



Nirdhan Newsletter

Newsletter of Nirdhan Utthan Laghubitta Bittiya Sanstha Limited / November – December 2021 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,

New Year Greetings!

We are delighted to present you progress highlights for November-December 2021 together with a brief account of the activities accomplished by the institution during this period.

The reporting months projected a stable financial position as the business coverage and outreach increased marginally. However, the institution processed a record number of relief distribution and insurance claims to the clients.

The staff capacity building was focused on the Center Managers with 16 one-day training events covering 476 participants during past two months. Yet, one event for Senior Team (29 participants) on Strategic Leadership and another one for the Clients (31 participants) on Commercial Goat Farming were also organized.

Though credit helps our clients in repairing their livelihoods damaged by COVID-19 crisis, the demand for the goods and services of their businesses has become weaker than normal.



We are regularly documenting success stories of our member clients. Recently, we brought out a compendium of 181 success stories in Nepali language, one each representing each of our branches. We are planning to upload soon the English versions of the stories for our global audience. For your reading, we have selected the story of Chhali Maya from the Eastern Himalayan District of Taplejung in this issue. Hope, you would appreciate the story!

On 9 January 2022, we successfully convened 23rd Annual General Meeting. Our paid-up capital has gone up from NPR 1.695 Billion to NPR 2.195 Billion. This would enable us to expand our mission-driven activities building a robust institution with strong capital base.

As another wave of COVID-19 is looming again in the country, the businesses of the clients in the lower income bracket would continue to suffer. We will have to learn and live together with the pandemic and pursue the business as the clients need more support at these difficult times.

We have put in place necessary measures for health security of our members, clients and staff.



Critical illness relief handover - Waling, Syangja

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Janardan Dev Pant

Progress Highlights

The highlights on Financial Progress, Coverage/Outreach and Corporate Social Responsibility/Client Protection activities for the reporting months are presented in Table 1.

The selected financial indicators that of loan disbursement and savings/deposit mobilization suggest stability in the reporting months with not much movement. Similar situation is noted in the coverage and outreach with nominal increment in active client and loan client numbers.

The Corporate Social Responsibility and Client Protection activities, however have increased by multiple fold. Specially, Disaster Relief distribution registered a massive increase of 377% compared to the previous month and settlement of Insurance Claim increased by 323%. This situation is particularly ascribed to the client settlements processed by the branches in the Far-Western Region (Refer page 3 for financial volume of the CSR/CP activities).

Table 1: Progress Highlights		
<i>Financial Progress (in Billion NPR)</i>	<i>as of 16 Nov 021</i>	<i>as of 15 Dec 021</i>
Loan Disbursed	174.71	177.87
Loan Outstanding	25.78	26.56
Savings & Deposits	16.52	16.55
<i>Coverage/Outreach (in No.)</i>	<i>as of 16 Nov 021</i>	<i>as of 15 Dec 021</i>
Districts Covered	77 of 77	77 of 77
Local Bodies Reached	543 of 753	543 of 753
Branch Offices	181	181
Centers/SRGs	21,260	21,403
Staff Strength	1,201	1,204
Active Clients	384,512	386,514
Loan Clients	226,935	228,831
<i>CSR/CP Activities (in No.)</i>	<i>Oct/Nov 021</i>	<i>Nov/Dec 021</i>
Maternity Allowance	192	277
Critical Illness Relief	11	16
Disaster Relief	69	329
Insurance Claim	62	262
Note: NPR = Nepali Rupees		

Glimpses of Relief and Insurance Compensation Handover



Fattehpur Branch



Rahale Branch



Nawalpur, Sarlahi Branch

Non-Financial (CSR and CP) Activities

Nirdhan has several initiatives ensuring its Corporate Social Responsibility and Client Protection that include Maternity Allowance, Critical Illness Relief and Disaster Relief. Likewise, it has facilitated micro-insurance services for member clients. A summary of the initiatives undertaken during the Nepali months of Kartik and Mangsir 2078 (corresponding mid-October to mid-December 2021) are presented in this section (*please refer page 2 for month-wise break-up of the CSR/CP activities*).

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 469 members during this period amounting to a total of NPR 750 thousand to its clients through different branches.



Sunita Fago, Yashok, Panchthar receiving maternity allowance



Jinisara Ale, Jabgadi, Palpa receiving critical illness relief

Critical Illness Relief

Critical Illness Relief with a value of NPR 5,000 per case covers illnesses including cancer, major organ damage, major heart disease and other major illnesses as specified in the Critical Illness Relief Manual.

Nirdhan provided Critical Illness Relief to 27 members during this period amounting to a total of NPR 135 thousand.

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 398 members amounting to NPR 960 thousand.



Yashoda Kumari, Amargadhi, Dadeldhura receiving disaster relief



A member in Dulegaunda, Tanahu receiving insurance compensation

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 324 claims during this period amounting to a total of NPR 25.98 million through different branches.

Capacity Building Activities

Nirdhan has built-in various capacity building initiatives for its staff and client. The focus in these days has been on raising capability of the Center Managers through one-day training events at regional level. During the Nepali months of Kartik and Mangsir 2078 (corresponding to mid-October to mid-December 2021), 16 training events for Center Managers (476 participants), one training event for Senior Team (29 participants) and one training event for Clients (31 participants) were organized.

Table 2 summarizes the training events organized for staff and two training events are featured in this section.



Centre Managers in a Training Organized by Kohalpur Regional Office

Table 2: Staff Capacity Building Events		
Capacity Building Training of Center Managers		
Location	Date	Participants
Kathmandu	24-Oct-21	44
Bardibas	29-Oct-21	39
Birgunj	29-Oct-21	29
Pokhara	29-Oct-21	36
Bhairahawa	29-Oct-21	31
Bardibas	31-Oct-21	38
Birgunj	31-Oct-21	27
Bharatpur	31-Oct-21	21
Bhairahawa	31-Oct-21	31
Birtamod	3-Dec-21	25
Kohalpur	3-Dec-21	28
Attariya	3-Dec-21	25
Birendranagar	3-Dec-21	25
Birtamod	5-Dec-21	24
Kohalpur	5-Dec-21	29
Attariya	5-Dec-21	24
Total	16 events	476
Strategic Leadership: Enhancing Business Growth (for Senior Team Members)		
Location	Date	Participants
Chitwan	12-Nov-21	29
Grand Total	17 events	505

Capacity Building Training of Center Managers – Kohalpur, Banke

Nirdhan, Kohalpur Regional Office organized a one-day *Capacity Building Training of Center Managers* on 03 December 2021 in Kohalpur. The training was actively participated in by 31 staff including 28 Center Managers under Kohalpur Regional Office and the Regional Chief Program Manager.

The training program was inaugurated virtually by the CEO, Mr. Janardan Dev Pant. He advised staff to be motivated so as to enhance productivity through increased marketing and mobilization of savings products in view of shortages of investible funds and increment in non-performing loan due to COVID-19.

The training was facilitated by Regional Manager, Mr. Sambhu Neupane (Session 1 and 6), Program Manager, Mr. Min Bahadur Hamal (Session 2 and 4) and Program Manager, Mr. Bishnu Bahadur Kunwar (Session 3 and 5).

The first session was devoted on the role and responsibility of the Center Managers. Nirdhan product and services were introduced and marketing as well as importance of savings was dealt in the second session. The third session focused on the need and importance of staff performance for long-term sustainability and system of determining the remuneration package. Likewise, the fourth session dealt on assessment and analysis of the client and project, loan proposal and loan deed. The points to be considered while operating a Center and inspection on loan utilization was discussed in the fifth session. The final and sixth session deliberated on ways in recovering overdue loan. As COVID-19 has resulted into substantial increase in non-performing assets, need of team work and proper strategy and action plan was highlighted in achieving the target.

The training program was closed by Regional Manager, Mr. Neupane with his request to the staff in utilizing the training learning in the work setting so as to achieve the given target.

Training on Commercial Goat Farming – Odari, Kapilvastu

Nirdhan, Odari Branch Office organized a three-day *Training on Commercial Goat Farming* for 35 of its clients from 17 to 19 November 2021 in Odari, Kapilvastu. The training program was graced as Chief Guest by Honorable Rina Nepal, State Minister for Tourism and Urban Development, Lumbini Region.

The Chief Guest and Guests in the program lauded the Nirdhan contribution in the form of such capacity building events. The Chief Guest also handed over the animal insurance compensation to four farmers pursuing animal husbandry on the occasion. Mr. Sushil Gautam, Odari Branch Chief delivered welcome address and outlined the training objectives.



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. Tahira Khatun put forth her evaluative comments. The participants expressed on the utility of the training learning in maximizing benefits from commercial goat farming. The training was conducted by Odari Branch staff Ms. Sharada Chaudhary.

The Guests in the program were Executive Officer of Banganga Municipality, Mr. Basu Dev Khanal; Regional Chief of Nirdhan Bhairahawa Office, Mr. Sambhu Neupane; and Chairperson of Ward 11, Banganga Municipality, Mr. Som Nath Aryal. Dr. Uttam Acharya and Dr. Ganesh Pun from Veterinary Hospital and Animal Services Centre and Mr. Raj Kishor Tiwari from Animal Services Section served as the trainers.

Success Story *Nirdhan support in successful business of Chhali Maya*

Chhali Maya - born on 22 September 1968 in Hangpangma of the remote eastern Himalayan district of Taplejung - was married to Maulhang Limbu of Ward-9, Sanwa Village VDC, Taplejung on 06 March 1990. She moved to Phungling - the district headquarter - in 1998. With a thought of engaging in some business, she secured membership with Taplejung Association of Industry of Commerce registering *Bahar Offset Press*. She pinned hope for some relief in maintaining livelihood with this business amidst difficulty in fulfilling household needs given poor family standing and recent marriage. She got affiliated in *Balmandir Women's Self-reliant Group* in May 2014 as she faced difficulty in managing capital for business operation registering a firm.

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Chhali Maya Hawang being awarded Dr. Harihar Dev Pant Best Micro-Entrepreneur Award in 2021 (2078 BS)

Nirdhan support in successful business of Chhali Maya—continued ...

She advanced her printing press business purchasing a machine with NPR 40 thousand loan. She expanded the business with further cycles of loan facilities: NPR 100 thousand second time, NPR 130 thousand third time, and now NPR 200 thousand for fifth time. She states that, the business now generates monthly NPR 30 thousand income with two additional machines, contributing well in fulfilling household needs as well as campus education of the children. She has deposited a total sum of NPR 61 thousand in Nirdhan. Again, loan installments are being paid back regularly.

Her two daughters and one son attends campus in the morning and assists in her business during day time. Likewise, she has employed her husband and one another person in the business. Her business deals with printing of books, bills, newspapers and preparation of stamps etc. She told that she has purchased two Ropani land in Phungling-6 with surplus income. She has invested about NPR 3 million in the business, which recently has stalled due to COVID-19 and suffered with loss. However, she has been engaged in alternative business operations (pig and vegetable farming) and managing the repayment of loan installments regularly. She hopes for revival of her printing business soon.

She admired the valuable role of Nirdhan as she could get timely and efficient support in advancing her business and saved from the exorbitant interest levied by the money lenders.

Chhalimaya speaks about her plans of advancing the business further adding two more machines. She smilingly admits that Nirdhan would always be there to support in her successful journey. She further urges all sisters to generate income through proper utilization of loan facility.

Contributor: Khagendra Phunyal, Accountant, Branch Office, Phungling, Taplejung

The institution provides scholarships every year through all of its 181 branch offices to the children of its members passing grade 12 to encourage them in achieving higher education.

