

May 2017

NIRDHAN UTTHAN BANK LTD

A bank for uplifting poor

Central Office
Nirdhanbawan, Bhagawatibahal
Naxal, Kathmandu
Nepal

Tel:
+977-1-4413711/4413794/4413840
Fax: +977-1-4413856
E-mail: info@nirdhan.com
www.nirdhan.com.np



Newsletter of Nirdhan Utthan Bank Limited

NIRDHAN

Nirdhan Utthan Bank Ltd is the only one MFI in Nepal that has presence in all 75 districts of the country.



Women members of Self-reliant Group of Tagikot, Guthiparsauni Village Development Committee, Nawalparasi District, praying on their centre meeting with Nirdhan Utthan Bank Limited (NUBL) Belatari Branch representative.

Message from CEO

Dear readers, welcome to the May 2017 edition of our Newsletter.

Micro financing was started in Nepal as "microcredit", which has now evolved to include more financial services including savings deposit, micro-insurance and remittance. NUBL being the first privately held microfinance institution of Nepal has been emphasizing both credit and deposit led growth of microfinance. As of January 13, 2017, the aggregate credit deposit ratio of all Microfinance Institutions in Nepal was 321%. The ratio of NUBL as of May 15, 2017, stands at 215%, which signifies that the deposit ratio is better than the industry average. The goal of NUBL is to attain cent percent deposit collection for its loanable fund.

For low income group, savings deposit is just like a form of insurance as it protects the clients against financial shocks as they can use their savings instead of borrowing in case they encounter personal crisis. NUBL has been accepting both mandatory and voluntary savings from its member clients. It has also been accepting public savings deposit from 92 of its Branches with up to 10.5% interest rate.

NUBL has been promoting importance of savings and deposit among its valued clients. Strategic and action oriented savings promotions have lately shown positive results. However, there are still substantial population in remote and rural areas of Nepal who are still to be made aware of the importance of savings deposit banking solution. For sustainable and robust microfinance operations, credit and savings are complementary to each other and can be treated as two sides of a coin.

- Janardan Dev Pant

NUBL at a glance

NUBL at Glance as on May 14, 2017

Indicators	Unit	Figure
District Coverage	No.	75 of 75
VDC Coverage	No.	1,815
No. of Branch Offices	No.	178
No. of Staffs	No.	850
No. of Centers/SRGs	No.	14,591
No. of Active Clients	No.	293,425
No. of Loan Client	No.	203,236
Loan Disbursed	NPR	67.32 billion
Loan Outstanding	NPR	12.22 billion
Savings & Deposits	NPR	5.68 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 when it was working as NGO, later transferred to Microfinance Bank in 1998. At present, NUBL is the only one MFI in Nepal that has outreach in all 75 districts of Nepal through the network of 178 Branch Offices, 10 Regional Offices and a Central Office serving 293,425 clients as at May 14, 2017.

Representative of One Acre Fund visits NUBL Fikkle Branch



CEO of NUBL (left) welcoming Ms. Cher-wen Dewitt of One Acre Fund

Representative of One Acre Fund, Ms. Cher-wen Dewitt visited NUBL Head Office on 22 May 2017. One-Acre Fund, a nonprofit organization based in East Africa, is initiating knowledge building and sector mapping component and has partnered with MIX (Microfinance Information Exchange) Market, to develop a database of profiles highlighting the work of MFIs around the world

providing finance to smallholder farmers. Ms. Cher-wen Dewitt visited Fikkle Branch of NUBL as well, which is located at eastern part of Nepal to observe NUBL's work in agriculture financing, to write a profile about agriculture financing portfolio of the Bank to include on a web based platform for MIX market.

Workshops for Centre Chiefs Organized

Workshops for Centre chiefs were organized in 30 Branches of NUBL where altogether 1,982 Centre chiefs participated. The principal objective of the workshops was to assess client's demand, grievances, feedback and assessment of current product and services. Similarly, the workshops were organized as a platform to provide information to participants on financial literacy, centre management strategies, loan utilization measures, features of the bank services and many more. NUBL has always been keeping training and development component as key priority for capacity development. Top performing centre chiefs were awarded with honors in the workshop programs to motivate them for their dedication and enthusiasm.

Success Story: Inspirational Story of Chija Pawe, as heard at 4th National Microfinance Summit



The inspirational story of Ms. Chija Pawe shows that success follows to those who work hard, utilize their skills and have strong determination. Ms. Chija Pawe, resident of Bharatpur 17, Dhaddaghari was born on a family that depended on subsistence farming. She is the eldest child among five siblings and stopped going to school after grade 7. Born in a deeply caste based society, she got married to her husband who is not of the same caste, at the age of seventeen. Newly married and both husband and wife without a job, moved to Balkuhar, Taadi (Ratnanagar) in search of menial job opportunity.

After struggling to make ends meet, her husband decided to go abroad to earn. Ms. Pawe joined as a member of Balkuhar Women Society and obtained credit of Rs. 5000 from Nirdhan Utthan Bank in the year 2006. She started a small convenient store at Bharatpur 4, Lanku. She later moved to Dhaddaghari and joined as a member of Bharatpur Branch of the Bank on 2007, and obtained Rs. 15,000 to expand her convenient store. After regularly repaying the loan for a year, she obtained Rs. 20,000 credit for opening a small hotel, which primarily served snacks and meals. Both the store and hotel started running successfully and

the earnings from it supported her family's household expenses including her kids' education and later managed to buy a land plot.

She spent the earnings from her business to send her husband abroad time to time, who lived abroad eight years altogether. However, since his earnings were not substantive he returned to Nepal. She mortgaged her newly bought land and obtained microenterprise loan amounting Rs. 150,000 from NUBL for her husband to establish and run a food grinding mill. Later she expanded both her convenient store and food grinding mill to offer new products.

Now, she has bought a Bus for Rs. 2,200,000, which runs at a local route. She has so far accumulated assets worth more than Rs. 30,000,000. Her husband, daughter and son-in-law are helping her manage the businesses. Collective determination and hard work of the family has helped all of them to engage on their own business and has not required them to look elsewhere for work. She now is well regarded in her community



as a successful women entrepreneur and for her good customer service and communication skills. She thanks NUBL for its continuous support to help her establish the businesses and for their growth.

(Ms. Pawe shared her experience at 4th National Microfinance Summit 2017 in the "Clients' Voice and Experience Sharing" plenary session)

Clients' Training:

NUBL organizes training program on Goat farming in Waling, Syangja



Participants of Goat Farming Training organized by Waling Branch

Nirdhan Utthan Bank Limited organized three daylong training on goat farming from May 30 to June 1, 2017 at Prasad Hotel, Waling. The chief guest of the training program was Mr. Shankar Prasad Neupane, Chief, Regional Office, and the principle resource person of the training was Mr. Humnarayan Shrestha, officer and chief of livestock development office, Waling. Fifteen clients

from three municipalities namely Waling, Bhirkot and Galyang participated in the program. The Bank had organized similar training program in the past as well with the target of entrepreneurship and skills development of clients along with financial solution for uplifting their social and economic level.

The training focused on providing technical information on types of breed, shed building and its management, nutritional requirements, types of diseases and its prevention and solutions. Likewise, participants also learned about entrepreneurial skills such as information on planning, marketing among other skills. Branch Manager Bhimlal Pokhrel addressed the training program by reiterating the importance of the training and requested the participants to bring the skills they have learnt from the training to practice.

Training was a part of the project, "Job creation through Micro and Small Enterprises Financing with Support from Financial Literacy, Entrepreneurship & Skill Trainings" implemented by NUBL with the partnership of SAKCHYAM - Access to Finance, a DFID funded project. The project was started from July 2016 and

Annual Workshop Organized

A Workshop program entitled "Workshop on review of current fiscal year and Strategy Formulation for next fiscal year 2074/75" was organized in the premises of Nirdhan Utthan Bank's Naxal head office on 9th May 2017. All 10 regional managers along with executive level management team of NUBL were present in the program. The main objective of the workshop was to review the past 9 months progress against annual target and set forth the institutions' roadmap and target for the next fiscal year.

The Chief Executive officer of NUBL, Mr. Janardan Dev Pant in his opening remarks said that concurrent growth of both credit and deposit is necessary to address the challenges ahead and emphasized on action and result oriented credit and deposit growth strategies. Presentations covered during the workshop included region wise programs and budget review of the past nine months, estimation of the remaining three months and region wise planning for the next year. On the occasion, senior officials of various departments of NUBL reviewed the current year's performance, challenges and strategies to address issues including internal audit, information technology, operation, credit lending, human resource and emphasized on the importance of continuous learning process for institutional growth. Likewise, presentations were also made on the roadmap for enhancing Bank's productivity.

The Regional Offices are organizing similar workshops for their respective Branch Offices in the days ahead.

Relief Packages distributed to disaster victims

Client protection fund established as part of Bank's social responsibility, has been set up to provide relief package to Bank's clients who were victims of natural & other disasters. From 30 March to 31 May 2017, NUBL has distributed relief packages to 33 member clients of seven Branches, of which 28 were affected by fire related disaster incidents and five were affected by extreme weather conditions including powerful wind gusts.

ends by 2019. The overall objective of the project is to create at least one job from each Micro and Small Enterprise (MSE) with the support of financial literacy using Digital Devices and skill & capacity development training for better management of their MSEs. NUBL is planning to provide Entrepreneurship training to 600 clients and Skill Development training to 750 clients by the end of 2019.



Class room session of the Goat Farming training