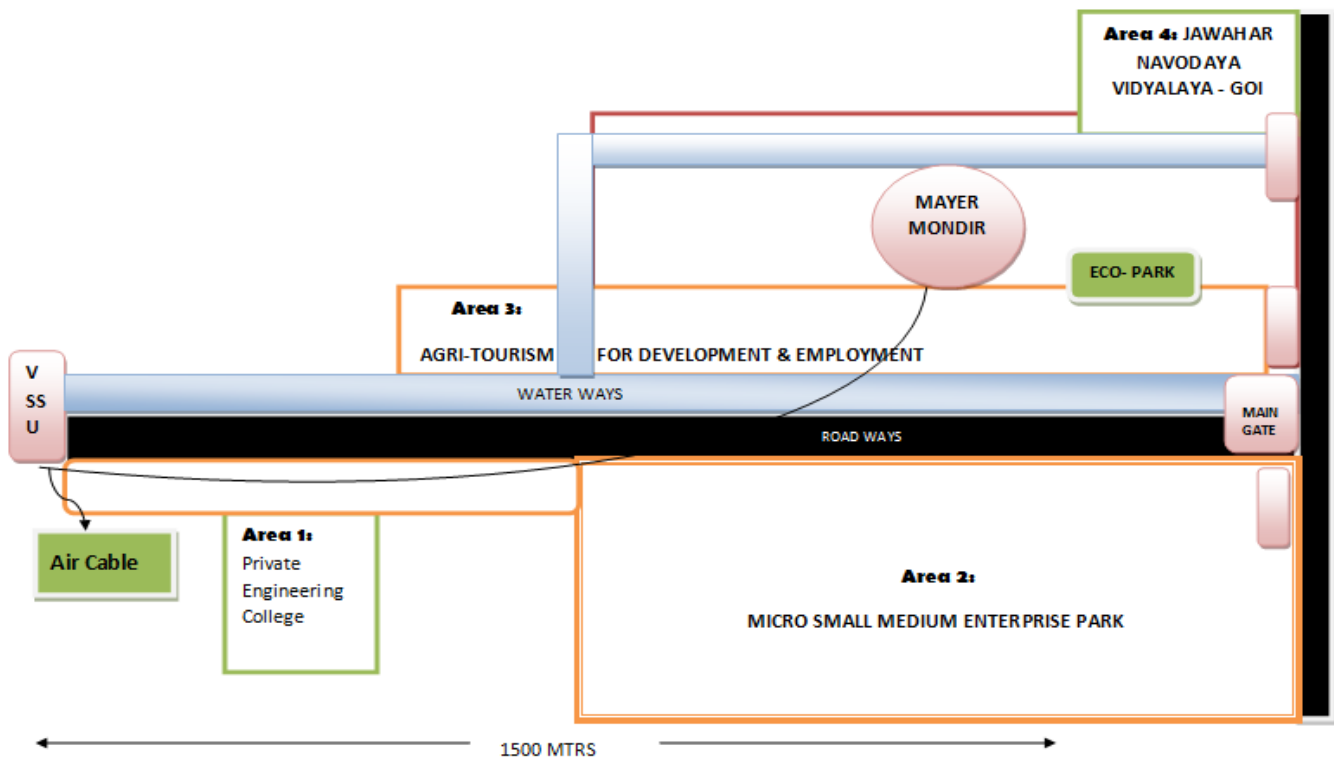
VSSU is presently in plans to construct an Air Cable powered by hydro energy in cooperation with an organisation that is already running similar projects in other areas. The partnership should lead to sharing of costs and risks.

The second area where collaboration will be invaluable is in creation of Youth Hostel VSSU will offer tourists and trainees a place to stay and will aim at doing this in the cooperation with Youth Hostel Association. Through collaborating with local stakeholders, state and corporate bodies we feel we can deliver services more effectively; provide an opportunity for government to achieve its pledges to India's rural poor; create a forum for people from different disciplines to get together; for our community to gain from new ideas and feel sense of achievement in contributing to the transformation of their locality.

Interest earning Fund: VSSU will create a fund in which we will pool all our resources and strive to attract funds from numerous sources. This fund will be interest earning so the acquired interest will be used to support and create new community development projects on a ratio of 20% : 80%. These projects will be either initiated by the community or projects that we identify there is a need for at all times done with the consultation and participation of whole community.

In our organisation we believe that charity only goes so far in alleviating poverty and uplifting the economic situation of the people, therefore, central to every initiative we take is the question of sustainability. Consequently, all projects implemented will be set on a basis either joint collaborative or competitive basis. For instance, a community development projects on joint collaborative basis with part monetary contribution by us and the remaining by combination of community funds and corporate/governmental/ non-governmental.

Alternatively, a scheme on competitive basis will be implemented by involving as many panchayats (local administration at village or town level), for example, an initiative we are currently working on is to create competition between different panchayats to plant as many trees as they can in their locality within 6 months. This initiative will be highly publicised and should result in the formation of One Crore trees. The three winning panchayats will be compensated monetarily from a 10 lac. fund adjudicated by district officials. At VSSU we believe idea brings money, thus, would like to request national and international contribution to enable us to realise the dream of our locality.



Area 1.

Private engineering college: Close to VSSU HQ some land has been set aside in which we plan to use for the establishment of an engineering college.

Area 2

Micro Small Medium Enterprises (MSME): It's a Government proposal to expand the base of small and medium enterprises in India by providing grants of up to 25 cr. towards project costs. Small and medium enterprises are accredited in India for generating highest rates of employment growth & accounting for large share of industrial production, in addition to, creating a vibrant & innovative entrepreneurial base. Our wish

at VSSU is to tap into this Government initiative by providing our fixed assets to bring about the regeneration of Laskminkantapur and surrounding villages and towns.

VSSU would make available initiatives on a competitive or joint collaboration basis to facilitate and make it more attractive for business to take shop of this much underdeveloped district in West Bengal. This will lead acceleration of business growth and job creation; more spending on local products and efficient use of its resources. We intend to use a total of 40 Acres for four different purposes; an area will be reserved for health, another area for tourism, education and for employment generation schemes.

Area 3

Water Resource Management part of Agri-Tourism for Development and Employment initiative.

VSSU is determined to make as much use of every natural resource as possible in sustainable manner one resource we have plenty of in our district is rain water. and has made a thorough plan for the use of the rainwater. We already have several large ponds to collect and store rain water but future plans to construct a 1.5 km canal to serve between VSSU HQ and the Oceanic Library. The water will be used in four areas:

- ❖ Firstly, it will used by farmers to do mono or multi cropping.
- ❖ Secondly, it will also be available to community for fish farming and to train others in fish farming.
- ❖ Thirdly, the canal will be used for water sports as part of VSSU initiative to make Ullon a tourist attraction simultaneously increasing the oxygen in the water for the fish.
- ❖ Finally, the construction of an Air Cable that can carry tourists between the Mayar Mondir and VSSU HQ it will be 20 above ground and will be powered by hydro energy.



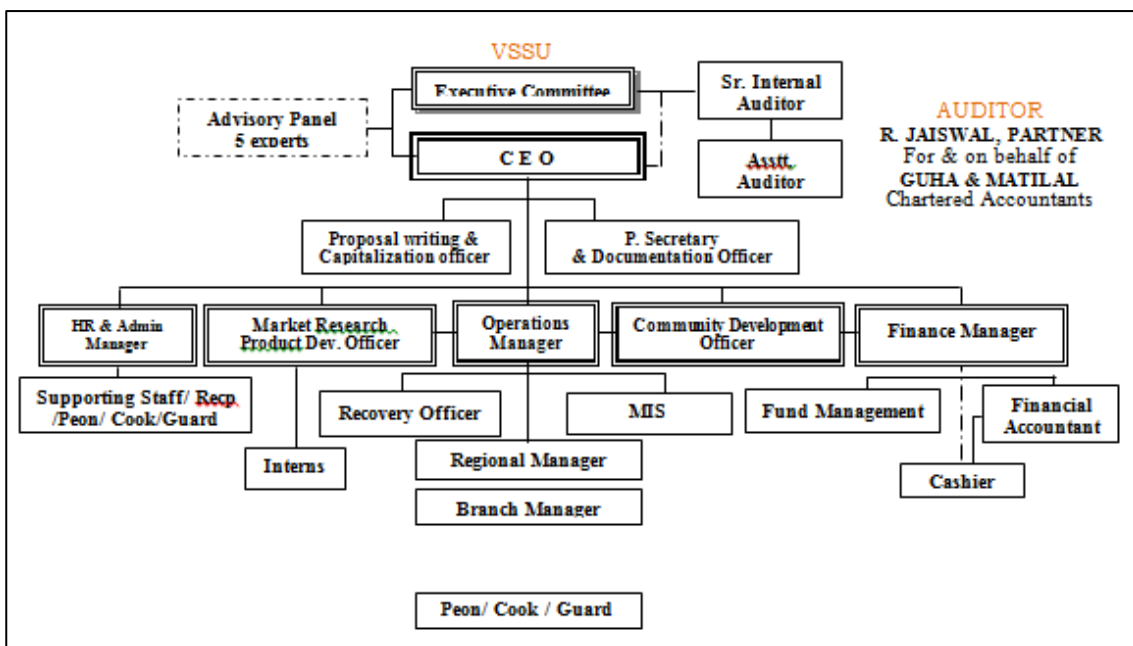
B.ed College: VSSU is at present constructing B.ed College within the Oceanic Library compound it will serve as a teachers training college with full facilities including accommodation. This will be first of its kind in rural South 24 parganas and in the long term should improve education quality in the area as well as creating more job opportunities for the community. The college will commence in time for next school year.

Area 4

Jawahar Navodaya Vidyalaya - GOI: 11 acre land has been donated by VSSU to the government to construct a boarding school this should create employment and present the community children with an alternative place to study most importantly it will go some way in creating a small educational center in Ullon.

GOVERNANCE

The Executive Committee (EC) occupies the highest hierarchical position in the organization organogram. Immediately below the EC is the CEO, with the Internal Auditor under his direct responsibility. The lower hierarchical levels of the organization must account to the mentioned bodies described before. The EC convenes quarterly to make policy decisions, which are recorded in official resolutions. It is responsible for the entire management of VSSU and is liable to general members for all activities. All expenditures of VSSU must be approved by the EC. All approvals given by the EC for financial commitment are to be implemented by the CEO. Approvals required on the loans documents and managing savings and other products of VSSU would be necessary. The CEO may choose to delineate this authority by a formal memoir describing clearly the purpose and the extent of delineation of authority (financial & nonfinancial). Any change/alteration/revoke in this would need to be in writing and information to be circulated to all departments/units/branches to ensure no misappropriation.



VSSU Interns & Eminent Visitors

International Interns & Visitors 2010-11



Kelsy Hoffman

Keltickelsy11@gmail.com

Duration: 8.12.2010 to
04.12.'10

USA

My dear VSSU family,

How can I even begin to describe the last 4 months of my stay in VSSU? From the very moment I stepped out of the airport I felt welcomed with the rose flower basket from Jagadish-da and then the heart-warming cha tea Dipankor-da served to me the next morning while chatting with a giggling Soma. You've given me an opportunity and experience to really and truly see how people live in rural West Bengal under your strong roof. The facilities and work done by all the hard-working people and staff at VSSU is awe-inspiring; the fact that you've created such a strong organization on the fringes of the Bengali jungle speaks more than words.

I will never ever forget the branch visits with Sur-babu, Swapan-da and Darpan, and all the fond memories I have such as my first motorbike ride, the numerous poojas, and the games and performances for Vivekananda's birthday celebrations. We've shared so much laughter in the office, whether it was me desperately attempting to speak Hindi or Bengali (o baba!), or laughing about the time Dadu accidentally locked me in the dining room. I am forever grateful for this opportunity to learn about VSSU's microfinance clients and community development work as well as to be fully immersed in Indian culture, but more than anything, I am thankful for the smiles and laughter exchanged between the villagers, staff, and sweet children at Ashok Niloy. Bhalo thakben to all of you and your families! May God continue to bless the VSSU family and all it's wonderful works in the community!

With much love,

Kelu



Aurélie Moreau, Belgium

aure.moreau@hotmail.com

Duration: 13.09.2010 to 10.12.'10

BELGIUM

Dear VSSU Staff,

These 3 months in VSSU have been a wonderful experience that I will never never forget! I am happy to have been part of this organization which is acting for the welfare of the community. I have seen in India, and especially in VSSU, a sense of solidarity that I have never found anywhere before. Thank you for having shared your experience of life, for having taken care of me, for teaching me microfinance, for the good food, for the field visits, for the trips, for your jokes and for your smiles...

I am happy to have been part of this organization which is acting for the welfare of the community. I have seen in India, and especially in VSSU, a sense of solidarity that I have never found anywhere before.

I wish Mr. Mondal and VSSU a better time coming soon because you deserve it! I will keep all the memories of these last three months in my heart...

Aurelie



Camille Méteyé

Paris, France

camille.meteye@gmail.com

Duration: 03/07/10 – 27/09/10

FRANCE

Dearest Kapil and VSSU members,

One thousand of thank you at least! Thank you for the attention you gave me, all the things you taught me all your kindness and your devotion. Thank you also for accepting me in the big family of VSSU. I am so happy and so proud of having been part of this dream. I will never forget this experience.

Thank you Banani, Soma, Swapan Da, Rathin Da, Mr. Sengupta, Pal Babou and Sur Babou. Thank you Darpan and Arpan, thank you Mitali Baudi, thank you all.

During these three months I learned so many things about microfinance, its impact on social development and about myself. I also had the chance to discover people whose life is difficult but for whom the word bravery has all its meaning. I can now say how people's life is difficult but thanks to organizations like VSSU, they can be proud of themselves. I am really glad and privileged to know the women of these SHGs.

I would like to also thank all these people working in the fields and in the head office, thanks to their daily commitment to empowering the community. It has been a true honor working with you.

Finally thank you again, thank you so much Kapil Da for the discussions in the library, in your office, for the precious moments we have shared, for your lessons of life, your experiences you told me. I come back in France so rich, you can't imagine! I will miss you so much. I hope to visit you again, before too long, I am pretty sure the 27th September 2012! Please stay in contact and tell me if I can help you with anything you need.

All the best and good days come fast!

Camille Méteyé

 <p>Michael Intern at VSK China Email: smartdng@gmail.com</p>	<p>CHINA</p>	<p>Dear Mr. Kapila,</p> <p>Really with a great honor to know a person like you. You are the Indian Yunus. And during the short time be with you and a few times talk. Your spirit moves me a lot.</p> <p>Only hope is take good care of health and enjoys every day.</p> <p>Best wishes to you. Michael</p>
 <p>Joel Konijn Intern at VSK Mobile: +31641860893 Email: joelkonijn@gmail.com</p>	<p>NETHERLANDS</p>	<p>Dear Kapil Da,</p> <p>I am so impressed by the way you have set up VSSU in the last 25 years. Your hospitality and modesty fulfills me with so much happiness. I sincerely hope you will continue your work and that your vision will become reality in the next few years. I will be honored to receive you in Amsterdam next year.</p> <p>All the best, Joel Konijn</p>
<p>Yai Rhin (Erin) Koh</p>  <p>Yairhin.koh@gmail.com Duration: 7-28.01.'10</p>	<p>South Korea</p>	<p>Dear VSSU,</p> <p>Before coming to India I was very scared (and excited at the same time!)because I didn't know so much about the culture and didn't know what to expect. But after coming here and staying at a rural village, I came to realise how nice and pure Indian people are. I came here to learn about microfinance but I have learned and gained so much more than just microfinance. I am so grateful of all the love and care VSSU has provided me during my stay. Mr. Mondal and his family and the rest of VSSU staff , especially Soma, are such great people and I will miss everyone greatly! Although my journey has been shortened due to my plans back home, I will never forget the precious memories I have made in Ullon village. I am very respectful all the hard work Mr. Mondal is doing for his community and with his kind heart, I know that God will bless him with great future. I am very much looking forward to come here again once the gate is finished. Until then , best of luck to everyone at VSSU.!</p> <p>Thank you so much for everything that you've done for me!! Love Yai Rhin Koh</p>
<p>Home Interns 2010-11</p>		
 <p>Neeraj Bhadra Intern at VSK Mobile: +78964337115 Email: neerajximb@gmail.com</p>	<p>INDIA</p>	<p>Dear VSSU,</p> <p>What I have experienced and achieved in the stay at VSSU cannot be put into words. I have learned, unlearned, and relearned here. I feel it was a privilege for me to be a brief part of this stalwart maverick organization. I shall never forget these days and will look forward to come back. Hope to stay in touch.</p> <p>Love, Neeraj Bhadra</p>
 <p>Nakul Arora Nakul Arora Email: nakularora.itbhu@gmail.com Duration: 8.12.2010 to 14.12.2010</p>	<p>INDIA</p>	<p>Dear Kapil Da & VSSU Staff,</p> <p>My stay here very pleasant and all of you were very helpful. I really had a great time here. I learned a lot in microfinance and was really inspired by Kapil Da's work. I hope VSSU achieves its dream project and helps the poor people of Bengal in much better ways. Thanks a lot all of you.</p> <p>Love,</p>



Deepti Das
Intern at VSK
Assam, India
deeptidas1234@gmail.com

INDIA

We came in Ullon for "Rural Living & Learning Experience." With VSSU we have learned the socio-economic situation of many villages. It was one of the good experiences of my life with VSSU. Mr. Kapilananda Mondal is an example for us of an established MFI, carried forward without an MBA. I wish good luck for Kapilbabu and all staffs of VSSU

*Thanking,
Deepti Das*



Madhu Yalamarkjhi
Intern at VSK
Email: madhu@ecell

INDIA

Dear Kapil Da,

First of all I thank you for the great hospitality you gave us.

I feel very happy to meet a person like you who is so modest, simple and with great vision for this place. This experience is one of the best experiences of mine and I come to know how it feels when we help the poor people here.

Thanking you,

Madhu

Acknowledgement

So far VSSU has built-up worldwide partnership with different organizations in order to facilitate development oriented activities in the community. VSSU is extremely grateful to all of them.

Global Partnership for Increasing Domestic Coverage

 <p>BRAC BRAC, BANGLADESH For ENHANCING MICROFINANCE</p>	 <p>Veecus Invest. Engage. Connect VEECUS, PARIS, FRANCE For ENHANCING MICROFINANCE</p>	 <p>READ GLOBAL, N.Y., USA For COMMUNITY LIBRARY & RESOURCE CENTRE</p>	<p>AGIR abcd, PARIS, FRANCE For AGRICULTURAL DEVELOPMENT WITH 'SPIRULINA PROJECT'</p>
 <p>AIESEC INTERNATIONAL For INTERNSHIP</p>	 <p>FREEDOM FROM HUNGER, USA For HEALTH PROGRAMME</p>	 <p>BAREFOOT POWER, SYDNEY, AUSTRALIA For RENEWABLE ENERGY CENTRE</p>	 <p>KOLKATA, INDIA For RENEWABLE ENERGY CENTRE</p>
 <p>UNIVERSITY OF AGRICULTURAL SCIENCES, BANGALORE, INDIA for 'VALUE CHAIN ON WILD HONEY BEE' PROJECT</p>	 <p>SVYASA UNIVERSITY, BANGALORE For YOGA INSTITUTE</p>	 <p>JAIPUR RUGS CO., JAIPUR, RAJASTHAN, INDIA For 'SUMEK' CARPET WEAVING</p>	 <p>NAVODAYA VIDYALAYA SAMITI, MINISTRY OF HRD, GOVERNMENT OF INDIA For EDUCATION PROGRAMME</p>

DETAILS OF GRANT-IN-AID RECEIVED IN 2010-11 FROM SOURCES INCLUDING CENTRAL, STATE GOVERNMENT, FOREIGN AGENCIES, WELL WISHERS FROM IN AND ABROAD

We express our sincerest gratitude to everyone for the precious and kind contribution to our organization made in form of money, kind advice, guidance and well wish. It helped us significantly to continue our struggle in alleviating poverty and promoting community developmental activities. We feel very indebted as you have joined hands with us and strengthened our potential to do such a great job. We also owe much to those who have

visited our organisation and those who shown their interest in our activities. We will be very happy to invite you in VSSU once again whenever convenient and shall find ourselves blissful to offer you our services. Here we mention the names of those who have contributed to VSSU and at the same time we apologize solemnly for not being able to mention all those names who have contributed in-kind and less than Rs. 500 due to scarcity of space.

Recived from	Amount
Subrata Roy of Ray & Co	1000
Camille Meteye of France	7000
Coalition of Moral Process for Sustainability	27023
Paypal	62175,68
Sekhar Ghosh- Boston USA	10002
Grant from Planning Commission	210000
Total grants and donations	317200,68

Our Auditor: Guha & Motilsal Chartered Accountant, 20 Stand Road (2nd Floor), Kolkata-700001

Our Bankers: **United Bank of India:** (Laxminkantapur Branch) Bijoygunge Bazar, Ghateswar, South 24 Paraganas 743336

State Bank of India: (Bijoygunge Bazar Branch) Bijoygunge Bazar, District South 24 Parganas]

State Industries Development Bank of India (SIDBI): 11, Dr. U.N. Brahmachari Street, Kolkata-7000017

HDFC: (Central Plaza) 2/6, Sarat Bose Road, Kolkata-700020

STATUTORY AUDIT REPORT 2010-11

VIVEKANANDA SEVA KENDRA-O-SISHU UDYAN
VILL - ULLON, P.O.- RAMLOCHANPUR, DIST.- 24-PARGANANS (SOUTH)

BALANCE SHEET AS AT 31ST MARCH, 2011

	<u>SCH.</u>	<u>2010-2011 AMOUNT(Rs.)</u>	<u>2009-2010 AMOUNT(Rs.)</u>
<u>PROPERTY & ASSETS</u>			
<u>Current Assets</u>			
Cash in Hand	1	943,984.75	573,105.25
Cash at Bank	2	696,285.64	486,173.58
Loan Portfolio	3	52,557,209.00	52,383,338.00
Other Current Assets	4	12,419,533.00	9,339,069.00
<u>Long Term Assets</u>			
Long Term Investment	5	2,300,000.00	2,300,000.00
Property & Equipment	6	49,389,724.20	44,463,024.35
		<u>118,306,736.59</u>	<u>109,544,710.18</u>
<u>LIABILITIES & RESERVES</u>			
<u>Current Liabilities</u>			
Members' Savings Deposits	7	59,328,691.00	49,480,067.00
Other Current Liabilities	8	7,472,360.00	6,103,556.00
Provision for Loan Loss		1,051,100.00	1,138,044.00
<u>Long Term Debt</u>			
Secured Borrowings	9	45,273,423.69	46,291,883.69
Unsecured Borrowings		5,070,011.00	5,470,886.00
Reserves & Surplus	10	111,150.90	1,060,273.49
		<u>118,306,736.59</u>	<u>109,544,710.18</u>

Kapilnanda Mondal

SECRETARY,
VIVEKANANDA SEVA KENDRA
-O- SISHU UDDYAN
ULLON, P.O.-RAMLOCHANPUR, 24 PGS(S)

KOLKATA
22nd July, 2011

Per our report of even date

Rajiv Jainwe
R. JAISWAL, PARTNER
For & on behalf of
GUHA & MATILAL
Chartered Accountants

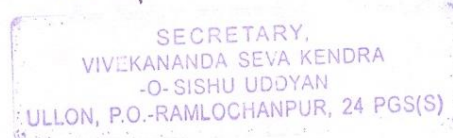


VIVEKANANDA SEVA KENDRA-O-SISHU UDYAN
VILL - ULLON, P.O.- RAMLOCHANPUR, DIST.- 24-PARGANANS (SOUTH)

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	<u>SCH.</u>	<u>2010-2011</u> <u>AMOUNT(Rs.)</u>	<u>2009-2010</u> <u>AMOUNT(Rs.)</u>
A. <u>Financial Income :</u>			
Interest on Loan to Members	11	10,090,548.50	11,629,656.85
Collection Charges	12	211,558.00	310,161.00
Assessment Charges		-	-
Membership Fees		35,643.00	56,260.00
Interest on Bank Deposits		16,222.38	15,032.15
Misc Income		85,389.00	57,638.37
		<u>10,439,360.88</u>	<u>12,068,748.37</u>
B. <u>Financial Expenses :</u>			
Interest on Borrowings	13	750,000.00	3,598,197.71
Interest on Members' Savings		3,871,531.00	4,846,607.00
Discount on loans/Interest		269,256.00	200,312.00
Interest on Staff Deposit		32,530.00	10,737.00
Other Financial Expenses		-	74,543.00
Bank Charges		5,689.00	16,125.00
		<u>4,929,006.00</u>	<u>8,746,521.71</u>
C. <u>Gross Financial Margin (A-B)</u>		5,510,354.88	3,322,226.66
D. <u>Provision for Loan Loss provided/(Written back)</u>		(86,944.00)	-
E. <u>Net Financial Margin (C-D)</u>		5,597,298.88	3,322,226.66
F. <u>Operating Expenses :</u>			
Salary & Benefit	14	2,890,450.00	3,279,945.00
Travelling & Fuel		226,222.00	205,908.50
Meeting & Seminar (Net off recovery)		9,713.00	905.00
Electricity		275,609.00	127,835.00
Printing & Stationery		119,003.00	299,196.50
Repairs & Maintenance		109,520.00	125,180.00
Other Operating Expenses	15	2,137,601.00	1,403,965.00
Depreciation	6	814,299.15	791,802.65
		<u>6,582,417.15</u>	<u>6,234,737.65</u>
G. <u>Gross Operating Margin (E-F)</u>		(985,118.27)	(2,912,510.99)
H. <u>Other Income/Grants</u>	16	691,876.68	719,327.47
I. <u>Surplus/(Deficit) for the year (G+H)</u>		(293,241.59)	(2,193,183.52)
J. <u>Other Expenses/Social Development etc.</u>	17	(622,067.00)	(294,453.00)
K. <u>Net Surplus/(Deficit) from Creche Project</u>	18	(10,079.00)	(7,671.00)
L. <u>Net Surplus for the year (I-J-K)</u>			
Transferred to Reserve & Surplus A/C		(925,387.59)	(2,495,307.52)

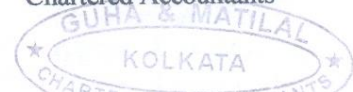
Rajilnanda Mondal



KOLKATA
22nd July, 2011

Per our report of even date

Rajesh Jain
R. JAISWAL, PARTNER
For & on behalf of
GUHA & MATILAL
Chartered Accountants



VIVEKANANDA SEVA KENDRA-O-SISHU UDYAN
VILL : ULLON, P.O : RAMLOCHANPUR, DIST : 24 PARGANAS (S)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010-2011	2009-2010
	AMOUNT (Rs.)	AMOUNT (Rs.)
<i>Cash Flow from operating activities</i>		
Net result	(925,387.59)	(2,495,307.52)
Adjustment on net result		
Depreciation	814,299.15	791,802.65
Addition/(deduction) to the loan loss reserve	(86,944.00)	-
Grants and Donations	(691,876.68)	(763,635.47)
Social Development Expenses(net)	632,146.00	346,432.00
Stock written off		
Total adjusted on net result	(257,763.12)	(2,120,708.34)
<i>Changes in working capital</i>		
Current assets (excl.portfolio)	(3,080,464.00)	(3,079,164.00)
Current Liabilities	11,217,428.00	5,001,993.00
Total change in working capital	8,136,964.00	1,922,829.00
<i>Loan portfolio</i>		
Currency translation differences		
New Loans granted	(23,385,779.00)	(29,976,229.00)
Repayment of Loans	23,211,908.00	34,495,061.00
Total change in net loan portfolio	(173,871.00)	4,518,832.00
Total cash flow from operating activities	7,705,329.88	4,320,952.66
<i>Cash Flow from Investment activities</i>		
Net Investments in fixed deposits	-	580,000.00
Net Investments in tangible fixed assets	(5,807,771.00)	(6,776,947.00)
Net Investments of intangible fixed assets	-	-
Total cash flow from Investment activities	(5,807,771.00)	(6,196,947.00)
<i>Cash Flow from Fianancial activities</i>		
Net receipts (repayment)- long term borrowings	(1,419,335.00)	(389,135.29)
Social Development Expenses (Net)	(1,216,925.00)	(668,283.00)
Other Income/Grant and Donations received	1,319,692.68	2,495,883.47
Total cash flow from Financing Activities	(1,316,567.32)	1,438,465.18
Total cash flow	580,991.56	(437,529.16)
<i>Cash position beginning of the year</i>	1,059,278.83	1,496,807.99
<i>Cash position end of the year</i>	1,640,270.39	1,059,278.83

Kaplananda Mondal

SECRETARY,
VIVEKANANDA SEVA KENDRA
-O-SISHU UDYAN
ULLON, P.O.-RAMLOCHANPUR, 24 PGS(S)

Per our report of even date

Rajesh Jainwal
R. JAISWAL, PARTNER
For & on behalf of
GUHA & MATILAL
Chartered Accountants



KOLKATA
22nd July, 2011



VIVEKANANDA SEVAKENDRA-O-SISHU UDDAN

VILL: ULLON, P.O RAMLOCHANPUR, DIST. SOUTH 24 PARAGANAS

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