

November 2016

NIRDHAN UTTHAN BANK LTD

A bank for uplifting poor

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Newsletter of Nirdhan Utthan Bank Limited

NIRDHAN



Message from CEO

I am happy to present our Newsletter "Nirdhan" for the month of November 2016.

As a part of our ongoing endeavor, we conducted entrepreneurship and different types of skill development trainings to our low income rural clients during the month. Nepal's economy largely rests on micro and small enterprises (MSEs).

MSEs not only contribute to reduce the poverty

by creating jobs but also they serve as a breeding ground for entrepreneurs and large companies.

Looking forward your feedback..

-Janardan Dev Pant, CEO

Key Milestones achieved by NUBL:

- Pioneer & Leading MFI in Nepal
- Covered 75 of 75 districts of Nepal
- Largest branch network among MFIs in Nepal
- Largest client outreach among MFIs in Nepal

NUBL in Brief

NUBL at Glance as on October 16, 2016		
Indicators	Unit	Figure
District Coverage	No.	75 of 75
VDC /Municipality Coverage	No.	1,781
No. of Branch Office	No.	178
No. of Staff	No.	860
No. of Center/SRG	No.	14,069
No. of Active Client	No.	281,830
No. of Loan Client	No.	194,785
Loan Disbursed	NPR	57.77 billion
Loan Outstanding	NPR	10.96 billion
Saving Portfolio	NPR	4.66 billion

Nirdhan Utthan Bank's main objective is to create progressive, better socio-economic status of the poor people through awareness, access to finance and entrepreneurship development. Microfinance program of the bank was started since March 14, 1993 and at present it has reached in 75 out of 75 districts of Nepal through a network of 178 branch offices, 10 regional offices and one central office.. NUBL is one and only microfinance bank that has presence in all 75 districts of

Nepal. NUBL is the pioneer and leading MFI in Nepal with largest branch network, highest loan portfolio and highest number of client outreach among MFIs in Nepal. Beside core financial services, it provides non-financial services such as financial literacy, skill development and entrepreneurship training to its low income clients. Since its inception, NUBL has partnered with national and international organization such as IFC, Save the Children, ILO, Plan International, CASHPOR, CGAP, UNCDF, KIVA, Mercy Corps, World Bank, Whole Planet, Good Return etc.

As at October 16 2016, NUBL has 860 permanent staff, disbursed over Rs. 57.77 billion loan and mobilized Rs 4.6 billion savings & deposits. It has 281,830 active clients and Rs. 10.96 billion loan portfolio is outstanding of 194,785 loan clients.

Rita Devi Kharel was born on January 23, 1963 in the early cold morning of winter in Yangkhuwa village of Terhathum district. She was the daughter of elder wife among three wife of her father. Polygamy tradition was popular at that time but now it is banned by the law. At that time, a family used to occupy large area of land and hold big number of livestock. That's why men used to marry more than one to have big family so that they could carry out agriculture and other household activities efficiently.

Her childhood was very miserable as she was undesirable daughter of her father. Her father wanted his first child as a son not a daughter. Her father was forced to marry another women as her mother gave birth to daughters only. Society, at that time had thought that men and his family may not complete until unless he do not have a son. As her first stepmother also did not give birth to son, her father married to another woman. As family became big, Rita Devi's father used to love third wife and her children by ignoring her mother and her first stepmother because of not having son. Rita's mother gave birth to two brothers and two sisters later.

As Gayatri Devi, Rita's mother was misbehaved by his husband along with another two wife of her husband, she decided to separate from her husband. One day, Gayatri Devi determined to leave the village and migrated to terai of Jhapa district where she rented a small room and grown up her children by doing hard labor on villagers land. She did not get anything from her husband although he had large area of cultivated land. Rita Devi was just 7 years old when they migrated from the birth place. Rima Devi's childhood was passed by taking care of her siblings and helping her mother in agriculture and household works. She did not get any formal education as poor people especially women had no access in education at that time.

When Rita was in her teenage, she got married to Somnath Kharel from neighborhood village. As

her mother and father in law both were weak and suffered from diseases, she had the responsibility to take care of entire family. As she was not able to become mother in her five years married life, one day, she decided to adopt orphan boy so that she did not have to be suffered like her mother because of not having son. Later she gave birth to two sons and a daughter. Rita started grocery business to generate income of her family. She brought grocery items from border market of India and sold them to Nepalese market. She could not make sufficient income because her grocery items were ate by the rats while items were stored in the house. Rita and her husband decided to sell the small piece of land owned by them to start metal workshop. Her workshop business was badly affected by load shedding, political instability and threats from different interest groups demanding money. She decided to shut down the workshop after making losses. She did not stay quiet although she did not get success in every business she started. Later she ran hotel business in Ilam,



neighborhood district for couple of years. She came back to Jhapa, home district with family after not getting success in hotel business.

Rita Devi was in dilemma on business selection because she did not get success in each business she started. One day, she decided to diverse her business into agriculture sector. She started cow husbandry firm. This business brought the turning point in her life. She started generating income by selling milk. She wanted to add more cows so that she could generate more income

but she did not have enough money to do so. When she planned to borrow money from money lenders, in the meantime, she heard about "Nirdhan Utthan Bank Ltd". She visited the branch office of the bank to know more about the services provided by the bank. After knowing the loan services of the bank, she got exactly what she wanted because bank provides loan without collateral to women to start income generating activities. She gathered women from her village and formed a group. After getting 7 days compulsory group training (CGT) regarding financial literacy from loan officer, in 25th December 2008, she got Rs. 20,000 loan from the bank to purchase cow. After adding more cows, she started to save money after paying loan installment. Unfortunately, her cow died when she could able to pay just 7 loan installments. But she did not have to be worried about the incident because she had insured her cow while taking loan. She got compensation from the insurance company within a couple of days. Later she borrowed Rs 40,000, 60,000, 90,000 and 150,000 loans and repaid entire installment on time. Her confidence gradually increased when she got training on cow husbandry and dairy from the bank. She got Rs. 500,000 loan to run dairy firm. She took land on lease to run dairy firm and now she became the owner of this rented land after succeed in dairy business. Now she has 20 hybrid cows and sells 130 liters milk every day. She has registered her dairy firm in government entity. Now she has Rs. 100,000 net income per month. She has taken land on lease to cultivate different types of grasses. She has given employment to two people in her dairy firm, children has been getting higher education and recognized as a successful business women in the district. In 2010, she elected as a district committee member in Federation of Nepalese Chamber of Commerce & Industry (FNCCI), an association of entrepreneurs & business organization. She is very thankful to Nirdhan Utthan Bank for providing supports her in each ups & down to make her as a recognized entrepreneur.

News Highlights

Skill development training to earthquake affected clients :

Beside core financial services, NUBL has been providing non-financial services to its low income clients to build up their capacity. NUBL provides such services independently as well as with the collaboration with other partner. NUBL and UCDF funded Cleanstart project has an agreement of organizing skill development, entrepreneurship training and soft loan to repair & construct house to clients of 14 earthquake affected districts.

As per agreement, NUBL conducted entrepreneurship on Piggery, vegetable farming, goat rising and incense stick making training in 4 earthquake affected district in between July - October, 2016. 105 clients from Makwanpur, Sindhupalchowk and Okhaldhunga districts participated in vegetable farming training, 70 clients from Gorkha & Nuwakot districts partici-

parted in goat rising training and piggery and incense Nubl has planned to organized more training programs to earthquake affected clients in remaining earthquake affected districts in next



Participants in Piggery Training

S.N	Training Title	No. of Event	No. of Participant
1	Piggery	1	45
2	Vegetable Farming	3	105
3	Goat Rising	2	70
4	Incense stick making	1	29
5	Entrepreneurship Skill	1	20
	Total	8	269

Whole Planet Foundation (WPF) Visited NUBL

NUBL and Whole Planet Foundation , a non-profit organization established by Whole Foods Market has been working together to improve the living of poor women in Nepal since 2013. Ms. Claire Kelly, Asia Region Director visited NUBL from 18-23, October 2016 to monitor the partnership project. She also visited Amargadhi branch of Dadeldhura & Sanfebagar branch of Accham district of far-western Nepal to observe the possibility of future partnership with NUBL.



Janardan Dev Pant, CEO welcoming Ms. Claire Kelly at NUBL Central office.

Entrepreneurship training under SAKCHYAM-A2F project kick started :

Nubl has started a project entitled **Job creation through Micro and Small Enterprises (MSE) Financing with Support from Financial Literacy, Entrepreneurship & Skill Trainings** with partnership to DFID funded SAKCHYAM-access to finance. The main objective of the project is to initiate MSE financing through combination of financial literacy, entrepreneurship & skill development training and credit services. As envis-

aged in the project work plan, Nubl has assumed to finance 8,091 MSE clients, provide entrepreneurship, skill development & marketing training to 1,350 clients and financial literacy to 40,000 people in 3 year. NUBL conducted entrepreneurship skill developing training to 20 MSE clients from Tandi branch of Chitawan district on 22-24 October, 2016. This training was a part of the component of the project co-partnered with

Sakchyam. More training events will be organized in next month.



Participants of Entrepreneurship Training

POS/Tab banking Piloting

With the partnership to SAKCHYAM –Access to Finance, NUBL has been implementing a project entitled “Access to Finance in Remote Hill & Mountain Areas and Adoption of new Technologies for Financial Inclusion” since July 2015. The project has aimed to increase client outreach using new technology and establishing new branch offices where there are no other banks and financial institutions are almost non-existent for serving low income households. As envisaged in the project work plan, NUBL has successfully conducted piloting of POS (Point of Sales)/Tablet device in center meeting for loan & saving transaction in Lamki & Masuriya branch of far western Nepal . Total 1,469 clients have been served by POS/Tab banking during piloting period. NUBL will rollout it in another 20 branches in mid and far western Nepal in next month.

NUBL Staff using POS/Tab during Center meeting.

