



Nirdhan Newsletter

A Newsletter of Nirdhan Utthan Bank Limited (NUBL)—November 2017 Edition

**Nirdhan Utthan Bank
Limited**

An MFI Providing Service to the Poor

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CEO's Message:

Currently there are 54 Microfinance Institutions (MFIs) licensed by Nepal Rastra Bank. The branches of MFIs are concentrated in the plain and semi-urban areas of the country leading to increase in multiple financing or multiple borrowing causing adverse impact on credit recovery. Lately, MFIs are witnessing increase in total outstanding balance of past due loans especially in the plain belt region of the country.

In order to reduce the trend of multiple borrowing, healthy competitions between MFIs, effective credit information check, providing financial literacy to clients and monitoring of loan utilization is necessary. We have to prioritise on fulfilling the rural population's credit demand on productive sector or income generating entrepreneurship activities. Credit lending must be followed by close monitoring of loan utilization on a regular basis. By providing financial literacy information to clients about risks of multiple financing, loan utilization, measures of avoiding over indebtedness can help clients in maintaining sound credit score. Checking credit information to assess client's credit absorption capacity is also critical.

All new or additional loans given by Nirdhan to clients are to be used for income generating activities. We have policy of compulsory field level project inspection to monitor loan utilization on a regular basis. Nirdhan has been implementing financial literacy programs for client's on-going capacity development and our staff members are competent and hardworking to monitor the loan utilization of clients in reducing the misuse of loans. I am confident that non-performing loans will remain at an acceptable limit.

- Janardan Dev Pant



Members of Parsa Ka Group of Tandi Branch, Chitwan District.

NUBL at a Glance as of November 16, 2017

Indicators	Figure
No. of Districts Covered	75
VDC Coverage	1,830
No. of Branch Office	178
No. of Staffs	851
No. of Centers/SRGs	14,952
No. of Active Clients	299,843
No. of Loan Client	206,071
Loan Disbursed (NPR)	76.65 Billion
Loan Outstanding (NPR)	13.01 Billion
Savings & Deposits (NPR)	6.83 Billion

News

Senior Officials of Asian Development Bank Visit Nirdhan

Senior Officials of Asian Development Bank visited NUBL Head Office on 24 November 2017. Ms Christine A. Engstrom, Director of Private Sector Financial Institutions Division along with Mr Anjan Panday, Senior Programs Officer of Nepal Resident Mission and two other officials were present in the meeting.



Chief Executive Officer welcoming Asian Development Bank Officials.

Chief Executive officer Mr Janardan Dev Pant welcomed the delegates. The CEO briefed on Nirdhan's future strategies, training and capacity development initiatives of member clients, and other various issues.

NUBL Organizes Capacity Development Trainings for Accountant staffs of Nirdhan

All 10 Regional offices of NUBL organized day-long capacity development training for their respective Branch Offices' accountant staffs. Accountant staffs of all 178 Branch network of Nirdhan participated in the training programs.



Participants of Accountant Capacity Development Training Organized by NUBL Kohalpur Regional Office

The major topics presented in the trainings were, accountants' roles and responsibilities, legal documents required for credit lending, centre management reporting, deposit mobilization and micro enterprise loan. Likewise, the trainings also covered management of credit recovery procedures, strategies to increase member clients among other topics. The trainings also had discussions on current fiscal year's first quarter target and branch achievements.

NUBL at a Glance

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. Micro-finance program of the Bank started since March 14, 1993 when it was working as NGO, later converted to Microfinance Bank in 1998. At present, NUBL is the only one MFI in Nepal that has outreach in 75 districts of Nepal through the network of 178 Branch Offices, 10 Regional Offices and a Central Office serving 299,843 clients as of November 16, 2017.

Success Story: Mrs Kalpana Dawadi

Mrs Kalpana Dawadi was born in Finam, Gorkha District. Her parents were farmers and she was aware of benefits of agriculture from an early age. She got married at the age of 15 and moved to Fujel Rural municipality, Gorkha District. After her marriage, she started producing mandarin oranges in 6,105 Sq. Meters land. However, due to political conflict in the country, her family were displaced and her family moved to Ratnagar Municipality leaving behind their assets in Gorkha. She recalls times when her family struggled to meet ends. She searched for menial jobs and worked as a peon. After working for 3 years, she was in a dilemma on whether to start new business or return back to Gorkha. She met a member of Dayanagar Womens Group of Nirdhan Tandi Branch who explained her products and services of the Bank. The Bank's representative also met her and motivated her to join as a member in Dayanagar Women's Group.



Mrs Kalpana Dawadi at her Banana farm

She obtained her first loan from Nirdhan and used it to lease 2370 Sq. Meters land to start Banana Farm. During the first year alone she earned 40,000 profit with which she bought 339 Sq. Meters land. She also cultivated cucumber and maize in her farm. With the earnings she was able to build a home and year on year she purchased land with her profit. Now she has leased 67726 Sq. Meter land for NRs. 600,000. On average she has been earning NRs. 100,000 profit

and has been recognized as a successful farmer in her locality.

She says her living standard and family status has changed. Her husband is also helping her manage the banana farm. She was also able to organize marriage of her daughter. Her two sons are studying in graduate level and have been helping her on marketing her produce.

She is currently employing 4 staffs. She says that with the help of her family and employees, the logistics of taking orders and delivery has been running efficiently. With additional collateral free loan amounting NRs. 200,000, she has plans to lease more lands for banana farming. She has targeted to have 135,452 Square Meters land for banana farming by next few years. She states that she is satisfied with the service provided by Nirdhan for motivating her to become an entrepreneur and financing her enterprise.

Skills Development Trainings Organized

During the month of November, NUBL organized 5 skills development trainings to 103 member clients. Training on Sugarcane Farming was organized in Parasi District by Nirdhan Bhairahawa Regional Office for 20 member clients of Parasi, Daunnedevi and Belatari Branch from November 10-12, 2017.



Participants of Training on Sugarcane Farming Organized by Nirdhan Bhairahawa Regional Office

Similarly, Livestock farming training was organized in Gausala by NUBL Bardibas Regional Office for 23 clients of Gausala, Aurahi and Jaleswor Branch from November 16 – 18, 2017. NUBL Birgunj Regional

Office organized training on vegetable Farming for 20 member clients of Simrangadh Branch from November 27 – 29, 2017.



Participants of Training on Livestock Farming Organized By Bardibas Regional Office

Likewise, Training on Poultry farming was organized by Nirdhan Attariya Regional Office for 20 clients of Belauri Branch. Similarly, NUBL Birgunj Regional Office organized training on poultry farming from November 27 – 29, 2017 for 20 clients of Simara and Biruwaguthi Branch.

The main focus of the skill development trainings was to provide skill specific technical information. The participants also learned about entrepreneurial skills such as information on planning, marketing among other skills. 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 in partnership with SAKCHYAM - Access to Finance, a UKAID funded project.



Participants of Training on Poultry Farming Organized by Birgunj Regional Office

Entrepreneurship Development Trainings Organized



Participants of Entrepreneurship Development Training Organized By NUBL Bardibas Regional Office

Regional offices Bardibas and Bhairahawa organized three-day long entrepreneurship development training (EDT) to their respective Branch's member clients. Regional office Bardibas orga-

nized the event from November 13-15, 2017 where twenty two member clients participated. Likewise, Regional office Bhairahawa organized the event from November 17-19 where the numbers of participants were twenty two.

The objective of the three day EDT package was to motivate and equip participants to be entrepreneurs, select business as per their skills set and efficiently manage their entrepreneurship ventures. The training session included information on effective implementation of business plan, market identification, effective ways of marketing, utilizing financial solution including savings, insurance, and loans among other topics. Participants can get up to rupees five-hundred thousand microenterprise loan from Nirdhan to start microenterprises after completion of the training.

Training was a part of the project, "Job creation through Micro and Small Enterprises Financing with Support from Financial Literacy, Entrepre-

neurship & Skill Trainings" implemented by NUBL with the partner-ship of SAKCHYAM Access to Finance, a DFID funded project. The project started from July 2016 and ends by 2019. The objective of the project is to create at least one job from each Micro and Small Enterprise (MSEs)



Participants of Entrepreneurship Development Training Organized By NUBL Bardibas Regional Office