



Nirdhan Newsletter

Newsletter of Nirdhan Utthan Laghubitta Bittiya Sanstha Limited / February 2022 Edition

**Nirdhan Utthan Laghubitta
Bittiya Sanstha Limited**
(formerly Nirdhan Utthan
Bank Limited)

An MFI Providing Services to the
Poor

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Message from the CEO

Dear Reader,
Greetings!

We are delighted to present you progress highlights for February 2022 together with a brief account of the activities accomplished by the institution during the month.

To begin with, we are presenting you a success story as usual and some reflection on the elements affecting the success. Following this page, you will find the success story of Mrs. Padma Gurung, who received Dr. Harihar Dev Pant Best Micro-Entrepreneur Award in 2021 (2078 BS) from among the entrepreneurs in Bagmati Province. As you may observe through these success stories, those from poor and deprived background have been able to establish themselves as successful entrepreneurs availing microfinance services through their affiliation in the groups.

The successful entrepreneurs ascribe their success to their hard-work and dedication as well as financial (saving and loan) and non-financial (awareness raising, motivation, counselling, training etc.) services from the MFI. While the stimuli from the MFI are almost uniform across all members and groups, the response has not been uniform. Some members/clients succeed and take their businesses into commercial scale generating jobs for others and some remain as the survivalist enterprise generating jobs only for the family members.

Several studies elsewhere suggest family support, social ties and internal motivation as the significant elements affecting success of women entrepreneurs. We think that internal motivation (push/pull factors, e.g., low/no income, desire in becoming self-reliant etc.) is the most important element. One who has a strong urge and dedication in establishing herself as a successful entrepreneur meets with her goal — sooner or later.

Back to our routine business, several activities under the Corporate Social Responsibility and Client Protection continued. During the reporting month, 222 members were provided with maternity allowance (NPR 355,200), 158 claims (NPR 11,352,600) under micro-insurance were settled and Disaster Relief was handed over to 144 members (NPR 295,000).



We continued building capability of our staff on various aspects of microfinance operation, mostly through online training events. In this issue, report on one of the training events for our members/clients on commercial goat farming has been presented.

The financial indicators on loan disbursement, loan outstanding as well as savings and deposit mobilization remained satisfactory with increased outreach.

Janardan Dev Pant

In this Issue...

- | | | |
|---|-------------------------------------|---|
| 1 | Message from the CEO | |
| | Success Story of Padma Gurung | 2 |
| 3 | Non-Financial (CSR & CP) Activities | |
| | Training on Commercial Goat Farming | 4 |
| 5 | Progress Highlights | |

SUCCESS STORY Nirdhan became the foundation — Padma Gurung

Resident of Sharadanagar 5, Chitwan, Padma Gurung is a successful entrepreneur. She states that, her poultry feed business generates monthly NPR 20 thousand net income. Her children also support her in the business and she has employed a full-time worker. Her elder daughter and son have studied up to grade 12 and the younger daughter is studying in the Bachelors' level. She has made a two-storied well-constructed house nearby the highway. She has also purchased a van for supplying the feed and acquired 10 Dhur residential land nearby Health Post.

Padma Gurung – born in 1970 as the eldest child in the family of Pahal Man Gurung (father) and Dhan Maya Gurung (mother) in India – was married in 1987 to Bhim Bahadur Gurung of Sharada Nagar 5, Chitwan. Raised in happiness in the family of an Indian Army, her married life could not be enjoyable compared to that in the maternal home. She had to face difficulties and shoulder the family burden as her spouse was unemployed with no good income source. To fulfill her family responsibilities, she started goat farming. She became very disturbed as the goat farming could not generate the expected income. As she was unable to pursue a meaningful business due to lack of money, she came to know from a neighbour about the staff from Nirdhan, Parsadhap forming a group and learnt on the necessary documentation. She felt as if she found the God while in search of a stone, when she knew about the collateral-free loan and savings transaction with group guarantee based on the copy of the citizenship and a photo. In consultation in the family, she got affiliated in the Health Post, Sharada Nagar Centre No. 34 in August 2004 and started transaction.



Mr. Krishna Bhurtel, Member of Parliament, Bagmati Province handing over Dr. Harihar Dev Pant Best Micro-Entrepreneur Award to Mrs. Padma Gurung from among the entrepreneurs in Bagmati Province in 2021 (2078 BS)

She first availed NPR 12 thousand loan from the group and started a mill grinding the maize. As the business generated good income, she further invested a loan of NPR 20 thousand in the second year. She started poultry feed business as she saw a good scope for it given the poultry farms in the vicinity. She is currently engaged in the poultry feed business. As the business prospered well, she has invested further in the business with micro-enterprise loan of NPR 700 thousand. Her loan transaction is good and as per the rules. She has maintained regular savings since her affiliation in the group and she has made a total savings of NPR 81 thousand with monthly contribution of NPR 1 thousand in Sambriddhi savings.

Padma Gurung has been the best example that hardworking and honest individuals would always be successful. She repents that she could not ensure education for her son up to the level that she desired given her business responsibilities as her spouse is suffering from a stroke of paralysis since last 8 years. She spreads the message that one should not worry at sorrowful times and be careless during happiness and these are the cycles in the life as she struggled much in reaching the current position. She states that, she loves Nirdhan as it provides financial and non-financial services in a convenient way.



Contributor: Amrita Paneru, Senior Assistant, Branch Office Chanauli, Chitwan

NON-FINANCIAL SERVICES CSR and CP Activities

Nirdhan has several initiatives ensuring its Corporate Social Responsibility and Client Protection. It has also facilitated micro-insurance services for member/clients. A summary of the initiatives undertaken during the month of Magh 2078 (corresponding mid-January to mid-February 2022) are presented in this section.

Maternity Allowance

Maternity period is a very sensitive period for the mothers as they need nutritious food for themselves and in keeping the infant healthy. To support this cause, Nirdhan provides NPR 1,600 up to two time delivery as maternity allowance.

Nirdhan distributed maternity allowance to **222** members during this period amounting to a total of **NPR 355,200** to its clients through different branches.

Disaster Relief

This relief is made available to the members affected by natural calamities such as flood, landslide, earthquake, tornado, fire etc. The relief amount is dependent on the severity of the damage caused to the members and their household.

During this period, Nirdhan distributed disaster relief to **144** members amounting to **NPR 295,000**.

Distribution of Compensation

Nirdhan distributes compensation amount in the event of death or accident of its member clients as well as to their family members who are covered under the micro-insurance service facilitated by Nirdhan.

Nirdhan settled **158** claims during this period amounting to a total of **NPR 11,352,600** through different branches.



Nirdhan Yadukuha Branch organized a three-day training program on commercial goat farming (31 December 021 - 02 January 022), which was participated-in by 35 member/clients. The program was graced by Mr. Nagendra Prasad Mandal, Chairperson of Ward 3, Sahidnagar Municipality as the Chief Guest. The guests in the program were Mr. Parmeshwar Chaudhary, Chief of Nirdhan Regional Office, Bardibas and Sushil Kumar Yadav, Member of Sahidnagar Municipality, Ward 3. Dr. Binod Kumar Yadav, former Chairperson of Nepal Veterinary Association, Madhesh Province (No. 2) served as the trainer.

This was a comprehensive training event that covered various aspects of goat farming that included breeds and breeding, construction of shed using local materials, health issues, raising kids, identifying healthy and sick, preparation of balanced diet, caring pregnant goat etc. The trainees were also oriented on marketing issues related to goat farming and various products and services of the institution.

At the conclusion of the training, Ms. Jagatan Devi put forth her evaluative comments. The participants expressed on the utility of the training learning in maximizing benefits from commercial goat farming. The training proceedings was conducted by Yadukuha Branch staff Mr. Bijaya Kumar Yadav. Mr. Binod Ram, Yadukuha Branch In-charge earlier delivered welcome address and outlined the training objectives.



PROGRESS INDICATORS

The highlights on Financial Progress, Coverage/Outreach and Non-financial Progress (CSR/CP activities) for the month of Magh 2078 (corresponding mid-January to mid-February 2022) are presented in the tables below.

<i>Financial Progress (in Billion NPR)</i>	<i>as of 14 Jan 022</i>	<i>Progress during 15 Jan - 12 Feb</i>	<i>as of 12 Feb 022</i>
Loan Disbursed	180.61	2.53	183.14
Loan Outstanding	26.95	0.40	27.35
Savings & Deposits	17.05	0.18	17.23
Note: NPR = Nepali Rupees			

The selected financial indicators that of loan disbursement, loan outstanding and savings & deposits mobilization suggest a slight increase in the reporting month. The loan disbursement reached a volume of NPR 183.14 Billion with an increase of NPR 2.53 Billion during the month. The loan outstanding is NPR 27.35 Billion at the close of the month. Likewise, the savings and deposits reached NPR 17.23 Billion suggesting a marginal increment during the month.

<i>Coverage/Outreach (in No.)</i>	<i>as of 14 Jan 022</i>	<i>Progress during 15 Jan - 12 Feb</i>	<i>as of 12 Feb 022</i>
Districts Covered	77 of 77	—	77 of 77
Local Bodies Reached	543 of 753	1	544 of 753
Branch Offices	181	—	181
Centers/SRGs	21,634	109	21,743
Staff Strength	1,204	(2)	1,202
Active Clients	389,941	1,490	391,431
Loan Clients	232,100	539	232,639

The coverage and outreach in terms of the number of Centres/SRGs as well as active and loan clients increased slightly during the month. The number of Centres/ SRGs increased by 109 reaching to a total of 21,743. Likewise, the number of active clients increased by 1,490 reaching to a total of 391,431 and the loan clients increased by 539 reaching to a total of 232,639.

<i>CSR/CP Activities (in No.)</i>	<i>as of 14 Jan 022</i>	<i>Progress during 15 Jan - 12 Feb</i>	<i>as of 12 Feb 022</i>
Maternity Allowance	1,501	222	1,723
Critical Illness Relief	96	—	96
Disaster Relief	767	144	911
Insurance Claim	1,452	158	1,610
Note: Cumulative figures are for the current Fiscal Year (2078-79 BS) only			

During the reporting month, the non-financial indicators that of Corporate Social Responsibility and Client Protection activities also registered some progress except for Critical Illness Relief. The Maternity Allowance was handed over to 222 members and Disaster Relief to 144 members and Insurance Claims of 158 members were settled.