

# Glimpse



A Newsletter of CSD – December 2018, Issue 24

## CSD Convenes the 27<sup>th</sup> Annual General Meeting



Executive Chief Mr. Giri welcoming the members at the AGM

### In this Issue

Member's Corner	p. 2
A Journey to the Birth Place of Microfinance	p. 3
Training on Credit Management in Microfinance	p. 3
Upcoming Events	p. 3
The Rise of a Budding Micro-Entrepreneur	p. 4

The Centre for Self-help Development (CSD) convened its 27<sup>th</sup> Annual General Meeting on October 26, 2018 in Kathmandu. The Individual and Institutional members of CSD attended the meeting. Executive Chief of CSD, Mr. Bechan Giri, welcomed the members and guests at the AGM.

Chairman of the Governing Board, Mr. Shankar Man Shrestha, chaired the program and also presented a brief report on the progress, the financial status and the next year's program of the Centre on behalf of the Governing Board. Speaking on the occasion Mr. Shrestha said, "It is the responsibility of all the CEOs of MFIs to come forward and lead their respective organizations toward the right direction following the fundamentals, norms and values of microfinance. It is now the right time to create a new generation of staff and members in the sector and inherit the learnings to secure the future of the microfinance sector in Nepal."

The members of the AGM passed the Balance Sheet and the Profit and Loss Accounts of FY 2017/18 and the programs and strategies of FY 2018/19. Chairman Shrestha also threw light on the upcoming Second National Microfinance Members' Summit which is planned to be held in Kathmandu from December 1 - 2, 2018 on the initiative of the prominent MFIs of Nepal. The First Summit held from May 15-16, 2016 witnessed a gathering of around 600 microfinance women members and microfinance practitioners in the capital and provided a platform to hear

the stories and experiences of the members and the microfinance practitioners.

During the discussion on the Governing Board report, the Managing Director of Nerude Laghubitta Bittiya Sanstha Ltd. Mr. Mani Kumar Arjyal, Chief Executive Officer (CEO) of Sahara Nepal SACCOS Ltd., Mr. Mahendra Kumar Giri, Chairperson of Womi Microfinance Bittiya Sanstha Ltd., Ms. Bindiya Pradhan, Chief Executive Director of Nava Pratiba Saving and Credit Cooperative Ltd., Mr. Ram Prasad Kafle, shared their experiences in the microfinance sector and emphasized on the need to tackle the problem of multiple financing and clients duplication that has plagued the environment of the microfinance sector in Nepal at the earliest and raise awareness among the clients on the consequences of excessive borrowings and misuse of loans in unproductive activities.

Mr. Mahendra Kumar Giri of Sahara Nepal SACCOS Ltd. suggested CSD to prepare manuals on entrepreneurship and financial literacy program to provide to the member institutions.

The 27<sup>th</sup> AGM also elected a new Governing Board. The new Board Members comprised of Mr. Shankar Man Shrestha, Mr. Mahendra Kumar Giri, Ms. Shova Bajracharya, Mr. Mani Kumar Arjyal, Dr. Sumitra Manandhar Gurung, Dr. Gopal Dahit and Mr. Dambar Bahadur Shah. Later in its maiden meeting the members elected Mr. Shankar Man Shrestha as its Chairman, Mr. Mahendra Giri as the Vice-Chairman and Ms. Shova Bajracharya as the Treasurer.



The view of the members attending the AGM



The newly elected Governing Board members and the Executive Chief

# Member's Corner



## Profile of Chartare Yuva Club (CYC) Nepal



**Mr. Chandi Prasad Sharma**  
Chairman



**Mr. Roshan Kumar Adhikari**  
Chief Executive Officer

### Genesis

The Chartare Yuva Club (CYC) was conceptualized by Mr. Chandi Prasad Sharma along with other likeminded youths on July 22, 1991 as an NGO in Tityang VDC ward no-9, Aduabari, Baglung with a view to liberate the rural poor from a state of dependency and lack of access to and control over their decisions that affect their lives and resources. CYC has been gradually increasing its activities across the VDCs in Baglung and achieved significant success in reducing poverty through educating and empowering communities for undertaking socio-economic activities to improve the conditions of the disadvantaged rural communities. The 'Char Tara' four stars stand for Mato, Bato, Pani, Khaldo (Soil, Trail, Water and Farm) indicating to self-reliant communities. CYC publishes its quarterly magazine "Grameen Kandara" highlighting its progress and activities.

### Vision

Establishment of socially and economically sound, self-reliant and poverty free society through optimum use of local resources.

### Mission

- Socio- economic upliftment of the downtrodden people through improving their skills and capacity.

- Building Community Based Organization (CBO) and local Non-Government Organization (NGO).
- Improving public health.
- Sustainable development through the optimum mobilization and management of local resources in co-ordination with the Government, INGOs and other organizations.

### Objectives

- To create all possible situation and opportunities for motivation, self-dependency and empowerment of the rural people.
- To develop knowledge, skills and attitudes suitable to match the current national and international development trend, practices and challenges.
- To assist the local people to reduce the high child and maternal mortality through the community mobilization programs.
- To promote public awareness through community education process.

### Programs

- Women empowerment program through awareness generation.



Building of Chartare Yuva Club (CYC) Nepal

- Woman, child and the handicapped related program.
- Environment protection schemes, social and economic development programs.
- Skill development training.
- Micro finance programs for marginalized and economically disadvantaged women.

### Loan Products

- General Loan
- Seasonal Loan
- Housing Loan
- Micro Enterprise Loan

### Savings Products

- Compulsory Savings
- Personal Savings
- CYC Pension Savings
- Special Savings
- Welfare Savings
- Housing Savings
- Child Savings
- Festival Savings
- Ornament Savings
- Center Fund Savings

### Protection Schemes and Other Activities

- Member Life Protection Plan
- Member Housing Security Scheme
- Educational cooperation
- Loan Waiver
- Emergency Funding system
- Post Natal Mother Visit Program
- Patient Visit & treatment Support

### Operational Status as of 15<sup>th</sup> December 2018

Area Coverage :	6 Districts
No. of Branches :	21
No. of Centers :	1,728
No. of MF Members:	37,889
No. of MF Borrowers :	23,308
No. of Staff :	124
Loan Outstanding :	Rs.85,70,87,072
Savings from Members :	Rs. 59,90,06,886
Profit at the end of Mangsir 2075 :	Rs.1,23,55,762
Reserve Fund :	Rs. 10,20,74,625
Operational Self Sufficiency :	121%
Repayment Rate :	99%



# A Journey to the Birth Place of Microfinance

CSD in collaboration with Integrated Development Foundation (IDF) Bangladesh organized a Study/Exposure Visit Program to Bangladesh for the Senior Officers and Branch Managers of prominent MFIs of Nepal from September 30 to October 08, 2018.

The 9 day program which included comprehensive field based learning through exposure to the local practices and development interventions, took the participants across 3 prominent MFIs of Bangladesh, namely – Grameen Bank, ASA and IDF. The participants keenly learned from the best practices of group solidarity, loan utilization and



Nepalese Officials with MF members of Bangladesh

the implication of sound practices of the various models from the clients, field and branch staff as well from the decision maker themselves. The team which comprised of Senior

Managers from Mero Microfinance Bittiya Sanstha Ltd., Mirmire Laghubittiya Bittiya Sanstha Ltd. and UNYC Nepal was coordinated by Mr. Satish Shrestha, Director of CSD.

## Training on Credit Management in Microfinance

CSD organized a Training on Credit Management in CSD Training hall, Maitighar Height, Kathmandu from Dec. 26-28, 2018 (Poush 11-13, 2075). There were altogether 20 participants from 9 different MFIs. The objective of the training was to acquaint the participants with the best efficient practice of microfinance management. It also dealt with the process of clients' identification and disbursement and collection of credit. There were also participatory discussions on current problems and issues of microfinance and ways to overcome them. They were encouraged to look into the need of the poor and also oriented on how to outreach the ultra poor in inaccessible areas. They were briefed on the problems that arises due to duplication of clients between MFIs. There were also discussion of the



Group photograph of the training participants

process of monitoring and supervision of clients.

Participants were from Infintiy Laghubitta Bittiya Sanstha Ltd., Shreejana Bikas Kendra, Shreejana Samudayik Bikas Kendra, Unique

Nepal Laghubitta Bittiya Sanstha Ltd., Manushi Laghubitta Bittiya Sanstha Ltd., National Microfinance Bittiya Sanstha Ltd., Nepal Women Community Service Center, Mahila Laghubitta Bittiya Sanstha Ltd. and Sahara Nepal SACCOS Ltd.



Resource person, Mr. Devkar Karki facilitating a session

### UPCOMING EVENTS >

- CSD is organizing two Study/Exposure Visits for the Board Members, CEOs, top management and Branch Managers of MFIs in Nepal in coordination with IDF, Bangladesh. The two visits are scheduled for Falgun 11-19, 2075 (February 23 - March 3, 2019) and Chaitra 2-10, 2075 (March 16-24, 2019).
- The Centre will organize an Exposure/ Study Visit to Cambodia in the month of March for the Nepalese microfinance officials to learn from the best practice of microfinance in Cambodia.

# The Rise of a Budding Micro-Entrepreneur:

## *How Microfinance Changed the Life of Goma Devi Ghimire*

Ms. Goma Devi Ghimire is a member of Mahila Sahayogi Bachat Tatha Rin Sahakari Sanstha Ltd., Kathmandu and is the center chief of the Khulaltar Masalabi Centre in Tarkeshwor municipality. Born in Panchthar, Ms. Ghimire came from a humble agricultural background and was married to a small clothes trader from Ilam. The family moved to Kathmandu in 2061 BS in search of better job opportunities. Finding it difficult to support the family with her husband's salary as a driver, Goma opened a tea stall as an additional source of income. Goma also worked at a Cooperative, but the salary was meagre and so the family decided to start making *dalmot* and sell them to nearby shops. *Dalmot* is a traditional savory dry snack made from fried lentils, nuts, spices and oil.

On hearing of their struggle, the locals suggested Goma to join the Mahila Sahayogi Bachat Tatha Rin Sahakari Sanstha Ltd. which provided disadvantaged women collateral free loans. On joining the Centre in 2070 BS, she was given the opportunity to receive a training on *dalmot* making from the *Khadya Sansthan*. With the basic skills and drive to progress, she received her first loan of Rs. 20,000 for her business. As the business picked up, her husband left his job to help her and the father-in-law also extended his support to their home-based production center.



Goma Devi at her *lakhamari* and *dalmot* production center

In the quest to expand her business, she saw the immense potential of the *lakhamari* business in the market and instantly hired a local sweet vendor to teach her how to make the traditional Newari sweet. *Lakhamari* comprises a mixture of flour, ghee and sugar cooked in hot oil. With the hard-work and determination of the family, the business flourished and the order for their products started pouring in.

Currently, Goma has taken a loan of Rs. 1,50,000 from Mahila Sahayogi to scale up her business and meet the growing demand for her products. She supplies her products within the Kathmandu valley and also to a wholesale vendor in Pokhara. Through their hard-work and frugality, the family has been able to purchase 8 annas of land in the locality and a car to help with the delivery of products using their savings and loans from two commercial banks. When there is no delivery to be made, neighbors hire their car paying a daily rental fee.

The family has employed 3 local women and has scaled-up the production by purchasing machinery worth Rs. 1,30,000. As per demand, they are able to produce upto 80 kgs of *lakhamari* on a daily basis. The family makes a monthly revenue of Rs. 4 lakhs from their sales. After deducting their various business and family expenditures, they are able to save upto Rs. 70,000 per month.

Goma recounts, "Our success is due to our hard-work, dedication and family support. We faced many difficulties, especially during the blockade in 2015. Due to fuel shortage we had to use a *bayupanki* stove which uses firewood and fan to cook. Finding firewood was a hassle and our rooms used to be filled with smoke. Delivery of products was another challenge due to fuel shortage."

Goma is an enterprising woman. Through her marketing and networking skills, they are able to find new clients and her husband maintains good relations through timely delivery. Their products under the name of 'Dakshinkali Lakhamari and Dalmot' are displayed in the shops at the local bus station in Gongabu. She has also started a pote (bead) business on the side. She buys the raw materials from the wholesale market and provides them to her neighbors who assembles the pote jewelry for a per piece wage rate.

Goma Devi understands the importance of financial literacy and values the exposure she received after joining Mahila Sahayogi. She has taken membership only with Mahila Sahayogi and is aware of the gravity of multiple borrowing as she has witnessed her neighbors face difficulty due to inability to repay multiple loan instalments on time.

Satisfied with the gradual loan size increment process in microfinance, she shares, "I started with Rs. 20,000 and today I am able to receive Rs. 1,50,000 in loan amount. Had I started with a higher loan amount, it would have been a greater credit risk. I also want to start producing chips as both my husband and I have the skills required. Maybe I will use the next loan to purchase the necessary machinery. In the future, I want to expand my business and utilize the profit to build a concrete house and save for the higher education of my two sons."



Rt. Hon. P.M. Mr. K.P. Sharma Oli visiting the stall of Ms. Goma Devi Ghimire at the Second National Microfinance Members' Summit



**Centre for Self-help Development (CSD)**

- Institute of Microfinance & Cooperative Development

P.O. Box 8852, Maitighar Height, Kathmandu, Nepal

Tel.: +977-1-4265635, 4256786, Email: [csd@mos.com.np](mailto:csd@mos.com.np), Web: [www.csdnepal.org.np](http://www.csdnepal.org.np)