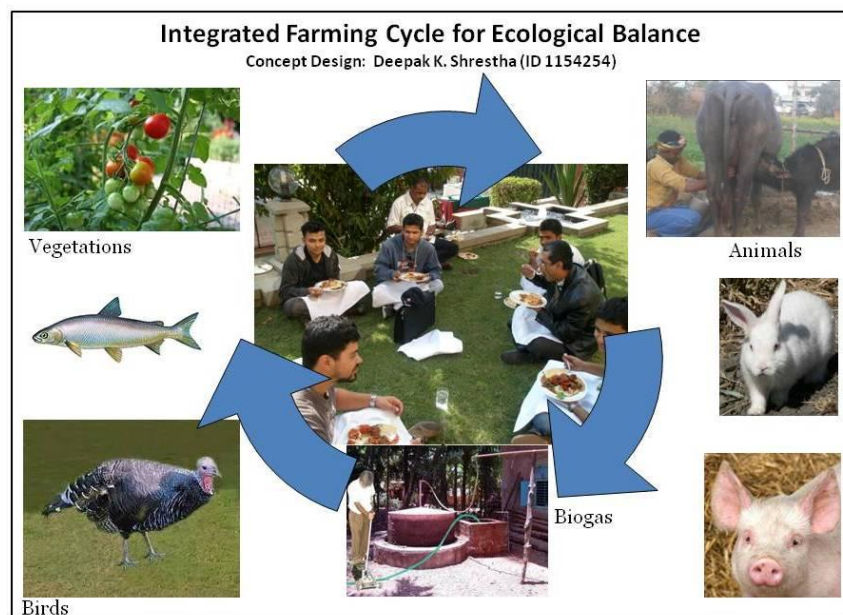


Project Report on New Concept of Micro Finance and Human Resource Required in Nepal



School of Management Studies

INDIRA GANDHI NATIONAL OPEN UNIVERSITY

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Certificate of Originality

This is to certify that the project title **“New Concept of Microfinance and Human Resource Required in Nepal”** is an original work of the student and is being submitted in partial fulfillment for the award of the Master’s Degree in Business Administration of Indira Gandhi National Open University. This report has not been submitted earlier either to this University or to any other University/ Institution for the fulfillment of the requirement of a course of study.



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Jorpati, Kathmandu, Nepal

Date: November 07, 2013



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Foreword

I learnt the value of quality foods in an affordable price in Toronto, Canada during 2003-2008 of my residing. The expense in foods in North America was around 10 percent of gross income where in Nepal and South-Asia it could be 50 percent or even more for an average income family. I was shocked with the price of goat meat (imported from Australia and New Zealand) in Canada that was around \$ 3.00 per kg which was equivalent to NRs. 180.00 (the exchange rate at that time CN\$ 1~ NRs. 60 and IRs. 1.00 equals NRs. 1.60). In the same time price of goat meat in Nepal was in an average of NRs. 400.00. Right now the price of same meat in Canada is around CN \$ 4.00 per kg which was equivalent to NRs. 360 @ CN\$ 1 = NRs. 90 and the price of goat meat in Kathmandu was NRs 825 (jumped from NRs.700 recently after recent bird flu epidemic) per kg which was equivalent to CN\$ 9.00 and IRs. 515.

The price of goat meat is more than double in Nepal than in Canada and North America. The next interesting information is that the price of goat meat in Nepal is expensive than all over the world. The meat products of the worth of around NRs. 100 billion rupees (US\$ 1.0 billion @ US\$ 1 = NRs. 100) per year is being imported from abroad according to Nepal Government's record especially from India and China.

Kathmandu is the maximum meat consuming city in Nepal and also most probably one of the South Asian cities. According to FAO, only 50 percent, 59 percent and 42 percent of carcass and organs are useful those obtained from live cattle, pig and lamb respectively. We can say in an average 50 percent of live is useful and 50% is wastage. There is no more organized and commercial slaughter houses till last year for Nepali market except one Chinese buffalo slaughter house in Eastern Terai exporting only to China, one in Hetauda and next in Kathmandu both of them are malfunctioning and one recently opened for goat slaughtering. Mostly live livestock has been carrying to meet the demand of Kathmandu.

Nepal is the number one in the World for producing and consuming indigenous buffalo meat. A 15 MT capacity truck could carry only 16 matured live buffalos because of volume constraint. The average weight of a buffalo is around 400 kg and total weight of 16 buffalos is around 6.4 MT. Since the wastage of live cattle is 50%, a truck is carrying only 3.2 MT of

useful meat products by a 15 MT capacity truck. From simple arithmetic calculation the hauling efficiency of a truck is only around 20 percent. Now we could conclude that Nepal is losing 500 percent of money in transportation that it also has five times of environmental degradation effect. Next consequence is that the problem of dumping site due to huge quantity of unnecessary garbage production in Kathmandu. Due to incredible garbage of meat by-products Tribhuvan International Airport (TIA), only an international airport is being jeopardized by bird hits. Fatal crash of Donier aircraft of Sita Air on 28 September 2012 after a minute of take off from TIA killing all 19 aboard due to hitting by a bird (vulture) is an example of these types of cases.

Everything is expensive in Nepal because most of the stuffs are imported in Nepal from abroad majority from India and China. Middlepersons are earning more than real producers/ farmers and consumers are also cheated with adulteration and price hiking with making artificial scarcity. So curtailment of unnecessary various levels of middlepersons, being able to pay better price to producers/ farmers and making goods affordable to consumers is the challenge of Nepal's economic market.

That's why I am thinking always how to address those shortcomings. Now I am being convinced that with the help of my new concept of microfinance institution, Nepal could play vital role in improvement of economic status of producers/ farmers and we all consumers addressing everything in a package. That package would be the curtailment of various levels of middlepersons, reduction in cost of production applying economy of scale, group working environment with coordination, cooperation and co-working that is needed for raising the productivity of resources and ultimately the production of quality products in an environment friendly atmosphere which will eventually helpful for import substitutions including export potentials to makeup or manage the balance of payments.

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Acknowledgement

The broad concept of microfinance and other related concepts like integrated farming, consumers' and farmers' welfare, food quality, environmental and ecological issues, appropriate engineering designs etc. were not erupted all of sudden. I was interested to work for these issues since 2006 when I was in Toronto. I came back to Nepal with some innovative ideas of resolving the issues of foods, clothing and shelters on 2008. Due to liquid political situation during the transitional period from 2006, when the nation jumped from monarchism to republican system it was very hard me to convince other people, authorities, organizations etc. regarding the economic development process in Nepal. All were in the mood of wait and see until the formation of new constitution and stabilizing the political situation.

I had an opportunity to present my views regarding potentialities of economic development targeting the lower and lower medium income people through new concept of microfinance institution(s) to various banks and financial institutions including Nepal Rastra Bank (NRB). For that opportunity I would like to thank to Dr. Yub Raj Khatiwada, the Governor of NRB for his encouragement to me on the subject matter. I would like to thank to Dr. Prabhakar Pathak, Joint Secretary of Nepal Government, Ministry of Agricultural Development for his encouraging comments. I must thank to Mr. Rajendra Man Shakya, Chairperson of Nepal Financial Institutional Association too for providing me the platform of banks and financial institutions to organize the program.

I must thank to Mr. Rewati Prasad Nepal, Deputy Director of NRB, Department of Microfinance Promotion and Supervision Department for his support to find a qualified, knowledgeable and experience guide for me to prepare this project report.

I would like to thank to Mr. Ramananda Mishra, National Program Chief of Fishery Directorate, Kathmandu for his guidance and recommendation to visit in the fishery farms in Rupandehi and Kapilvastu districts which were little integrated with other supplementary livestock and vegetation programs.

I must thank to International Centre for Academics, Gyaneshwor, Kathmandu especially Mr. Amit Giri, CEO and Mr. Siddhartha Tuladhar, Coordinator of Management Program for their support and encouragement regarding my academic career in management.

My wife Mrs. Satya K. Shrestha is also thankful for her support from unseen background in my career. My son Mr. Sandeep K. Shrestha, Toronto, Canada is also thankful for his support to rejoin me university after 22 years of gap.

Me as a learner, I feel proud of Indira Gandhi National Open University (IGNOU) for its credibility, reputation and international level of education quality through distance learning methodology providing services in about 40 countries all over the world which I could not feel such opportunity even in North America.

Eventually I must be grateful to my Guide Dr. Purushottam Shrestha, Chairman of Naya Nepal Laghubitta Bikas Bank Limited, Dhulikhel, Kavre for his belief on me and his step by step guidance to prepare this project report. I would not be able to complete this report in this form without his knowledgeable support.

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Abbreviations:

ADBN: Agricultural Development Bank, Nepal (Government of Nepal Undertaking)

BAFIA: Bank and Financial Institution Act 2063 (2006-07)

BFI: Bank and Financial Institutions

BS: Bikram Sambat (Era)

CIF: Cost, Insurance and Freight

CTEVT: Council for Technical Education and Vocational Training

DDC: District Development Committee

DSS: Decision Support System

F2F: Farm to Family

FOB: Free on Board

GDP: Gross Domestic Product

HR: Human Resource

HRM: Human Resource Management

HS: Higher Secondary (grade 11 & 12)

ICA: International Centre for Academics (AGNOU's IGNOU's Partner in Kathmandu)

IGNOU: Indira Gandhi National Open University

INGO: International Non Government Organizations

IPO: Initiated Public Offering

IRs: Indian Rupee(s)

IT: Information Technology

KFC: Kentucky Fried Chicken

Kg: Kilogram (~ 2.25 pound)

LDO:	Local Development Officer
MDGs:	Millennium Development Goals
MFDB:	Microfinance Development Bank
MFI:	Microfinance Institutions
MIS:	Management Information System
MT:	Metric Tonne (1 MT = 1000 kg)
N/A:	Not Available/ Applicable
NBL:	Nepal Bank Limited (The first bank of Nepal)
NGO:	Non Government Organizations
NRB:	Nepal Rastra Bank (The Central Bank of Nepal)
NRs.	Nepali Rupee
RBB:	Rastriya Banijya Bank (Government of Nepal Undertaking)
RMDC:	Rural Microfinance Development Centre
SFDP:	Small Farmers Development Programme
SKBB:	Sana Kisan Bikas Bank
VDC:	Village Development Committee

Project Report on New Concept of Micro Finance and Human Resource Required in Nepal

Chapter 1: Introduction and Review of Literature

1.1 Introduction

Nepal is located at longitude of 80° 04'' to 88 ° 12'' east and latitude of 26° 12'' to 30° 27'' and having the vast altitude difference of 70 meters to 8848 meters of Mount Everest, the roof top of the world. Nepal is one of the smaller countries in size having total area of 147, 181 square kilo meters covering 83 percent by high mountains and hills and 17 percent by Terai (plain area). Total population of Nepal is around 26.5 million¹ and per capita income is US \$ 742.²

Around 23.80 (Economic Survey FY 2069/ 70 / 2012-13)³ percent of population are living below poverty line having the daily income less than US \$ 0.52 per day (NRs. 52 per day, considering US \$ 1= NRs100)⁴. The solution for scarce of food, clothing and home is the major challenge for Nepali people, especially for those under-privileged community. Likewise, uplifting quality of life of whole Nepali population is the next prominent issue.

The growth rate of population of Nepal is 1.35 percent (2011)⁵ per annum. The degradation rate of fertile land and forest is very high. The population per square kilometer is increased by 180⁶ persons/ sq. km in 2011 from 157 persons/ sq. km in 2001 which is in an average increased by 14.65 percent in a decade. Since the population is always in growing trend and the fertile land is encroaching for the new

¹ Central Bureau of Statistic of Nepal (Major-Finding.pdf, as of 2011 June 22, Page no. 1, Paragraph 1)

² <http://www.ekantipur.com/2012/07/15/capital/per-capita-income-grows-slowly/357157.html>; retrieved on 2013/03/08 (10.29 PM)

³ <http://www.karobardaily.com/news/2013/08/govt-has-different-data-on-poverty>; Retrieved on: 16/09/2013 12:12 AM

⁴ <http://www.karobardaily.com/news/2013/08/govt-has-different-data-on-poverty>; Retrieved on: 16/09/2013 12:12 AM

⁵ Central Bureau of Statistics of Nepal; (Major-Finding.pdf, as of 2011 June 22, Page no 3, 2.3 Population Density).

⁶ Central Bureau of Statistics of Nepal; (Major-Finding.pdf, as of 2011 June 22, Page no 3, 2.3 Population Density).

settlement all over the world, it is quite serious matter to balance the land for foods and settlement.

The contribution of agricultural sector to the Nepali economy is around 39 percent⁷ with the involvement of around 66 percent of majority of labor forces in agricultural sector alone.

One of the proper solutions of poverty reduction and option for the increasing the quality of life of whole Nepali people is possible through the agricultural development focusing on the improvement of land productivity with proper utilization of capital and human resources.

1.2 Review of Literature

1.2.1 Definition of Microfinance and its Role in Poverty Reduction

Definition of Microfinance has been given in different ways by the institutions and microfinance professionals. For instance Asian Development Bank (2000) has defined Microfinance as "...the provision of broad range of financial services such as deposits, loans, payment services, money transfers and insurance to poor low income households and their microenterprises".

Ledgerwood (1999) defined Microfinance as "...the provision of financial services to low income clients" since microfinance has emerged as an "economic development approach" to benefit low income section of the society including women. Besides, savings, credits, and insurance and payment services, social intermediation services such as group formation, development of self-confidence, training in financial literacy and management capabilities among members of a group are also delivered.

"Microfinance refers to different types of financial and social services provided to the small farmers for their reasonably decent living. Financial services include savings, microcredit, insurance and payment services, where as social services include group formation, awareness programs, skill development training, and social and community development services namely adult and children literacy, water and

⁷ Government of Nepal; Ministry of Agriculture Development; Department of Agriculture; Home page <http://www.doanepal.gov.np/> retrieved on date 2013/08/03 1:17 PM

sanitation program, family planning, infrastructure development etc.” (Shrestha, P. 2010).

Above definitions have addressed for the socio-economic empowerment of the poor by increasing their income and social development through credit and social development services thereby reducing poverty.

Internationally Microfinance has been proved as one of the appropriate mechanisms to contribute in poverty reduction. Therefore, Millennium Development Goals (MDGs) has set quantified target to contribute in poverty reduction by uplifting the living condition of 500 million poor people and freeing more than 300 million from hunger between 1990 and 2015 (Shrestha, 2010).

In Nepal Microfinance has played genuine role to reduce rural poverty. However the data/ information regarding poverty reduction in Nepal through microfinance, are not available. The poverty has reduced to 31percent on 2003-04 as compared to 42percent on 1995-96 in the period of 8 years according of Poverty Trends in Nepal (1995-96 and 2003-04) published by Government of Nepal, National Planning Commission Secretariat, Central Bureau of Statistics , September, 2005⁸. According to economic survey for the fiscal year 2069/ 70 (2012/13), the poverty level is decreased to 23.8⁹ percent.

There are many reasons behind reduction in poverty in Nepal that, one of prime reasons is foreign employment. Around 3.50 million Nepali youths (around 3.0 million officially and 0.5 million unofficially) are estimated having employment in foreign soils contributing almost one third of GDP of Nepal. Majority of the activities of microfinance is targeted to small and poor farmers and small entrepreneurs but on the other hand there is a trend of large area of productive/ fertile lands left uncultivated due to scarce of human resource in Nepal.

⁸ <http://cbs.gov.np/wp-content/uploads/2012/Others/Poverty%20Assessment.pdf>; Page 2 retrieved on date

⁹ <http://www.karobardaily.com/news/2013/08/govt-has-different-data-on-poverty>; Retrieved on: 16/09/2013 12:12 AM

1.2.2 Agriculture and Productivity of Land.

The contribution of agriculture in GDP of Nepal is 39 percent and 66 percent of total employment is in agricultural sector according to Nepal Government, Department of Agriculture¹⁰.

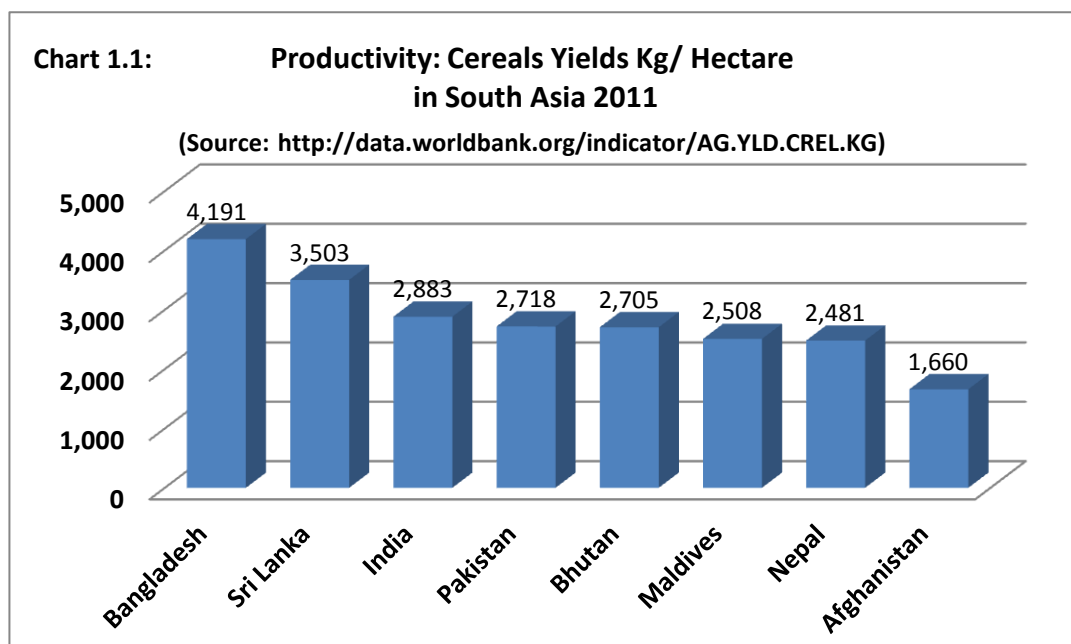
The main challenge of Nepal is now how to encourage the Nepali youths to make/engage them employed in homeland for permanent solution of poverty reduction with potential increment of productivity in agriculture.

The productivity of land in various countries can be compared with respect to highest top 20s, lowest bottom 20s and within South-Asia and Asia as given in annexes 13.0, 14.0 and 15.0. By analyzing the cereal yields in kg per hectares from the table of the South-Asian countries including Nepal has to do a lot to improve its productivity up to its potential level. Among the South-Asian countries the position of Bangladesh in yield is the first. Similarly, the yield of Sri Lanka, India, Pakistan, Bhutan, Maldives, Nepal and Afghanistan's position is second, third, fourth, fifth, sixth, seventh and eighth respectively as shown in chart 1.1 below. If we compare the yield of cereals in kg per hectare of Nepal with respect to Bangladesh, Sri Lanka, and India is only 59.20 percent, 70.83 percent and 86.06 percent respectively. Nepal's yield is 149.46 percent more than that of Afghanistan.

Unfortunately, there is not a single organized and commercialized integrated farming in Nepal in the agricultural, horticultural, and livestock sectors except few private organized poultry farms in lower scales. If someone is willing to own a commercialized farming, there will not be available a huge area of land at a single place. S/he has to buy or lease from thousands of landlords which is really a difficult job.

That's why neither private sector nor government think barely about commercialized farming in large scale to achieve the benefit of economy of scale.

¹⁰ Website of Department of Agriculture, Homepage, 1st Paragraph; <http://www.doanepal.gov.np/> retrieved on: 16/07/2013 7:52 PM



Government, NRB, Asian Development Bank, World Bank, NGOs and INGOs all are focusing on micro financing to eradicate poverty from Nepal. They have never thought of productivity of both of land and human resources in Nepal.

1.2.3 Current and Potential Income Sources of Nepal

Nepal's one of the major income sources was forestry up to three decade ago which is no more now due to heavy deforestation in Terai regions. The potential income sources of Nepal are tourism, hydro-power, human-resources, service industries and agriculture. Tourism is considered as one of the backbone of economic development that's why the infrastructures like roads, airways, wild-animals conservation, hotel-restaurants are given priority by all concerned. But the need of agriculture development is still on shadow. According to various media, the imports of agricultural commodities (food grains, dairy products, livestock, meat and fish products, seeds, pesticides, fertilizer) takes place almost one third of total imports. Hygienic food and comfortable accommodation are the basic requirements for tourism development. Due to lack of hygienic foods major part of tourism income goes back to abroad for importing foods. For instance; KFC, Kentucky Fried Chicken, an American fast food chain restaurant in Nepal are importing chicken from Brazil to maintain their international quality.

Therefore, it can be concluded that there is a huge potentiality in economic development through agricultural development in Nepal.

The majority of population of Nepal almost (65percent) are farmers living in low profile. Nepal could not compete in industrial development with two giant neighbours China and India due to economy of scale. Importing industrial and non-food items from those countries is obviously cheaper than producing in Nepal. So there is only the alternative left to focus on agriculture productions at least to feed own people and substituting the imports of food materials in the initial stage and exports of processed foods in another stage.

Due to lack of employment opportunity within the country almost 3.5 million Nepali workers (majority are unskilled) are working in foreign soils like India, Malaysia, South-Korea, Israel and many Guelph and middle-east countries.

Microfinance could play major role to contribute in agricultural and entrepreneurship development especially by generating huge employments, increasing productivity of land, substituting imports and so forth.

1.2.4 Micro Finance Institution in Legislation

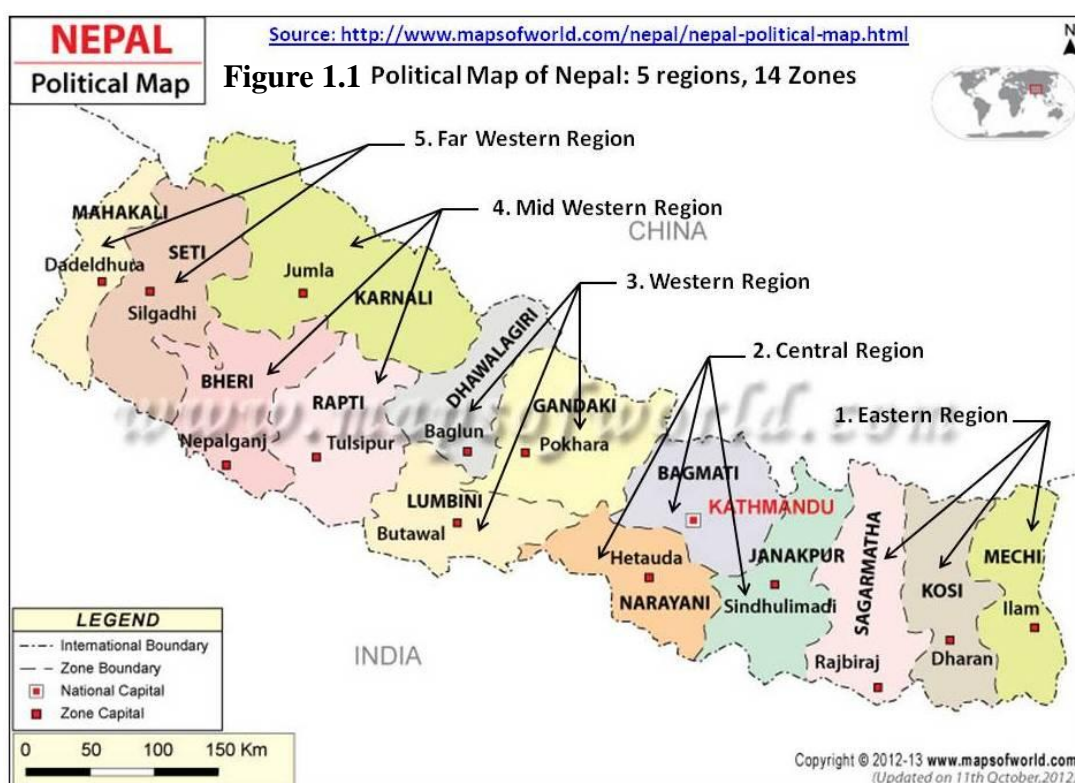
According to Bank and Financial Institution Act (BAFIA) 2063 (2006-07) there is a policy of establishing and licensing of “D Class” of financial institution, defined as “Microfinance Development Bank”. The act has also defined its major functions as providing micro credits to deprived people without physical collateral under the peers/ group guarantee, accepting recurring savings from members, conducting training and seminars to clients and employees, teaching for technique of preparing business plans, supporting the clients for technical knowhow and so forth. In some cases collaterals also could be asked if the credit is felt unsecured.

1.2.5 Licensing Policy

The micro finance development banks (MFDB) are classified by the BAFIA (2063 BS) act as follows as per the capital and operational area base.

Table 1.1 Licensing Policy for MFDB as per the Capital			
S.N.	Operational Area	Capital Required (NRs.)	Remarks
1	1 – 3 Districts	10 million	
2	3 – 10 Districts	20 million	
3	Regional Level	60 million	
4	National Level	100 Million	

Geographically, Nepal is divided into 5 development regions, 14 zones and 75 districts in Nepal as shown in the following map, Figure 1.1. Aforementioned categories of MSDBs are under operation at national, regional and district levels. The districts map of Nepal is presented in the figure 1.2 below.





The above maps of Nepal are slightly revised by adding information by the learner for making them meaningful.

According to central bank's directives the various banks and financial institutions have to lend compulsorily their certain percentage of credits in the deprived sector either by self or through other micro finance institutions like "D" class of microfinance development banks, cooperatives, non-Governmental Organizations and so on. The bank and financial institutions which fail to do so have the system to penalize by NRB. The various classes of bank and financial institutions and their mandatory amounts of credits to be lent in deprived sectors are given in the following table 1.2.

Table 1.2 Mandatory Capital and Deprived Sector Credits for Bank and Financial Institutions			
S.N.	Bank and Financial Institutions	Capital Required for National Level of Institution (NRs.)	*Mandatory percentage of total credit to be lent in deprived sectors (F/Y 2070-71).
1	Commercial Bank	2 billion	4.5 %
2	Development Bank	640 million	4.0%
3	Finance Company	200 million	3.5%

***Mandatory percentage of total credit to be lent in the deprived sectors by the bank and financial institutions is enforced by NRB's Monetary Policy announced on July 21, 2013. The mandatory percentage was started from three percent for commercial banks and is being increased by half percent per year and expected to reach up to five percent or even more in near future.**

1.2.6 Need of Microfinance Institutions

Handling micro credits is not easy. It needs very frequent supervision and recovering of the instalments (daily, weekly and monthly), those are really difficult and expensive job. Higher paid employees of commercial banks are not affordable in such tiny amount and huge numbers of credits. The employees of commercial banks, development banks and finance companies are mostly from management background. They do have practice to lend the deprived sector's micro credits through "D" class of microfinance development banks for the proper utilization of the funds which also safeguards them from being penalized due to failing in investment up to prescribed limit in deprived sectors as per NRB directives.

In other context, the employees of microfinance institutions need low paid but having enough technical skills to satisfy the clients' needs from educating and training to business promotional activities. Therefore, microfinance institutions must have employed their majority of employees from the same localities as far as possible and with various technical knowledge and skills. The employees from various technical backgrounds like agriculture, horticulture, livestock, veterinary, rural development, sociology, engineering, laboratory, food technology, quality management, cooperative, insurance, and so forth could be trained with management, account and banking training. The technical employees graduated from technical schools (medium and lower level of technicians) are suitable to serve in the grassroots level of community. *For instance a supervisor of microfinance institution with livestock (technical) background may serve his/ her clients-farmers performing artificial insemination (AI) to their livestock during the right time of heating period.*

1.2.7 Status of Microfinance Institutions in Nepal

The status of microfinance institutions licensed by NRB in Nepal is as of mid July 2013 is as follows (Table 1.3). As per the size of capital, the institutions are categorized as single to multi districts level, regional level and national level.

Table 1.3: Status of “D” Class of MFDBs in Nepal (As of Mid April 2013)

S. N.	Institutions' Name	Operation Date (A.D.)	Head Office	Capital Million Rupees (NRs.)	Working Area/ Districts
1	Purbanchal Grameen Bikas Bank Ltd.	2/28/1993	Biratnagar, Morang	60.00	15
2	Sudur Pashimanchal Grameen Bikas Bank Ltd.	2/28/1993	Dhangadhi, Kailali	58.50	9
3	Pashimanchal Grameen Bikas Bank Ltd.	4/1/1995	Butwal, Rupandehi	100.00	16
4	Madhya Pashimanchal Grameen Bikas Bank Ltd.	4/1/1995	Nepalgunj, Banke	73.57	15
5	Madhymanchal Grameen Bikas Bank Ltd.	7/8/1996	Janakpur, Dhanusha	100.00	25
6	Nirdhan Utthan Bank Ltd.	4/13/1999	Siddharthanagar, Rupandehi	192.46	National Level
7	Rural Microfinance Development Centre Ltd.	12/6/1996	Putalisadak, Kathmandu	334.00	National Level
8	Deprosc Microfinance Development Bank Ltd.	7/3/2001	Ratnanagar, Chitwan	106.14	25
9	Chhimek Microfinance Development Banks Ltd.	12/10/2001	Hetauda, Makawanpur	157.62	National Level
10	Shawalamban Laghu Bitta Bikas Banks Ltd.	2/22/2002	Janakpur, Dhanusha	124.78	National Level
11	Sana Kisan Bikas Bank Ltd.	3/11/2002	Subidhanagar, Kathmandu	140.00	National Level
12	Nerude Laghu Bitta Bikas Bank Ltd.	6/15/2007	Biratnagar, Morang	56.00	15
13	Naya Nepal Laghu Bitta Bikas Bank Ltd.	3/20/2009	Dhulikhel, Kavre	14.00	10
14	Summit Microfinance Development Bank Ltd	5/20/2009	Anarmani, Jhapa	25.00	10
15	Sworajagar Laghu Bitta Bikas Bank Ltd	12/1/2009	Banepa, Kavre	10.99	3
16	First Microfinance Development Bank Ltd	12/28/2009	Gyaneshwor, Kathmandu	100.00	National Level
17	Nagbeli Microfinance Development Bank Ltd	2/4/2010	Anarmani, Jhapa	10.01	4
18	Kalika Microcredit Development Bank Ltd.	7/21/2010	Waling, Syangja	12.00	5
19	Mirmire Microfinance Development Bank Ltd.	9/23/2010	Banepa, Kavre	14.00	10
20	Janautthan Samudayik Microfinance Dev. Bank Ltd.	11/9/2010	Butwal, Rupandehi	11.00	10
21	Mithila Laghu Bitta Bikas Bank Ltd.	4/29/2009	Dhalkebar, Dhanusha	16.50	10
22	Womi Microfinance Bittiya Sanstha Ltd.	3/8/2012	Khanikhola, Dhading	10.20	10
23	Laxmi Microfinance Bittiya Sanstha Ltd.	6/4/2012	Nayabaneswor, Kathmandu	70.00	National Level
24	ILFCO Microfinance Bittiya Sanstha Ltd.	7/5/2012	Chuchepati , Kathmandu	60.00	National Level
25	Mahila Sahayatra Microfinance Bittiya Sanstha Ltd.	12/25/2012	Chitlang, Makwanpur	70.00	National Level
26	Vijaya Laghubitta Bittiya Sanstha Ltd.	3/28/2013	Rajhar, Nawalparasi	70.00	National Level
27	Kisan Microfinance Bittiya Sanstha Ltd.	1/16/2013	Kamalbazar, Achham	14.00	9
28	Clean Village Microfinance Bittiya Sanstha Ltd.	3/31/2013	Hemja, Kaski	14.00	9
Source: NRB official Website; http://bfr.nrb.org.np/List_Banks_n_Non_Banks.php ; 7/20/2013, 20:43:41					

1.2.8 Status of Various Banks and Financial Institutions

As of official website of NRB the status of bank and financial institutions under BAFIA act is as follows.

Table 1.4: No. of Bank and Other Financial Institutions licensed by NRB As of Mid June 2013		
S.N.	Institutions	Nos.
1	Commercial Banks (A Class)	31
2	Development Banks (B Class)	86
3	Finance Companies (C Class)	59
4	Microfinance Development Banks (D Class)	31★
5	Saving and Credit Cooperative (Limited Banking)	16
6	Non Government Organizations (MF Activity)	31
	Total	254
Source: Current Macroeconomic Situation of Nepal, Based on F/Y 2069/70 (2012/13); NRB, http://www.nrb.org.np/ofg/current_macro-economic/Current_Macroeconomic_Situation_(Nepali)--2070-05_Text_(Based_on_Annual_Data_of_2069-70)-New.pdf retrieved on: 16/09/2013 9:26 PM ★ Latest update according newspapers.		

1.2.9 Current Microfinance Service Providing Institutions

Microfinance institutions in Nepal are in the form of:

1. Micro-finance development bank which are licensed of “D” class by NRB,
2. Cooperative institutions which are registered in Nepal Government’s Department of Cooperative,
3. Non Government Organizations (NGO) and International Non Government Organizations (INGO) which are registered under Nepal Government’s Society Welfare Council Nepal.
4. All “A” class commercial banks, “B” class development banks and “C” class finance companies could lend directly themselves or through other microfinance institutions.

Some “B” class of development banks are also lending their micro credits sourcing from wholesale microfinance development bank and other banks and

financial institutions. Pokhara (countryside) based Muktinath Bikas Bank (B Class) is an example of well performing development bank which is directly involving in microfinance unlike other bank and financial institutions in Nepal.

The Government undertaking commercial banks NBL, RBB and ADBN were involved in micro credits through its microfinance department for some years ago but now they have phase out their programs.

1.2.10 Work Procedure of Microfinance Institution

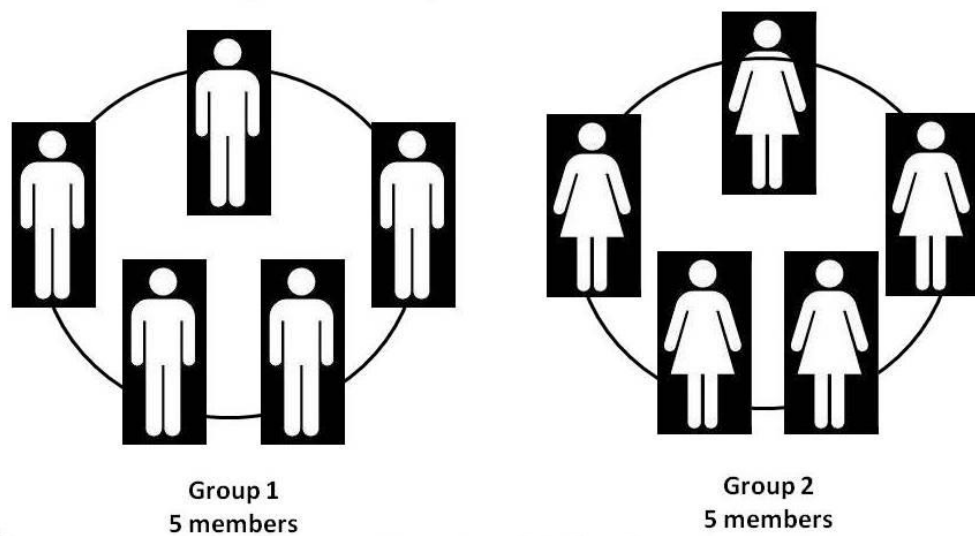
Most of the microfinance institutions is to make a group of five led by a chairperson in rotation basis. Loan of certain amount (generally Rs. 30000 per head in the initial time and might go up later) is provided to the members under the group guarantee of members on the basis of two plus two plus one. That is two persons get credit first, then next two get in second time and the chairperson gets loan at the last. The amount of loan depends upon the purpose, credibility, experience and past history of the members. The members must repay the loan in instalment basis that is interest up to date and part of principal in the specified frequency say daily (5 days a week), weekly, monthly, quarterly and so forth. The calculation of interest is based on diminishing method that is interest is charged on the basis of decreased principal.

There is a system of making a centre, comprising of 2 to 10 groups that is 10 to 50 people that depends upon the policy of individual institution. The centre conducts meeting, facilitates large number of people/ groups for sharing ideas, information and conducting training within a centre.

Except Small Farmers Cooperative Limited model (SFCL), Nepal's microfinance service is almost the same as that of Grameen Model of Bangladesh. The study revealed that group concept was initiated in Nepal during 1975 by Small Farmers Development Project (SFDP) of Agricultural Development Bank Nepal (ADB/N) before it was implemented in Bangladesh. There is no more other different and innovative model till date.

The tentative model of group and centre is as shown in the figure 1.3, figure 1.4 and in the figure 1.5 below.

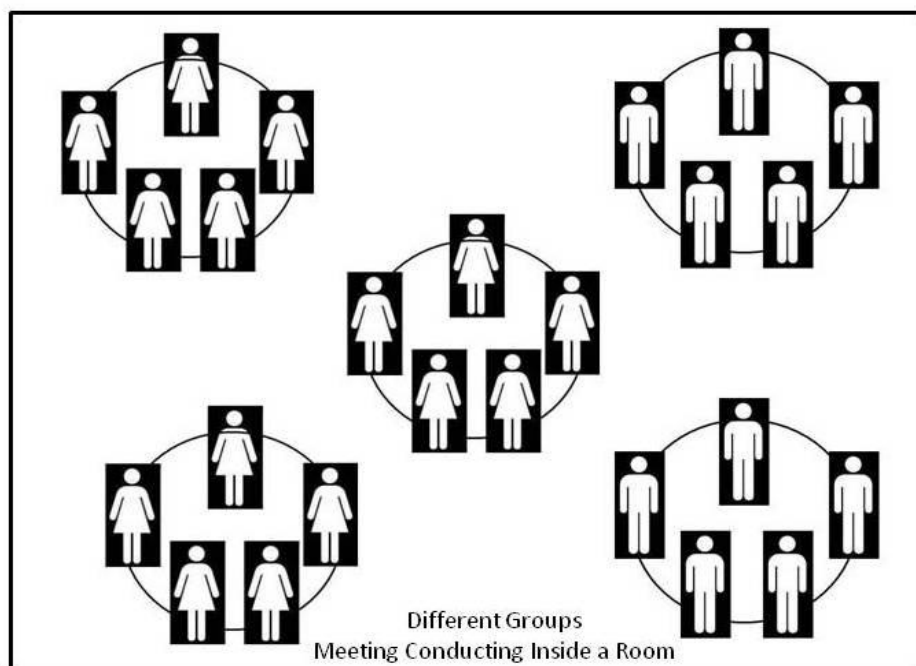
Figure 1.3: System of Group Formation in Microfinance



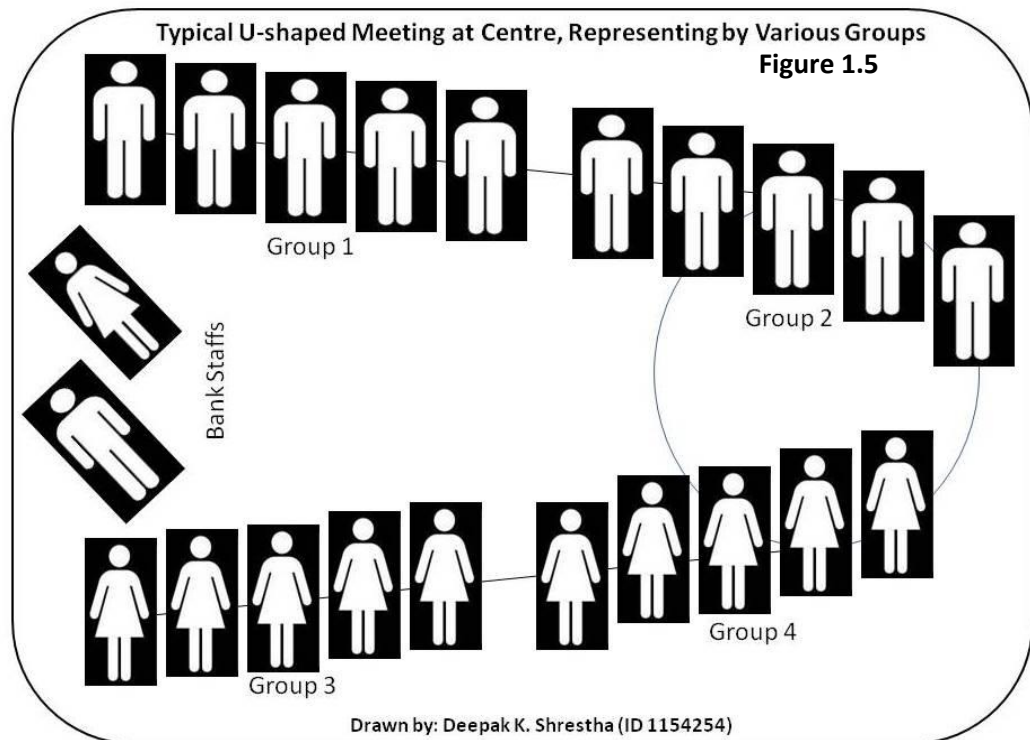
Drawn: Deepak K. Shrestha

Figure 1.4: Sample of a CENTRE

2 to 10 Groups (10 to 50 members)



Drawn: Deepak K. Shrestha (ID 1154254)



Chapter 2: Rationale, Statement of the Problem and Objectives of the Project Report

2.1 Rationale of the Project

Micro finance is proven as one of the best options for poverty reduction in least developing-countries, like Nepal. The traditional microfinance is doing well for homeless, landless and underprivileged group of people up to certain level but it is not clear what to do after that stage. Micro finance especially in South Asia is more inclined to the lower classes of people but is unable to promote them from lower to lower- middle, middle and upper-middle classes gradually. The production of those classes is roaming around in the village level to small towns in small quantities without contributing to national economy. In order to overcome with this problem, the learner/researcher felt a serious need to develop a new concept of microfinance by considering the linkage from **nanofinance** to **macrofinance** that could be happened only when they are equipped with efficient and effective human resources.

Considering the above necessity in mind the topic “**New Concept of Micro Finance and Types of Human Resource Required in Nepal**” has been chosen to fit in entirely new concept of microfinance. So, the learner has evolved this concept from “*community based integrated farming*” which facilitates the community to produce more quantity and quality products ranging from small to medium and large scale by introducing modern agricultural technologies. Same principle of community based concept could be implemented in industrialization and entrepreneurship development to empower the low income people. The concept will be supported by the **farm to family (F2F)** concept by curtailing the various levels of middle persons (brokers) who exploit both the producer (farmer) and consumer (family). F2F concept is expected to benefit the farmer-producers by paying them better price. At the same time, families or consumers will be benefitted by affordable price to the products they receive.

2.2 Statement of the problem

The microfinance institutions in Nepal are growing for the last couple of years but mostly resulting into duplication of works in the same area among the micro-finance institutions. As a result, the deprived people, regardless of their scope and capacity, are borrowing money from various institutions to payback their installments to other institutions. This type of activities is responsible for making the poor people further poor instead of making them economically empowered. It is revealed that some of the poor are committing suicide due to being failed to payback their loan which is very clearly shown in the Hindi Picture “PEEPLI”, 2010.

On the other hand, due to unfair competitive borrowing and lending practices, many farmers are growing similar types of produces without the knowledge of market situation. There is lack of cold storage to store perishable goods for longer period and processing units for processing. Therefore, farmers are compelled to sell their produces below their cost of production. There are many examples of throwing produces in the hat bazaars and road sides due to under-price which is not sufficient even for covering the transportation cost.

Growing produces is not only the good job; the technical aspects such as preservation, storage, processing, safe-transportation (refrigerated and freezing), distributing, marketing, exporting etc. are equally important for sustainable growth and development in agriculture sector. So, the micro financing institution(s) should not adhere only with saving and credit model as it is happening in Nepal. They should be able to provide various types of up-to-date technical and management supports to their clients that need competent human resources.

Microfinance Institutions in Nepal are operated in a traditional way with very limited area of group based lending to individuals. The loan size is up to Rs.90000 as per the policy of Nepal Rastra Bank and is based on group guarantee i.e. without collateral which is insufficient to operate a small or medium enterprise. The productivity of land and people is not improved due to lack of skill labor, qualified trainer, appropriate-technology, capital, marketing, information and so forth. Another factor of less productivity is due to tinny pieces of land available for individual family. During separation from joint to nuclear family, by law, parent's property is

distributable to all kids that make the fixed properties (land and building) into number of slices.

This type of situation of dividing the land plots into smaller pieces is responsible for deteriorating productivity of land. So, there is no positive effect on national economy directly through micro financing in Nepal because there is no policy of accumulating of lands for commercialized farming from economy of scale point of view. At this situation, integrated farming is important to increase the productivity and income by integrating agriculture land with livestock, fishery, piggery, vegetable farming etc. These components are interrelated each other to improve productivity. In this regard the study revealed that Indian council of agriculture research (ICAR) has researched to promote integrated farming system according to the news published in “The Times of India, 2013” refer Box 2.1.

BOX 2.1: ICAR Evolving Models for Integrated Farming Systems

Paul Fernandes, TNN Jun 11, 2013, 10.49AM IST

PANAJI: Indian council for agricultural research (ICAR), Goa is trying to promote integrated farming systems (IFS) to assist agriculturists adopt a holistic approach for optimal utilization of small patches of their cultivable land.

Fragmentation of agricultural land poses a serious threat to farming activity in Goa and other parts of the country, as rising input costs, especially labour makes it unviable.

Source: http://articles.timesofindia.indiatimes.com/2013-06-11/goa/39898053_1_icar-ifs-farming
Retrieved on 2013/08/14, 10:00 PM

There are various approaches initiated by organizations/ institutions on the matter of integrated farming in the world. Some examples are illustrated as follows.

Tamilnadu Agricultural University, Coimbatore has figured out the main components of integrated farming system (IFS) as crops, livestock, birds and trees¹¹.

Integrated farming in China is most impressive aspect of Chinese aquaculture that is integration of fish farming with livestock production and farming of agricultural crops including vegetable farming¹².

¹¹ http://www.agritech.tnau.ac.in/agriculture/agri_majorareas_ifs_anintroduction.html (Retrieved on: 13/08/2013 8:30)

Similarly, another example of integrated farming in USA according to United States Department of Agriculture is as follows.

“With tighter profit margins and increasing environmental constraints, strategic planning of farm production systems is becoming both more important and more difficult. This is especially true for dairy and beef production. Livestock production is complex with a number of interacting processes that include crop and pasture production, crop harvest, feed storage, grazing, feeding, and manure handling. Computer simulation provides a useful procedure for integrating these processes to predict the long-term performance, environmental impact, and economics of production systems¹³”.

Based on aforementioned study it can be understood that integrated farming includes varied types of farming such as “crops, livestock, birds and trees”, fish farming with livestock, agriculture crops including vegetable farming” etc. which become supportive for increasing productivity by “...optimal utilization of small patches of their cultivable land”.

Considering all above situations, in-depth research has to be conducted to find out the solution to the current problems.

2.3 Objectives of the Project

The overall objective of the research is to study existing microfinance institutions, finding out its limitation and providing proof for the necessity of new concept of microfinance for microfinance institutions and the required human resources to support the execution of the new concept. However the specific objectives are to:

- a) Study vision, mission, objectives, loan policy, programs, activities and products of the existing microfinance development banks and find problems to scale up the business of the clients.
- b) Study the need of new microfinance concept and its benefit to the clients.

¹² <http://www.fao.org/docrep/x5686e/x5686e07.htm#TopOfPage> (Retrieved on: 13/08/2013 9:00)

¹³ <http://www.ars.usda.gov/Main/docs.htm?docid=8519> (Retrieved on: 13/08/2013 9:30)

- c) Study the present status of Government and private integrated farming and their role in scaling up the business.
- d) Study the human resource use in MFDBs. Assess the need of human resource to implement new microfinance concept to promote business of MFDB clients and recommend for appropriate model of human resource

2.4 Scope of Study

There are various types of micro financing institutions in Nepal. These include microfinance development banks (MFDB), Financial Intermediary None Governmental organizations (FINGOs), Cooperatives, and some commercial and development banks. All are not possible to cover for the study. Therefore some sample MFDBs have been taken for the proposed research. For the organization and required human resource part mainly national level MFDBs are included for the study.

Chapter 3: Research Methodology

3.1 Research Design

Descriptive research has been adopted for the study in which primary and secondary information have been used for the data collection of sample MFDBs. Case studies of different government and private farms have been carried out to explore the present status of the integrated farms which included, one farm each in Kathmandu, Rupandehi and Kapilvastu District. Nepal Government's Fishery Development Directorate located at Balaju, Kathmandu and Fishery Hatchery in Rupandehi District were also visited for case study.

3.2 Nature and Source of Data/ Information

3.2.1 Primary Data

Primary data and information collection of MFDBs was carried out mainly to gather primary data and information which were not available in secondary sources. For the data and information direct personal investigation method was used to solicit the original information in nature. For the purpose, the researcher visited fields personally for making enquiries and soliciting information from the informants or respondents since the type of information was intensive in nature. The first hand information obtained by the researcher himself is bound to be more reliable and accurate since the researcher can extract the correct information by removing the doubts in any (Gupta, 1990)¹⁴. The questionnaire was developed in a tabulated form to convert it to annexes as given in annex 2.0 to 4.0.

3.2.2 Secondary Data

For secondary data and information collection, official websites of wholesale and retail microfinance developments banks, brochures, news-letters, annual financial report etc. of the concerned financial institutions including other valuable and resourceful websites of NRB, The World Bank, Microfinance Summits 2013 and

¹⁴ Gupta S.C Gupta, 1990. *Fundamental of Statistics*; New Delhi; Himalayan Publishing House

related websites have been used. Besides, Central Bureau of Statistics and other websites as mentioned in the reference were also visited to receive appropriate information that could be relevant for analyzing the case studies.

3.2.3 Sample and Sampling Method

With Rational, NRB is the regulatory/ Central Bank of Nepal. So the sample MFDBs are chosen from the name list and information available in NRB's website for the study. The sample MFDBs are pioneer institutions in Nepal so they could represent all other similar institutions.

As of Mid July 2013 there were altogether 254 institutions licensed by NRB from banking to non-banking financial institutions as given in the table: 1.4 above. Although there are many NGOs, cooperatives and communities working in the field of microfinance, the study has considered only the Microfinance Development Banks, licensed by NRB. There are all total 31 MFDBs till date to provide microfinance services in Nepal. List and status of "D" class of MFDBs licensed under NRB is given in table: 1.3 above. There were two types of MFDBs a) wholesale and b) retail. Out of the total 31, 11 MFDBs (35.48 percent) are selected as sample, based on purposive sampling method mainly due to time and resource constraints. Out of the 11 samples, 3 are wholesale MFDBs and 8 are retail MFDBs. Rational for selecting these MFDBs was to study their vision, mission, objectives, policies, work procedures, their products and services delivered to the clients. The list of the sample MFDBs were as follows:

a) Wholesale MFDBs

1. Sana Kisan Bikas Bank Ltd. (Small Farmers Development Bank)
2. Rural Microfinance Development Centre Ltd. (RMDC)
3. First Microfinance Development Bank Ltd.

b) Retail MFDBs

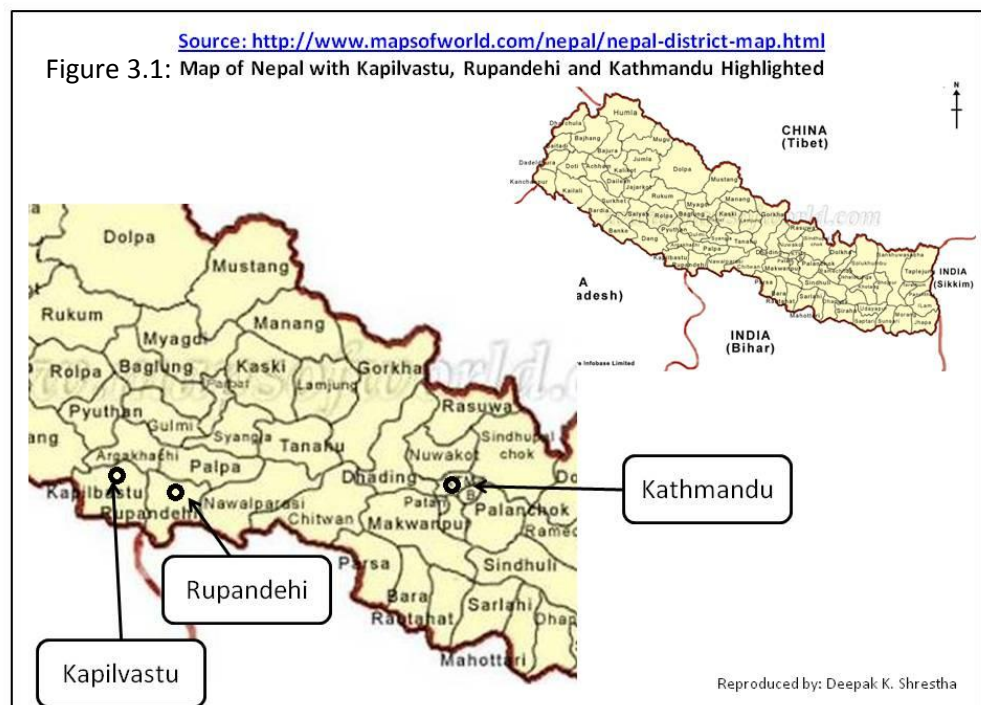
1. Nirdhan Utthan Bank Ltd.
2. Chhimek Laghubitta Bikas Bank Ltd.
3. Swabalamban Laghubitta Bikas Bank Ltd.

4. Deprosc Laghubitta Bikas Bank Ltd.
5. NeRuDe Laghubitta Bikas Bank Ltd.
6. Naya Nepal Laghu Bitta Bikas Bank Ltd.
7. Laxmi Laghu Bittiya Sanstha Ltd.
8. Swarojgar Laghubitta Bikas Bank Ltd.

A glimpse of each of above microfinance development banks has been presented in annex 2.0 to 12.

The head/ corporate offices of the aforesaid microfinance development banks were visited from July 1 to 21, 2013 to seek information regarding their achievement towards goals and objectives, future prospects and the constraints encountered to scale up the business of the clients.

Horticulture Farm in Kathmandu, Fishery Hatchery Farm in Rupandehi and Fishery Farm in Kapilvastu were also visited for the study. The locations of visited farms have been shown in the map Figure 3.1.



3.2.4 Data Processing and Analysis

Since the data and information were basically based on non-statistical database, simple word processing and spread sheet were used for analysis of those data and information. However, some percentages were used where necessary.

3.2.5 Data Handling and Analysis

For numeric tabulation and graphical Charts, Excel was used. For figures and maps Power Point was used. Similarly, for pictures, Picture Manager and Paint were used. Overall documentation was prepared in Microsoft Word.

Chapter 4: Findings, Status and Activities of Sample Microfinance Development Banks Ltd and Integrated Farms.

4.1 Wholesale MFDBs

The wholesale MFDBs such as Sana Kisan Bikas Bank Ltd. (Small Farmers Development Bank), Rural Microfinance Development Centre Ltd. (RMDC) and First Microfinance Development Bank Ltd. provide loans to the retail microfinance institutions. They do not deal with individual clients or groups. Their source of fund is share capital, retained earnings and deprived sector lending that is 3.5 to 4.5 percent of total credits of various banks and financial institutions as mentioned in the table 1.2. The glimpses of the following wholesale MFDBs are given in the Annex 3.0 to 5.0

1. Sana Kisan Bikas Bank Ltd.; SKBB (Small Farmers Development Bank)
2. Rural Microfinance Development Centre Ltd. (RMDC)
3. First Microfinance Development Bank Ltd.

4.1.1 Vision of Wholesale MFDB

The summarized vision of all MFDBs was found to fight against poverty in Nepal. Their visions are seems to be unclear that by when they want to eradicate poverty.

4.1.2 Mission of Wholesale MFDB

Mission of all wholesale MFDBs was to assist the retail MFDBs and other MFIs basically in financial matters and somehow in little technical matters like; accounting, auditing, training and so forth. There major job was to provide loan to all MFIs in wholesale basis and to recover them as per schedule.

Of course the extra services provided by SKBB such as; for establishing, developing and monitoring various farmers' cooperative (new and existing) were great. Similarly the service provided by RMDC to its clients i.e. retail MFIs especially in the matter of corporate governance was also fabulous.

4.1.3 Objective of Wholesale MFDB

The main objectives of all wholesale MFDBs were seems to make investment of their loan in the poor communities of rural areas as possible through their clients (retail MFIs). However, the definitions of targeted clients were many such as; women, indigenous people, deprived people, schedule caste and so forth; primarily, the targeted groups were financially underprivileged people.

4.1.4 Credit Policies of Wholesale MFDB

They had formulated various credit policies like how to apply for wholesale loan, how to be qualified for it, how to use these funds, how to monitor and audit them, how to make the transactions transparent and how to develop self/ corporate governance and so on. They have developed various formatted documents like application form, reporting form, progress report form and so on those were governed by the policies.

4.1.5 Saving Policy of Wholesale MFDB

They had developed policy of saving that it could be forced or voluntary. The main theme of saving was that without saving neither loan could be repaid nor could improve living standard nor the poverty could be reduced.

4.1.6 Gaps in the policies of Wholesale MFDB

Although MFDBs' common vision was to mitigate poverty in Nepal but their expected annual poverty reduction rate was unclear. It was due to lack of coordination between the MFDBs and other relevant stakeholders.

In fact they were buying money (from A, B, and C class of BFIs and from others) in cheap rate and selling (to retail MFIs) in higher rates to make profit. Profit making MFIs could not be just measured as the successful institutions. The main concerns like; the rate of poverty eradication per year, the positive impacts in overall socioeconomic developments are also equally important.

There was a big gap found in coordination between MFDBs and other stakeholders. They have never though regarding the productivity that could be improved.

Above study shows that all Wholesale MFDBs have been providing services to their many retail MFIs. They can coordinate their clients very well to work for improvement of productivity.

They can project the expected poverty eradication rate in Nepal by coordination with all stakeholders.

4.2 Retail MFDBs

The retail MFDBs provided loans to the individuals and group clients. Their source of fund was share capital, retained earnings, borrowings from wholesale microfinance institutions and borrowing from various bank and financial institutions (BFIs) under deprived sector lending.

The vision, mission, objectives and products of all microfinance institutions were found almost the same. Glimpses of those sample MFDBs are given in annexes 6.0 to 13.0.

Summary of study of the following sample MFDBs and gaps to scale up the business of the clients are presented below.

1. Nirdhan Utthan Bank Ltd.
2. Chhimek Laghubitta Bikas Bank Ltd.
3. Swabalamban Laghubitta Bikas Bank Ltd.
4. Deprosc Laghubitta Bikas Bank Ltd.
5. NeRuDe Laghubitta Bikas Bank Ltd.
6. Naya Nepal Laghu Bitta Bikas Bank Ltd.
7. Swarojgar Laghubitta Bikas Bank Ltd.
8. Laxmi Laghu Bittiaya Sanstha Ltd.

4.2.1 Vision, Mission and Objectives of Retail MFDB

Like wholesale MFDBs, retail MFDBs' **visions** also were to reduce poverty from Nepal by facilitating microfinance services to the deprived community/ people.

Their **missions** were different from that of wholesale MFDBs. The retail MFDBs go for retail microfinance in the grassroots. They work for individual member under various groups

Their main **objective** was also lending micro credits to the deprived people under their group guarantee i.e. without collateral as an extra advantage. No other A, B and C classes of BFIs lend without collateral. They also had various saving models to empower their clients for financial freedom. Many of them were going to implement livestock insurance policies for livestock against being bankrupt in case of death of their livestock.

4.2.2 Gaps in the Policies of Retail MFDBs

The study revealed that they had coordination gap between peer institutions and wholesale MFDBs. They had feeling of competition between peer institutions rather than cooperation. They had serious problems of duplication of loans. For example, same client was found to have cattle loan from various MFIs showing the same cattle. As a result whole amount of loan was beyond their financial capacity. Duplication of loans was resulting, making the poor people further poor, due to misuse of credits.

Their programs were focused on individual's activity based on group guarantee as pressure groups. However, this group pressure was not applied to unite the power for common interest. For an individual, there is no meaning of economy of scale, no possibility of mechanization and commercialization, no use of technologies, no use of huge capitals for better projects and difficult for marketing and so forth.

Therefore, MFIs need to work together for productivity improvements. Productivity could be improved by using economy of scale, appropriate technology, qualified and trained human resource, optimum amount of money and so forth. Present definition of poor and deprived people, just providing loans and accepting saving did not appear very fruitful. For better improvement of productivity, all people in the community whether they are poor or not, need to bring together for work under a cooperative model. Their lands, money, skills, labors etc. could be used in an optimum way. All the members of the community would be benefited impartially.

They need to coordinate with more and more stakeholders for technologies, capitals, skilled human resources and so forth for productivity that is optimum output with minimum input.

4.3 Status and Activities of Sample Integrated Farms

4.3.1 Kutali Farm, Kathmandu

Kutali Farm has been located at Ward No. 6 of Seti VDC, Kathmandu District. The farm has been owned by Nagro Pvt. Ltd, Balkhu 14, Kathmandu. The learner had made discussion with Farm Officials regarding the farm activities.



Photograph 4.1: Kutali Farm at the Back Ground

Farm land was leased from various local landlords and the total area covered by the farm is around 100 Ropani¹⁵ plus which is equivalent to about 5.09 hectares¹⁶.

In the farm three types of vegetable crops were observed. They were Srijana Tomato, Smooth Gourd and Bitter Melon. Srijana Tomato was found the best crop from return on investment point of view.

Financial analysis of Srijana Tomato Crop was done based on the information provided the farm, as follows.

4.3.1.1 Tomato (Srijana Breeds) Crop in 1 Ropani of Area

1. Seedlings per ropani (0.0509 hectare): 1000-1200 units
2. Seeds need per ropani: 8 grams
3. Cost of seeds per gram: NRs. 175.00
4. Labors needed per ropani: 0.5 head @ NRs. 250.00/ day
5. Working days per year: 300 days
6. Life of green-house: 4 years

(Based on the green-house is made of transparent plastic sheets, bamboo, ropes etc.)

7. Production per plant (Avg.): 10 kg
8. Price of tomato per kg: NRs. 20-40 kg

¹⁵ 1 Ropani = 5476 ft² ~ 509 m²

¹⁶ 1 hectare = 10000 m² ~ 19.65 ropani



Photograph 4.2: Tomato Crops in the Kutali Farm

Table 4.1 : Financial Analysis of Srijana Tomato Farming in 1 Ropani (509 m ²)					
S.N.	Expenses	NRs.	S.N.	Income	NRs.
1	Seeds	1400	1	Srijana Tomato 10 kg/ plant * 1000 plants/ ropani * Rs. 30/ kg.	300,000
2	Labours	37500			
3	Fertilizer and Pest Control	30000			
4	Green House Construction Rs. 100000 that lasts for 4 years.	25000			
5	Gross Profit (before management cost and interest on capital)	206100			
	Total	300000		Total	300000

Off season vegetable crop was found more profitable than seasonal one. The farm's grass and vegetable wastage were thrown away and cattle-dung was procured from the local villagers. The farm had lack of analyzing the use of by-products under an integrated farming. Farm by-products could be a useful feeds for cattle and similarly livestock manure can definitely be a good organic fertilizer. If they had gone for integrated farming as vegetable with livestock they would have significant cost saving and productivity increments.



Photograph 4.3: Bitter Melon in the Farm



Photograph 4.4: Sponge Gourd in the Farm

The farm has practiced to plant the various vegetable crops in cyclic order that means vegetable crops have been changed in every season or year. Other than tomato crops have lower profit that also depends upon the market demand and supply. There were many cases of losing money by the farmers due to excess supply than demand, lack of storage and proper transportation systems, lack of processing units and distribution systems, exploitation of farmers by brokers, lack of information, lack of proper government's caring policy and so forth.

4.3.2 Directorate of Fishery, Kathmandu

During the visit interaction was held with the officials of Directorate of Fishery, located at Balaju, Kathmandu. The directorate belongs to Nepal Government, Ministry of Agricultural Development. The farm informed that there were 10 fishery farms under that directorate all over Nepal, some of them produce fish and some of them produce hatchlings to support the farmers. Some government farms were integrated with ducks couple of years ago, but no more ducks were found during the study time.

According to Directorate, there were some fish farming integrated with piggery and ducks in private sectors. It was informed that fish with pig was denied by most of customer especially in Muslim community and duck's market in Nepal is still not good as compared to poultry.

The directorate had suggested the learner to visit “Mandal Matsya Hatchery Farm, Rupandehi” to have information on integrated farming.

4.3.3 Mandal Matsya Hatchery Farm, Rupandehi

Mandal Matsya Hatchery Farm was visited. The farm is located at Madaha village, Patthardanda Ward no. 6 of Tikuligarh Village Development Committee (VDC) of Rupandehi District. The farm site is around 6 km north from Siddharthanagar (Bhairahawa) city and 15 km south from Butwal City and around 270 km west from Kathmandu, the capital city of Nepal.

The farm reported that the hatchery farm has occupied 2.3 bigha¹⁷ (1.56 hectares) of land. The farm was little integrated with piggery and buffalo.

The manure of buffalo and pig was diverted to the parent fish-ponds. The manure helped to grow various types of worms and organisms which are the best foods for the fishes. The buffalo and pigs were not raised in a commercialized manner as that of fish hatchery. They were just supplementary of hatching farm.



Photograph 4.5: Mandal Fishery Hatchery Farm



Photograph 4.6: Parent Fish Pond

¹⁷ 1 bigha (20 kattha) = 72900 ft² ~ 6775 m² ~ 0.68 hectare

The farm were producing around eight types of fish hatchlings named as Silver carp, Big head, Grass carp, Common carp, Rahu, Nainee, Vacur and African Mangur (Cat Fish). The price of various hatchlings of a week old was NRs. 200 per 100000 heads and 3-4 weeks old was NRs. 1.0 to 1.5 per head. The parents and hatchlings up to 2 weeks were producing in this location and hatching beyond 2 weeks and up to 6 weeks were shifted in the next location, Gohiya of Madhabaliya VDC -9. The area occupied by the farm was 5 bigha (3.39 hectares)

4.3.3.1 Supplementary Piggery and Buffalo Farm in Mandal Fishery Hatchery Farm



Photograph 4.7: Piggery Farm



Photograph 4.8: Buffalo Farm

The farm was producing more than 10 million hatchlings for each breed of fish with totaling more than 100 million of hatchlings. The farm was getting technical supports from Fishery Development Centre, a government owned institution located at Padsari, Rupandehi.

4.3.4 Unregistered Fishery Farm in Kapilvastu

This fishery farm has been located at Shantinagar, Mahendrakot VDC ward no. 2 of Kapilvastu District. Bishnu KC and Shankar KC, two brothers are the owners of the farm. They reported that the area occupied by the farm is 2.5 bighas (~ 1.69 hectares). Fruit trees like banana,



Photograph 4.9: Kapilvastu Fishery Farm

mango and litchi were planted along the bank of fish ponds.

The farm had a poultry farm two years ago which was discontinued after epidemic of bird flu. The owner had tried to organize an integrated farm but there was no more integrated farming during the study time. The cattle dung was also procured from the local farmers that needed for the fish pond. It was realized that the owners had lack of farming knowledge.



Photograph 4.10: Fishery Farm at Kapilvastu, in the background and Learner Deepak second from left and Watchman Thake Tharu, first from right.

4.3.5 Other Integrated Farms in Nepal

There were some Government undertaking integrated farming in Nepal mostly in livestock sectors. Couple of cattle like cow, buffalo, goat was farmed as an integrated farming. During the period of the then Maoist insurgency most of the government undertaking farm lands and office premises were captured by police, armed police and military. So exclusively agricultural development projects in Nepal were lagged and delayed. There were few new integrated farms commencing in the private sectors. Since they had come up without proper technical knowledge, the failure rate was also high. Some Nepali youths returned back home from abroad employment have just started some individual farms and seem to run well because they were aware with the value of work, time and money. So it can be said that there must be a great potentiality of integrated agricultural farming (livestock and or vegetation) in Nepal in near future.

How the Nepal government's previous farms were deteriorating that could be clarified by the sample news quoted in the box 4.1 below.

Box 4.1: Land encroachment hits agriculture research

KATHMANDU: Encroachment of land and buildings of Nepal Agriculture Research Council (NARC) from Nepali Army, Armed Police Force and government has hit agriculture research. About 700 ropanis of land of the research institution is under the control of security agencies since 2004, it claimed. Research and technology development efforts have affected when security agencies are reluctant to return the land occupied in insurgency period, said director at NARC Yagyagajadhar Khadka. "Nepali Army, Armed Police Force and Maoist combatants are using the land," Khadka said, adding that without the land NARC could not develop new varieties of improved seeds.

The NARC record showed that Nepali Army has been using about 91 ropani land of Sugarcane Research Programme located in Jitpur of Bara district. Similarly, the security agencies encroached 166 ropanis of land belonging to National Oil Research Centre, Naalpur of Sarlahi district. "Nepali Army has been using the land since 2004," said Khadka. The army has also occupied two office buildings and other residential buildings in the premises.

The government has set up cantonment for Maoist combatants in the land of NARC in Dashrathpur of Surkhet district. "Though the cantonment is empty now, it has not been handed over to us," he said.

Armed Police Force has occupied 162 ropanis of land in Malepatan of Pokhara since last eight years. The force has also been using buildings and other facilities of Agriculture Research Centre. The government has provided the land to security agencies during the insurgency period, he said. The insurgency has ended in 2006.

The Ministry of Agriculture Development has also not been serious in returning the land to NARC. "We requested the government to take the issue seriously," said spokesperson of the ministry Dr Prabhakar Pathak.

Source: The Himalaya times

<http://www.thehimalayantimes.com/fullTodays.php?headline=Land+encroachment+hits+agriculture+research+&NewsID=363643>

Retrieved on: 15/09/2013 9:04 PM; by: Deepak K. Shrestha

4.3.6 Need of Redefining Microfinance

The current microfinance definition and scope in Nepal is narrow. Its scope has to be made broad in the sense of total package of agricultural development passing various processes such as plantation and harvesting, processing and packaging, distribution etc. curtailing various levels of middlepersons as much as possible to make direct accessible of products from farms to families.

There is a Nepali proverb "Na Gaiko Thunama Na Bachchhako Mukhama" or in Nepali Font "न गाईको थुनमा न बाच्छाको मुखमा" which means neither in the cow's

nipple nor in the calf's mouth. Here cow denotes farmers and calf denotes the consumers. In the context of maximum benefitting the middlepersons rather than farmers and consumers, new microfinance institutions must be able to address such negatively exploiting situations. So, it is in need of redefining the microfinance in terms of amount, size of group, scope of work and so forth, that might gives the need of "New Concept of Micro Finance Institution in Nepal".



Chapter 5: Recommendations

5.1 Need of New Concept of Micro Finance Institution

The new concept of microfinance could be developed as a blending of Grameen Model of Bangladesh and Western's Franchise Model with other more additional models. The concept will incorporate from Nanofinance to Microfinance and ultimately Macrofinance. Nanofinance will serve the individual also which is not available in prevailing Grameen model. Macrofinance will integrate the number of groups or whole community through various levels of channels that could influence in scaling up the business of the clients.

5.2 Nanofinance¹⁹

An individual skilled person also must be eligible to have micro credits with his/her academic credentials as collateral which is not available in current microfinance systems in Nepal. For instance, a person with master's or doctor of philosophy degree must have micro credit facility against her/his academic credentials, if s/he wants to use her/his skill to serve microfinance clients as a consultant or facilitator or any other related entrepreneurship matters and so on. An individual without formation of group also must be qualified for micro credits if eligible collateral is available. Group guarantee would be replaced by credentials and fixed assets as collateral. Collateral based credits are safest among any other guarantees in the context of South Asia.

5.3 Microfinance²⁰

In Grameen model, the group consists of five, in general. In case of eight people, three people could be remained out of group.

In new concept, the number of people in a group should be flexible from 5 and more as per the situation so that no one would feel or left odd.

¹⁹ Mathematically NANO = 10^{-9}

²⁰ Mathematically MICRO = 10^{-6}

The recommendation of community based integrated farming is seems to be today's necessity for improvement of productivity. Instead of cultivating in a fraction of an acre/ hectare of land, keeping a cow or a buffalo and a pair of ox by each and every family, it would definitely be better to organize an integrated farming by the whole community. Whole land could be cultivated with the involvement of few people, an organized livestock farm could be managed by very few people similarly whole community people could be engaged full time in various jobs as per their need and potency. In case of integrated farming, whole project/ farming area could be considered as common collateral for all.

5.4 Macrofinance²¹

Macrofinance belongs to national level of programs supporting the microfinance activities. The concept of larger sizes of integrated farms, establishment of modern slaughter-houses, agro-processing-units, dairy-processing-units, cold-storages, freezing-storages, large food-grain-storages, large sizes of departmental/ grocery-stores, hat bazaars, organized fresh-produce markets, national wide organized transportation and distribution systems etc. are under macro-finance activity that really creates and influence national and international economy as well. For these macrofinance activities larger banks and financial institutions should play vital roles because existing microfinance can't handle the larger sizes of projects. Macrofinance activities can support the government by different types and levels of revenues which can't be expected from nanofinance and microfinance. In short the concept of macrofinance is supporting to develop the infrastructures required to promote microfinance as well supporting large scales of agro-based projects.

There are many incidents of suffering the poor farmers in Nepal due to compelling them to sell their products much below of their cost of production that is really awful. The price of tomato at NRs. 1.0 per kg in Kapilvastu, Nepal in 2010, which was even not sufficient to transport the products, an example is given in box 5.1below. If tomato processing industries or cold storage facility would available Nepali farmers would not suffer due to such worse situation.

²¹ Mathematically MACRO = 10¹²

Box 5.1: Tomatoes at Rs 1 per kg

KAPILVASTU, FEB 17 - [Tomatoes](#) are being sold at Rs. 1 per kg in Kapilvastu due to a glut in the market. The price was Rs. 3 per kg a week ago, which came down to Rs. 1 on Monday. The price was Rs. 2 on Saturday at the vegetable market in Taulihawa.

Most of the shops had put tomatoes on sale on Monday that contributed to bringing down the price. Some traders were found dumping their stock of unsold tomatoes as it cost more money to transport them. "The nicest tomatoes were being sold at just one rupee."

The fall in the price of tomatoes has, however, affected farmers greatly. "Farmers will go bankrupt if the price remains the same for another month," said farmer Ram Briksha Kevat.

Chief of the office Khursed Ahamad Khan said farmers were not getting appropriate prices for their produce. "Our attempts to explore markets in Nepal and India were not successful."

Posted on: 2010-02-17 09:39

Source: eKantipur (national online newspaper, subsidiary of Kantipur Publications)
<http://ekantipur.com/2010/02/17/related-article/tomatoes-at-rs-1-per-kg/308538.html>
Retrieved by: Deepak K. Shrestha; on: 15/09/2013 10:39 PM

To mitigate such uncertain and awful situation, microfinance institutions need to enhance the following activities in coordination with all stakeholder concerns.

1. Community based integrated farming,
2. Development of various market centres,
3. The cooperation, coordination, and co-working with other banks and financial institutions and stakeholders for infrastructure developments,
4. Mass producing, processing and distributing through various cooperative models under the concept of franchising,
5. Implementing of F2F concept that is farms to family (or producers to customers) that curtails the various levels of middlepersons and brokers, and
6. In all cases microfinance institution needs to play a catalytic role with providing leadership for working together with partners (coop, institutions, groups, companies etc.).

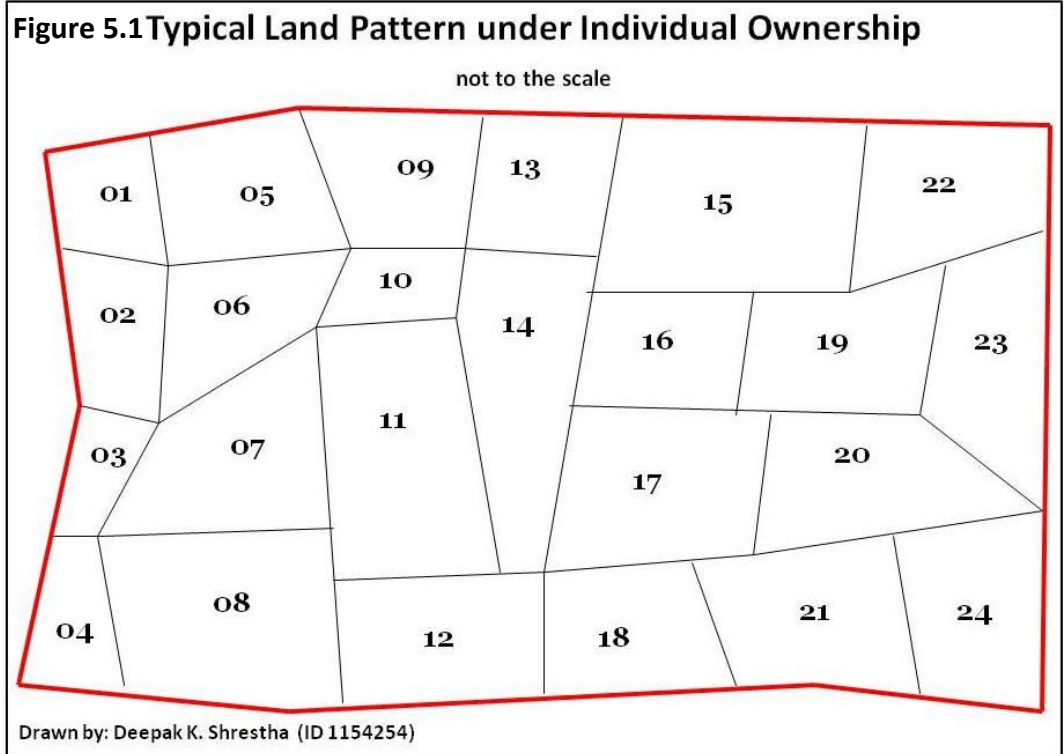
5.5 Community Based Integrated Farming

The economic culture of South-Asia is that, property-ownership transfers to the heirs; for instance from parents to kids or from relatives to closed relatives if own kids are not available. Unlike in other developed countries if the heirs are more than one, the property is divided equally to all. All movable and immovable properties are divided into pieces from grandparents to grandkids and so forth. Therefore, the productivity falls down due to slicing of large fertile lands into smaller pieces.

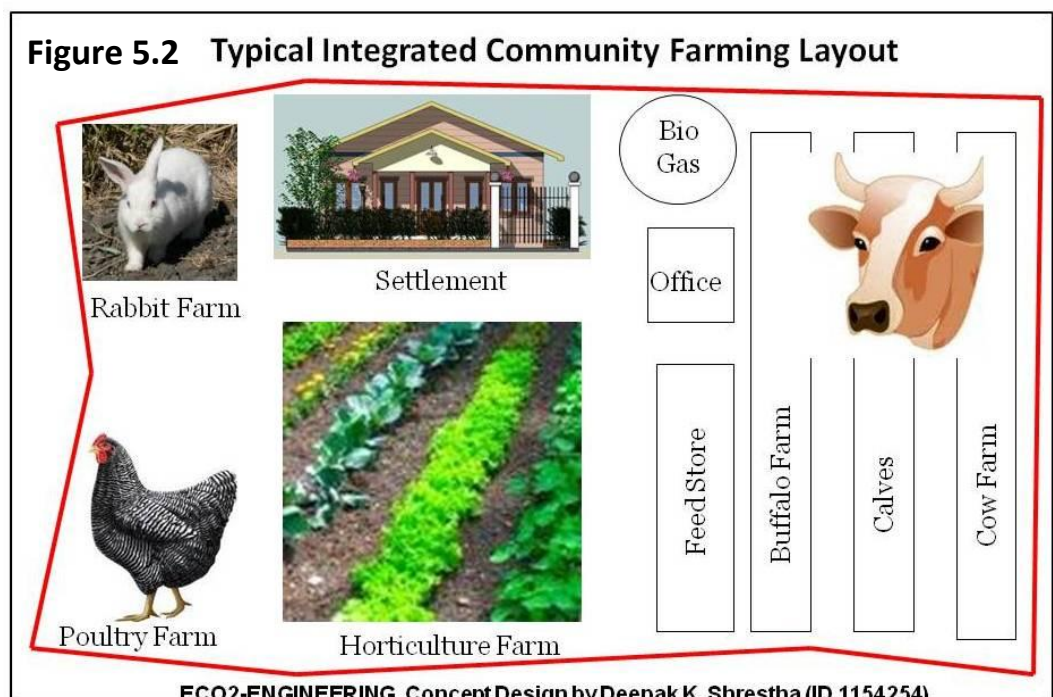
In case of rural areas, where most of the poor live, the lands are available in smaller pieces with different ownership. Each owner has to cultivate the land separately. Because of smaller pieces of land with individual ownership, it is hard to mechanize, modernize and develop commercialized agricultural systems in such areas. So rural farmers keep own a pair of ox to plough the field, keep a cow/ a buffalo for feeding dairy to their family and whole family members have to work in their tiny piece of land. However, agricultural outputs are not enough to survive for a whole year. Very hard work just for two meals, is the rural economic scenario of Nepal like other South-Asia countries.

Now, if we really want to search the better solution, we must need to improve productivity of land that is Optimum output with minimum input. To achieve high productivity we need to mechanize and modernize the existing traditional agricultural systems for which greater sizes of plots are required. Whole community could be engaged in an integrated farming, for instance some in agriculture farms, some in livestock farms, some in processing industries, some in marketing, and so forth.

All families of the community could be the members of the community under a cooperative institution. Individual land plot would be pulled up or gathered together under the community as a project area as shown in figure 5.1. Various sub-groups/ sub-committees would be formed separately for agriculture, horticulture, livestock farm, dairy farm, marketing and so forth under a principal committee.

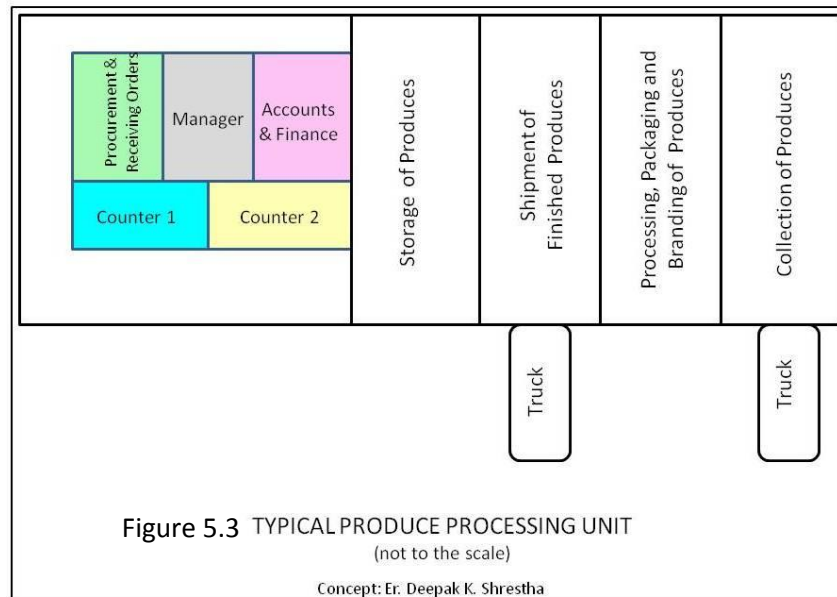


The soil of the project area would be analyzed or examined for determining the suitability of soil for various purposes and a community based integrated farming could be managed as shown in the figure 5.2. For example fertile land is used for horticulture and less or no fertile land would be used for settlement of people, livestock farming and so on.



5.6 Processing Unit

Various processing units could be developed in various places for collection, processing and packaging, branding and distributing of produces that could be for dairy or for vegetable produces and so forth as shown in the figure 5.3 below.

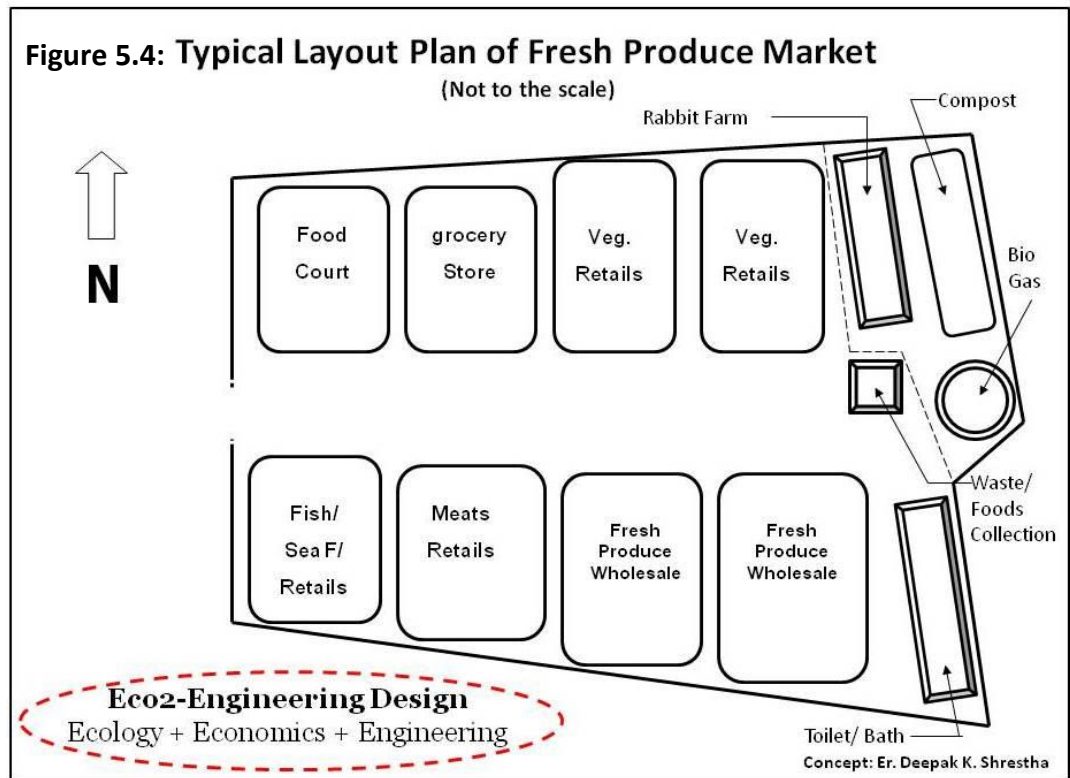


5.7 Market Centre

Various market centres from retailing to wholesaling could be developed in various potential areas. The microfinance institution also could invest to develop cooperatives and other groups of interested stakeholders for the sake of common-interest. Such market centre is the complete package of land, structures, utilities, ecological and environmental considerations etc. and various stakeholders like MFIs, Farmers, Entrepreneurs and others could invest for it as a cooperative or private limited or public limited entity.

The typical layout plan of fresh produce market is shown in the figure 5.4 that is based on ECO₂ Engineering concept i.e., compact engineering design considering economics and ecology. This type of design facilitates the workplace to keep neat and clean as well as proper utilization of each and every material/ by-product. Various by-products like waste produces could be used for animal feeding, dirt could be used as organic fertilizer that makes money in each step by maintaining

the environment neat and clean that is supposed to be especially in food stores like in western countries.



5.8 The Three COs with other institutions and stakeholders

The “Three Cos” means:

- Cooperation,
- Coordination, and
- Co-working

This concept brings all farmers, cooperatives, microfinance institutions, other bank and financial institutions, other concerned line agencies and stakeholders and line agencies (governmental and non-governmental) together for mutual contribution to the economic development with fair competition.

5.9 Mass production, processing and distribution under Franchise Model

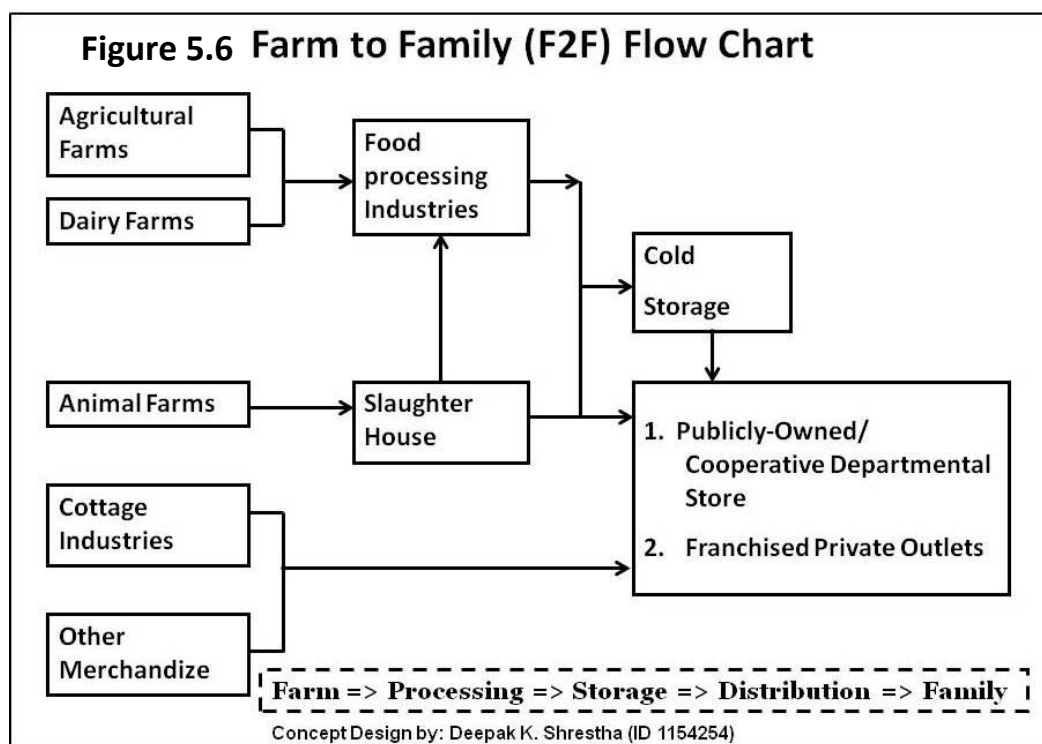
Community based integrated farming would be helpful for mass production that is the requirement for reduction of cost of production. The processing and distribution is also economical due to large volumes i.e. economy of scale. All production, processing, distribution systems could be brought under an umbrella of the microfinance institution giving them the same brand and trade name as that of western franchise model. Same brand/ trade name could be used by other similar microfinance institutions by signing MOU and paying reasonable fee to cover management cost. They could facilitate all their farmers/ producers/ entrepreneurs of any part of country maintaining the predefined quality of standard.



5.10 F2F: Farm to Family concept

The farmers are unable to hold or store their products for the longer time. As soon as they harvest, agents/ brokers/ wholesalers buy their products in the least price and keep inventory for the future sale. The customers are compelled to buy the food products always in the higher price. Both farmers and families seem to be negatively exploited by the business people. Therefore F2F concept would be highly appreciated if the various levels of brokers/ agents need be curtailed. The microfinance institution must be able to develop various levels of franchised cooperatives or organized institutions from producing to collecting to processing to packaging and branding to finally distributing to the consumers. This system would be helpful to farmers by getting better price and similarly affordable prices to customers. The system would emphasize the quality production and service,

adding marginal profits rather than creating scarce in the market. The F2F flow chart is shown in the figure 5.6 below.



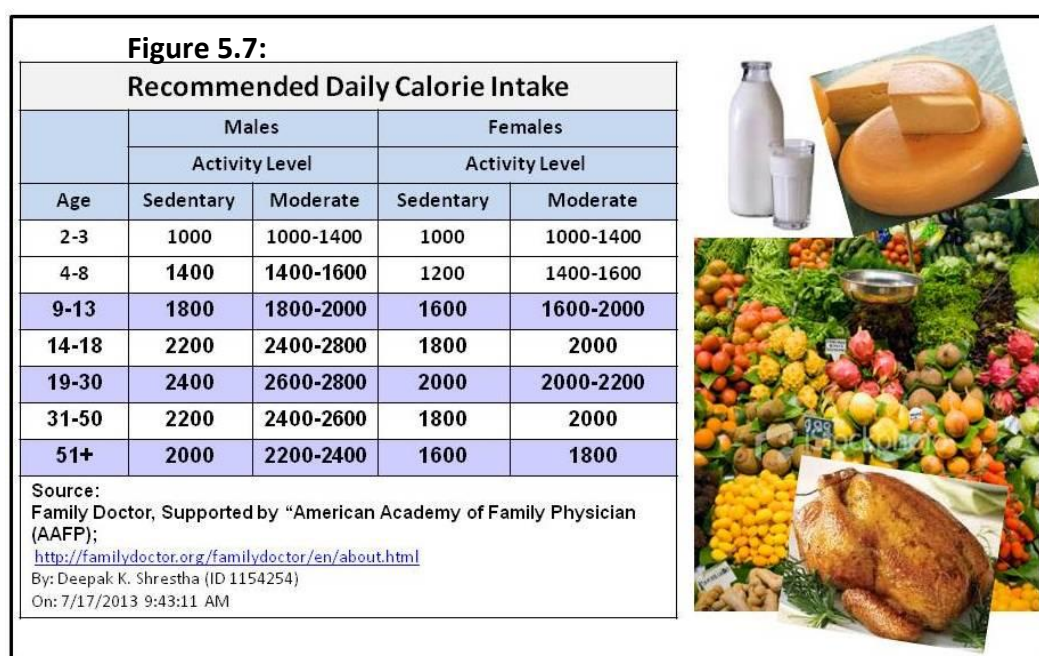
5.11 Vision, Mission, Goals and Objectives of New Microfinance Institutions

By objective microfinance has to focus its activities to eradicate poverty in the country where 23.8 percent of people of Nepal are under poverty line. The microfinance activities must be continued to those also who have upgraded from poverty line. To keep poverty at zero level might be impossible but it could be reduced to nearby. To reduce poverty level towards zero means it has to be decreased day by day, month by month and year by year. When poverty in the country becomes negligible, the activity of microfinance might not need any more in Nepal by the definition. But the clients who have crossed the poverty line they need further services accordingly. Therefore microfinance institutions also need to be upgraded by capital, technology and management skill to work for those just upgraded from poverty line until they become financially or economically independent which is not in Nepal right now.

The people below poverty line in Nepal only focus on two meals in a day. Since their average income is below NRs. 52²² (US\$ 0.52, considering \$1=NRs. 100.00) are not able to feed two meals a day, if able they are living with malnutrition. Here to eradicate poverty means just feeding their empty belly only, that does not define or describe about the quality of life.

Therefore in terms of new concept of microfinance, “the quality of life” could be defined as “the people living with the hygienic and balanced food, better clothing, comfortable/ affordable housing, job oriented basic education and basic health facilities”.

The balance food should be as per the recommended daily calorie intake required for various ages of people as shown in the figure 5.7.



The standard vision, mission, goals and objectives of the new microfinance institutions need to be redefined as follows to overcome by upgrading from poverty line.

²² <http://www.karobardaily.com/news/2013/08/govt-has-different-data-on-poverty>; Retrieved on: 16/09/2013 12:12 AM

5.12 Vision

The vision should be improvement of quality of life of average people of Nepal which includes:

- hygienic and balance food,
- better clothing,
- comfortable housing,
- job oriented basic education, and
- basic health facilities.

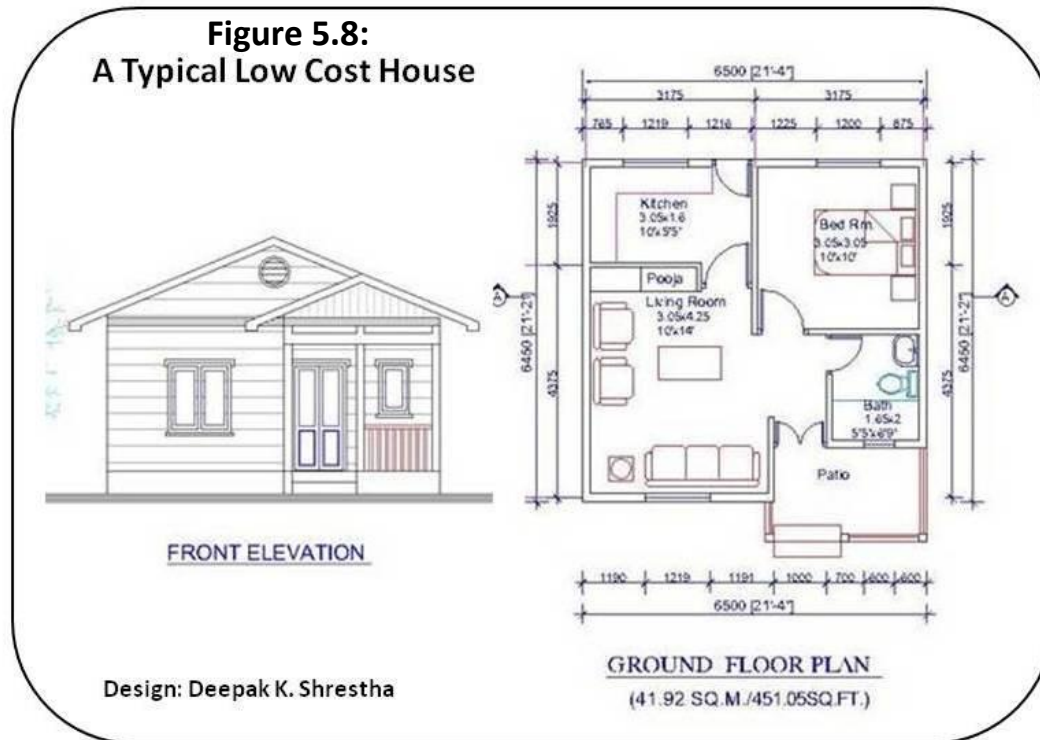
Balance food should have followed the recommended daily calorie intake chart (ref. Figure 5.7).

Better clothing means wearing in all seasons especially to be safe from colds in winter in day and night time.

Comfortable housing means not necessarily pakka or rigid structural house; it should be facilitated with toilet, bathroom and kitchen although the house is built up of temporary or semi-permanent type. There are various low cost/ effective housing technologies (ref. figure 5.8) that is available in the global market that address all necessary basic amenities.

University degree is not possible for each and every person, but all people must have certain skill that is needed for their easy survival. A medium termed vocational training(s) would be the best skilled-based job-oriented education.

People in the rural area are dying due to ordinary viral fever, dehydration, waterborne disease without having general medication. So Government as well as the microfinance institutions must be able to make them insured against such illness that could be solved through general health insurance plan/ policy.



5.13 Mission

The mission of the new microfinance institutions must be the approach of families (consumers) directly to the farms (producers) with curtailment of various level of exploiting brokers and agents through its franchised models.

5.14 Goals

The visionary mission(s) of the new microfinance institutions could be achieved with short, medium and long term goals avoiding unnecessary competitions among the similar institutions. For common goal of chasing poverty and establishing quality of life, the institution should work in a planned way with cooperation, coordination and co-working with all concerns.

5.15 Objectives

The general objective of all traditional microfinance institutions is lending to poor, women, indigenous people, so called schedule casts, underprivileged people

without collaterals and making their savings for raising their purchasing power and pulling them up from poverty line.

New concept of microfinance institutions should be emphasized on **the improvement of productivity** to achieve efficiently and effectively their vision and mission with targeted goals. The productivity could be achieved through 3-Ms basically known as “man, machine and money”. We need trained, skilled, experienced and qualified human resources in each and every place i.e. in the institutions and in the field. We need to mechanize the systems even it might be in need of importing the technology. Money is needed for fixed and working capitals. We can generalize the various objectives as follows.

- ❖ Providing its clients with technical, management and IT supports.
- ❖ Encouraging people to pull-up land (discouraging splitting of lands in number of smaller areas) for community based integrated farming.
- ❖ Facilitating to import technology and machinery from abroad to mechanize the farming system.
- ❖ Facilitating to import hybrid seeds, semen, embryos, livestock etc. from abroad.
- ❖ Facilitating to develop local entrepreneurship with discouraging youths for foreign employment. (Since more than 3.5 million people are employed in abroad, there is serious shortage of labour force in Nepal. In many villages no more youths are available even for funerals and majority of lands are remained uncultivated in rural area.)
- ❖ Facilitating to establish agro-based industries with consortium financing to substitute foods imports and to enhance foods export potentiality.
- ❖ Establishing own or participative local markets (Hat Bazaars), processing industries (like slaughter house, cold storage, packaging units etc.), transportation systems (including refrigerators and freezers), food grains storages (to manage food security) proper distribution channels and outlets to facilitate the farmers and consumers both.
- ❖ Establishing own or hiring other’s reputed brand/ trade names to facilitate members/ clients to use them for the credibility in the market.

- ❖ Encouraging people to establish various types of specific commodity based cooperatives and organized companies to maintain transparency of accounts and producing in quantity and the quality products.
- ❖ Financing for low-cost or cost-effective housing according to proper land use planning schemes with the policy of saving the fertile lands.
- ❖ Innovating consolidated/ Integrated development programs in the rural areas to discourage the migration towards urban areas. A consolidated innovative development program might be a micro-hydro project with water supply and irrigation systems, integrated farming including fishery, cottage industrial estate, well settlements with human-cattle waste based biogas supply, local schools and healthcare centre and so forth.
- ❖ Establishing farm-works as a prestigious job with facility of domestic or and an abroad fieldtrips for outstanding farmers and entrepreneurs.

5.16 Line Agencies of New Microfinance Institutions

Agricultural Development Bank of Nepal (ADB/N) had started Small Farmers Development Programs (SFDP) for micro financing in the grassroots level on mid 1970s. There were various levels of coordination committee from central to grassroots levels. Central coordination committee was formed consisting representatives from various ministries and department of line agencies headed by secretary of ministry of agriculture and involving the chairman of ADB/N board²³ as a member secretary of the committee.

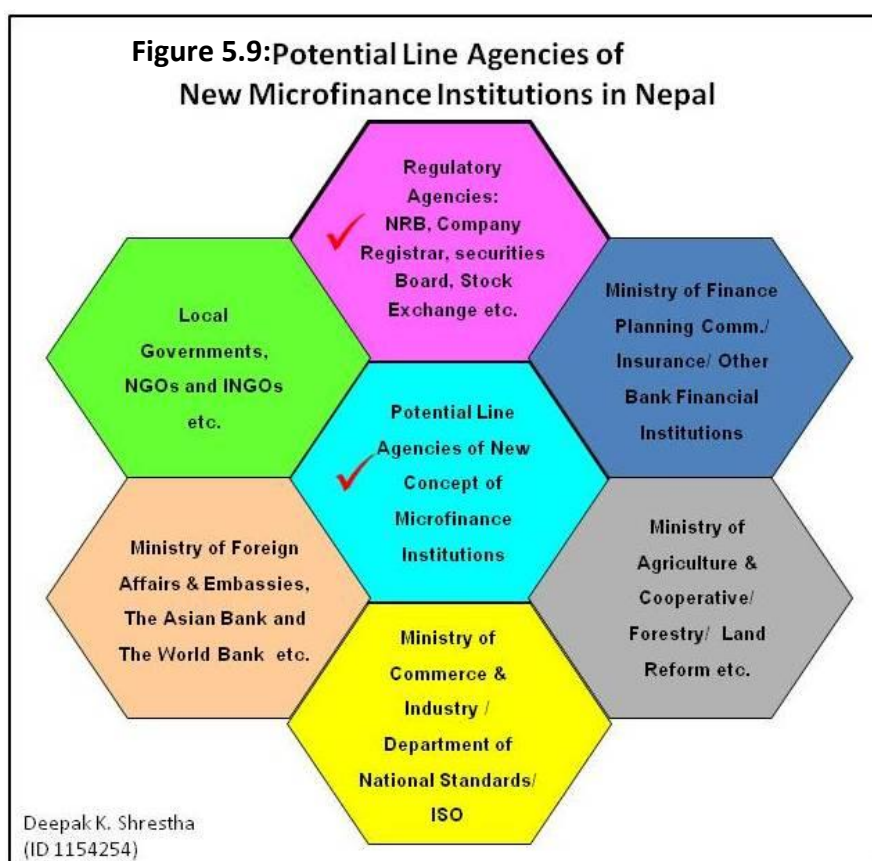
Similarly district level of coordination committee was headed by Local Development Officer (LDO) with the coordination of district level of ADB/N branch or sub-branch office. Panchayat level of coordination committee was consisting various farmers' leaders, village panchayat ward members, cooperative managers and was headed by pradhanpanch, the elected chief of the then village panchayat.

²³ ADB/N, Small Farmers Development Division, A Decade of Small Farmers Development Programme in Nepal, Page 6

The current microfinance institutions are working with very few line agencies like other bank and financial institutions as follows.

1. NRB (for regulation and supervision)
2. Company Registrar's Office (for updating with memorandum and articles)
3. Securities Board of Nepal (for listing of shares)
4. Nepal Stock Exchange Ltd. (for transaction of shares)

New microfinance institutions must need to interact with other more line agencies, figure 5.9 to achieve their goal and objectives efficiently and effectively that meet the organizational vision and mission.



The other more potential line agencies could be the followings.

1. Ministry of Agriculture and Cooperative, (for importing hybrid seeds/ animals etc. and establishing various cooperative institutions)
2. Ministry of Forestry and Soil Conservation (for pasture development and so on)
3. Ministry of Foreign affairs (for coordination with diplomats, foreign affairs etc.)
4. Ministry of Finance (for abroad / financial aids, infrastructure development etc.)

5. Ministry of Federal Affair and Local Development (for use of local resources etc.)
6. Ministry of Commerce and Industry (for entrepreneurship development, farm commercialization, export/ import promotion etc.)
7. Ministry of Land Reform (for proper land use planning, land pulling etc.)
8. National Planning Commission (for total agricultural and other infrastructure development planning etc.)
9. Foreign Diplomatic Agencies/ Embassies (for technology transfer, HR training, High-Tech Support etc.)
10. Local Governments like District Development Committee (DDC), Municipalities, Village Development Committees (VDC) and so on.

5.17 Human Resource Required for Microfinance Institutions of National Level

Integrated farming is necessary for profit making and sustainability of the program(s). For complete package of FARM TO FAMILY (F2F) consists of various processes from growing and producing to collecting to processing to packaging to branding to storing to marketing to transporting to and ultimately distributing to family. So these processes need various skills of employees like technical, management, marketing, administration and so forth. For farms, agricultural, livestock and veterinary technical persons are needed. For processing of various types of food, technologist like meat specialist, dairy specialist, packaging food specialist needed. For packaging and branding similar types of management persons are needed. For fresh produce and frozen products cooler and freezer technicians are needed. Similarly for handling of various food materials similar kinds of skilled persons are needed.

Besides that, in most of the intermediate processes from F2F there would definitely need of establishing and developing of various organizations like cooperatives, private limited companies, limited companies etc. that needs the managerial and judicial types of skilled persons. Example of cooperative institution for F2F concept might be livestock cooperative, horticulture

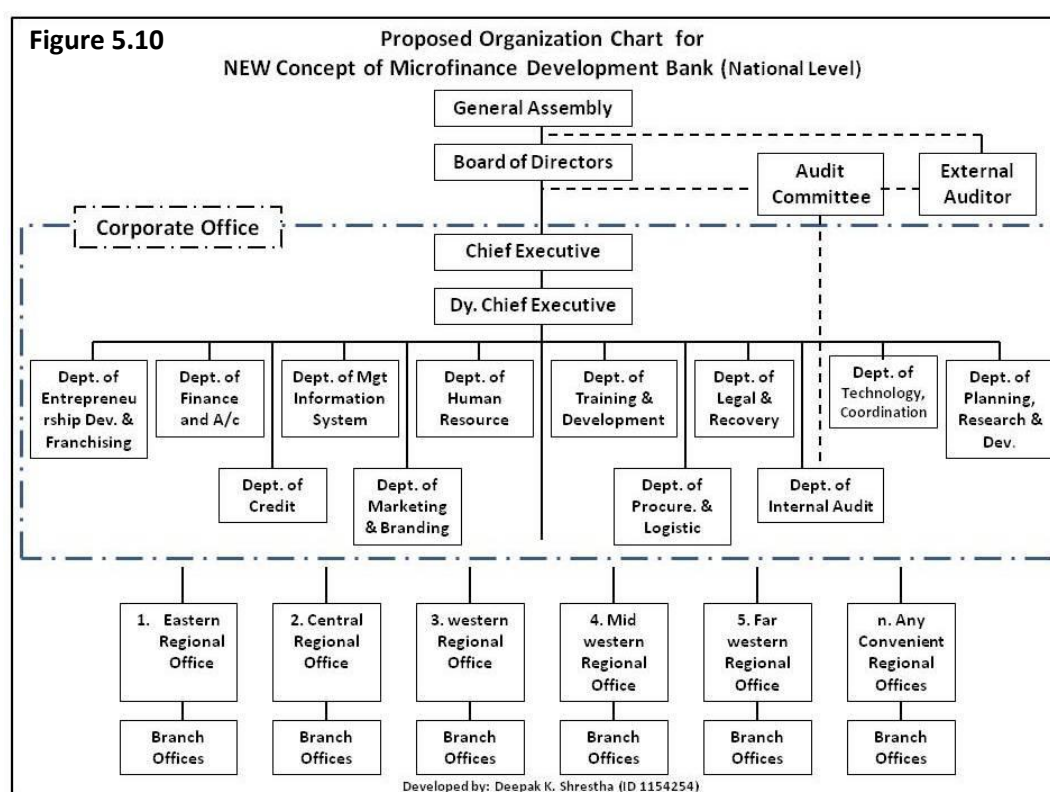
cooperative, dairy cooperative, slaughtering cooperative, processing cooperative, transportation cooperative, cooperative stores and so on.

5.18 Typical Organization Structure for New Microfinance Institutions

For new concept of microfinance institution of national level to achieve the goals and objectives fulfilling the mentioned mission and vision following organization chart, figure 5.10, is recommended.

5.19 Functions of Various Departments

The new concept of microfinance institution must be competent in both technical and management aspects therefore the following departments are recommended to achieve its goal and objectives.



5.19.1 Department of Entrepreneurship Development and Franchising

This department will develop various forms of entrepreneurship development such as cooperatives, private/ limited companies, partnership/ individual firms and so

on. It will prepare for franchising model for any types of business model such as “seeds cooperative”, “livestock farm”, “departmental store public limited company” and so forth.

5.19.2 Department of Finance and Account

This is a purely finance and account department handling all financial parameters and internal accounts. This department will mobilize the members’ saving schemes too.

5.19.3 Department of Credit

This department will handle various products of credits for clients.

5.19.4 Department of Management Information System

This department will handle all Management Information Systems (MIS) including Decision Support System (DSS) for top management team, information systems for all stakeholders like suppliers, wholesalers, retailers, farmers, members and so on.

5.19.5 Department of Marketing and Branding

This department will serve all stakeholders with appropriate marketing systems and encourage to bond with brand developed by the institution for their credibility in the market. This branding system will help to produce and maintain similar standard of the product and service by produced by various entities.

5.19.6. Department of Human Resource Management

This department will work for total Human Resource Management (HRM) performing various processes like recruitment, selection, placement, training and development, succession planning, HR audit and so on.

5.19.7 Department of Training and Development

This department will work for various training and development programs needed for clients such as account training, quality control training, livestock development training, veterinarian training, safety and sanitation training and so on.

5.19.8 Department of Procurement and Logistic

This department will manage for central purchasing system for economy of scale. All printing and logistic supports for various departments, regional and branch offices will be provided by this department.

5.19.9 Department of Legal and Recovery

This department will handle all legal matters of the institution such as agreement papers, franchise papers, banking papers, notice publication and legal auction of collateral of defaulted credits and so forth.

5.19.10 Department of Internal Audit

This department will periodically visit all regional and branch office for financial and regulatory audit to emphasize the procedure, documentation etc. up to date as per the prevailing norms and standard prescribed by the central bank.

5.19.11 Department of Technology and Coordination

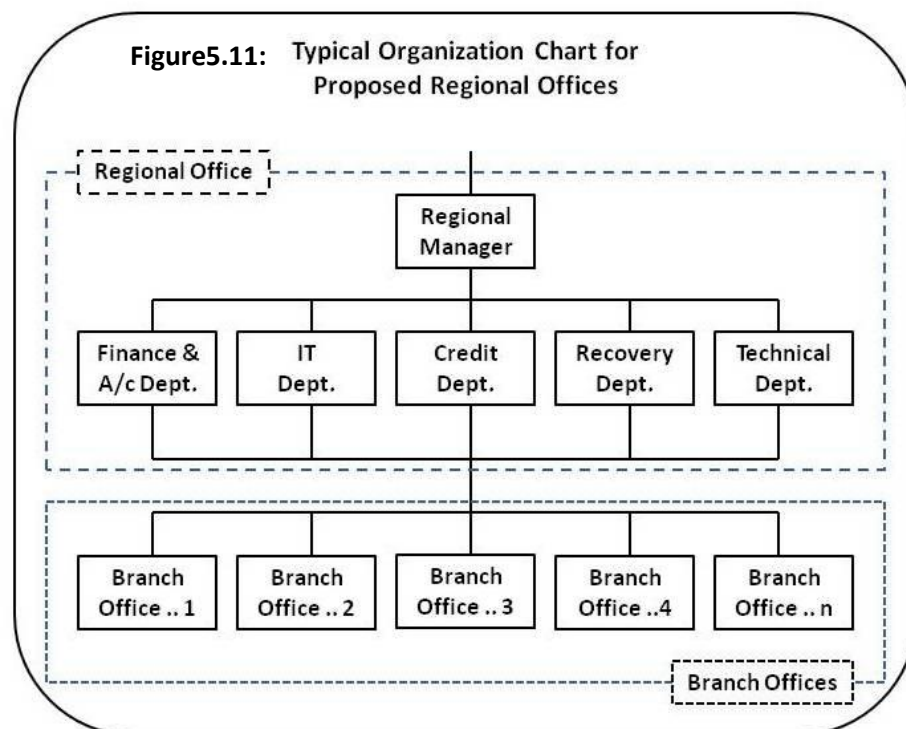
This department will have all types of technical persons like livestock persons (dairy, meat, nutrition etc.), agriculturists, horticulturists, veterinarians, food technologists, pathologists, engineers, mechanics, and so on. This department will coordinate all technical persons for proper functioning of the organization in any types of technical matter. Technical department is necessary for effective and efficient results. For instance, in agricultural field, engineer designs for drip irrigation and cattle sheds, food technologist manages for maintaining food quality, livestock person/ veterinarian manages for artificial insemination and so forth. This department will coordinate frequently all line agencies (figure 5.9) as per need.

5.19.12 Department of Research and Development

This department will carry out continuously various study and research works regarding productivity, innovation of new products, improvement of existing products, studying global development and importing technology and goods from abroad and so on.

5.19.13 Regional Office

Nepal, by area is a small country with its difficult geographic features like layout, terrain and altitude. The distance in between east and west boarder is around one thousand kilometres. Although the distance between north and south borders ranges from eighty to hundred and twenty kilometres but the altitude difference is between 70 metre at Jhapa District and 8848 metre at Mt. Sagarmatha (Mt. Everest) in Solukhumbu District. Two districts Mustang and Manang are behind the Himalayas.



Since Nepal's length along east and west is too long, it is difficult for any organization to control its activities from the centre or capital. Therefore, the organizations have to work in regional concept dividing the various geographic parts into convenience regions for effective and efficient work performance

confirming the access of their activities/ businesses in all remote areas. Obviously, a regional office could facilitate all branch offices in technical and financial matters with coordination of central/ corporate office (refer figure 5.11).

5.19.14 Branch Office

Branch has to serve all concerned individual clients, groups, centres, various member-organizations and so forth.

5.19.15 Minimum Qualifications Recommended for Each Position

The hierarchy of various positions and minimum qualification needed for each position for branch offices, regional offices and corporate office is recommended in table 5.1, as follows.

Table 5.1: Recommended Designations for Proposed National Level Microfinance Institutions			
S.N.	Designation	Level	Minimum Education / Training
1	Chief Executive	Special Class	Masters Degree
2	Deputy Executive	12	Masters Degree
3	Chief Manager	11	Masters Degree
4	Deputy Chief Manager	10	Masters Degree
5	Senior Manager	9	Masters Degree
6	Deputy Senior Manager	8	Masters Degree
7	Manager	7	Bachelors Degree
8	Deputy Manager	6	Bachelors Degree
9	Supervisor	5 (A,B)	Tech. Diploma/ Bachelors Degree
10	Assistant	4 (A,B)	Technical High School or 12 Grade
11	Sub Assistant	3 (A, B)	Technical High School or 11 Grade
12	Senior Helper/ Driver	2 (A,B)	Under High School
13	Helper/ Security Guard	1 (A,B)	Literate

For new concept of national level of microfinance institutions need more technical personnel and little management personnel. In most of the departments and positions technical academic persons have to be deputed with necessary account and management training. Technical persons could learn account and management soon, but management persons should not be deployed for technical job.

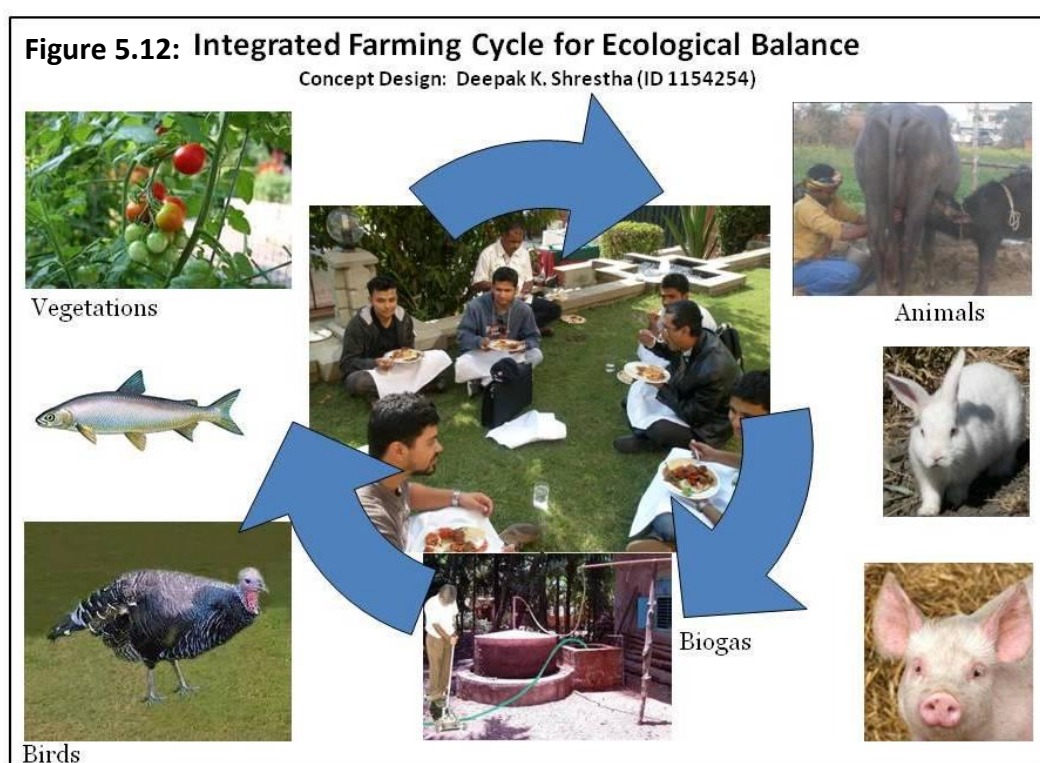
The potential technical academics would be from various faculties like; agriculture, veterinary, pathology, engineering, food technology, information technology, chartered accountancy, legal, management, economics, rural development and so on. But in case of specific department, specific personnel should be deployed such as charter accountant in internal audit, lawyer for legal department, financial expert in finance and account department and so on.

Although specific skill or experience could be added in job designs/ specifications, the required basic technical/ academic qualification and equivalents could be mentioned for each position. The basic degree could be at any level of higher secondary, or bachelor's degree, or master's degree and so on as per the predefined in job specifications.

5.19.16 Benefit of new concept of microfinance institutions

1. The cost of production will decrease and overall productivity will increased.
2. For integrated farming, the interest rate of lending could be decreased because of no need of following up each and every tiny group.
3. Technical, management and many other jobs will be created.
4. The product quality will be improved.
5. The quality product will be available in an affordable/ better price to consumers
6. The farmers will be paid better price due to curtailment of various layers of brokers.

7. Proper land use plan will save the fatal disintegration of land and encourage for integration of land.
8. More organized institutions will be formed and ultimately more governments revenue will be generated due to value added processes.
9. Import substitution will be encouraged and export potentials will be increases.
10. Ultimately there will be an ecological and environmental balance in between vegetation, livestock and people as shown in the figure 5.12.



5.19.17 Summary and Conclusion

The overarching objective of microfinance in Nepal is to uplift the people from poverty line whose income is equal or less than NRs. 52 (~ US \$ 0.52) per day. In accordance with the Millennium Development Goals (MDGs) for 2015, the poverty is defined by the income less than equal to US \$ 1. In fact the food material in Nepal is expensive as compared to any other countries in the world because Nepal's expenditure in agro-products import takes place more than one forth of total imports. For example, the post-festival (Vijaya Dashami, 2013 October) price of a kg of potato was NRs. 65 (~ US \$ 0.65), which is highest price

in the Nepal's history. The daily income of poor people does not seem to be sufficient to buy a kg. of potato right now.

Poverty eradication doesn't speak about quality of life regarding the hygienic and balanced diet, better clothing, comfortable housing, basic health facility, and basic education. In fact, majority of the people above poverty line are also not aware and accessed to the quality of life.

Remarkable poverty reduction is only possible with raising per capita income in a higher level than inflation rate. That could be possible with the higher productivity of land and human resource. For higher productivity, economy of scale, technology, investment etc. are essential.

So, in case of Nepal, for mitigating poverty and improving quality of lives of average Nepali people would be possible through various economic activities, amongst them the agricultural development is one. The integrated farming would be the better solution that also helps to keep the overall ecological balance.

Chapter 6: Limitation, Future Direction for Further Research and Other relevant Details

6.1 Limitation

Due to time and resource constraints the study could not cover different types of MFIs in regional and national level other than the sampled MFDBs. Therefore, the project report was based on the information of some MFDBs and integrated farms of limited area. However those information have contributed giving some indication about the need of new concept of microfinance as nanofinance, macrofinance, and integrated farming to scale up the business of the clients by increasing the productivity of limited size of land and benefiting directly to the family from concept of farmers to family (F2F).

Other part of the limitation of the study/project report is unavailability of integrated farming in government as well as private sector. As a result detail information could not be available for study.

In deed integrated farming is being commercially successful in many developed countries due to economy of scale. There are examples of various farms in Israel, New Zealand, Australia, United States, Canada, European Unions and so forth.

But in Nepal there was no single commercially operated integrated farm. Some farms operated by Nepal Government were integrated like fishpond with ducks and pigs and so on. Some Government farms were individual type such as buffalo farm in Tarahara, Goat Farm in Bandipur, Sheep Farm in Pokhara, Agricultural Farm (Wheat Research Centre) in Bhairahawa, Fishery in Bhairahawa and so on. Those government farms were for research point of view to facilitate the farmers. Those government farms were not commercialized and not functioning well due to Governmental bureaucratic hurdles.

For commercial purposes, private sectors should come with integrated farming concept. But there was not a single organized commercialized integrated farm in Nepal. It was tough to pull up the tiny size of numerous lands from number of landlords. If done so many poor people would become landless. Therefore, it might have the best option of local community based commercialized integrated farming.

Until such community based integrated farming had started there would not have any such projects for study regarding the impact in productivity due to integrated farming. This is the limitation of proposed project study.

6.2 Future Direction for Further Research

There are some important topics to be studied which were not possible to cover in this project report. Possible topic for research is the community based integrated farming with the financial support from national level MFDBs which could contribute in economic scale by productivity improvement of limited arable land.

Besides, micro financial activities, the existing microfinance should go for various technological advancements to support their clients. Powerless cold storage system, solar food dryers, solar power systems, micro- hydro-powers, cottage types of industrial and agricultural equipments and machineries are the subjects to be studied to support their clients.

The learner is interested to conduct research for powerless cold-storage system for commercial and domestic use in near future. The research will be based on the theory of physics that why water becomes cold in a mud pot in even summer time or in warm temperature)

The act (law) regarding upper limit of permissible area of land for individual's ownership in Nepal may also be the drawback of deterioration of productivity of land. Most of the Nepali people are seems to love converting their fertile land into plots for residential purposes to make incredible money. These land policies would be the matter of study for improvement of productivity.

6.3 Any Other relevant Details

The above suggestions, recommendations etc. are for National Level of Microfinance Institutions. The institutions limited to district and regional level might not be financially capable. So, they need to collaborate with other national level microfinance institutions as per the situation. Besides that, a separate entity with concept of entrepreneurship and market development concept is essential so that such new organization(s) would support the existing clients/ producers/ farmers/ farms etc. from forward and backward support. The forward support would be development of potential markets within the region, country and abroad, including establishment of various processing industries within the country. The backward supports would be

imports of hybrid seeds, fertilizer, livestock stuffs such as semen, embryo etc., technology, machinery, human resource and so forth.

Such entrepreneurship and market development institutions could be jointly established with the financial help of Nepal Government, NRB, Bank and Financial Institutions, Cooperatives and so on. Such development institutions would play a vital role to support the microfinance institutions' clients at different levels from "production to distribution" or "farm to family" that ultimately contributes in a macro level of national economics raising employment opportunities, productivity, per capita income and so on.

In future when the existing microfinance institutions gain momentum with highly success in poverty alleviation then these institutions might need to go for higher level of banking services to cope with existing clients. Similarly the existing development banks working in the remote areas also need to go for microfinance and nanofinance activities to serve the local needy people. In this way, in future, there might be need of only two classes of banks the first, commercial bank and the second, development bank in Nepal. Ultimately the existing development banks might go for extensive microfinance and developing activities and existing MFDBs also might need to upgrade to development banks. The "C" class of finance companies could go for merger with other higher classes of BFIs (B or A class of bank and financial institutions).

Questionnaire form for the farm

The farms were visited in very short notice to collect relevant information which would be supportive for the research of integrated farming in Nepal. Since organized integrated farm(s) were not available in Nepal, only descriptive types of information were collected. For the study purposes, the following information collection form (questionnaire) was developed as given in Annex 1.0.

Annex 1.0: Information Collection form for Integrated Farm in Nepal

Name of the farm:

Location of the farm:

Owner of the farm:

Area occupied by the farm:

Capital investment in the farm:

Activities of the farm:

Typical income and expenses analysis (if available):

Questionnaire form for MSDBs

The questionnaire form for MSDBs as given in Annex 2.0 was initially developed as a sample for collection of first hand and secondary relevant information from various MFDBs. Then the information was transferred to new format as given from Annex 3.0 to annex 13.0 later.

Annex 2.0: Data/ Information Collection Form for MSDBs	
Company's Name:	
Corporate Location: (Including Phone, Fax, Email and URL)	
Establishment: (Year and Month)	
Paid Up NRs.:	
Vision and Mission:	
Goals/ Main Objectives:	
Operational Area: (Region, District)	
Source of Funds: (Promoters, Public)	
Total Saving NRs.: (As of Year/ Month)	
Total Credit NRs.: (As of Year/ Month)	
Total Clients: (As of Year/ Month)	
Total Employees: (Officer-Non Officer-Helpers)	
Products (Saving, Credit, Other Services)	
Stakeholders' Name: (Governmental, Non Governmental Organizations etc.)	
Typical Work Flow: (How does money come and how does it use?)	

Brief SWOT Analysis: (In context of your organization and Nepal)	
Positive Aspect of Micro Finance: (in context of Nepal)	
Negative Aspect of Micro Finance: (in context of Nepal)	
Legal Constrains: (If Any)	
What Extra Needs to Make Micro Finance Effective?	
What Additional Strategy Might be Needed for the Clients' Further Growth?	
Academic Background of Officers and Non-Officers: (Majority and Minority both)	
Technical Employees: (Nos., %age etc.)	
Software Used: (Brief Features, Positive & Negative Both)	
Management Information Systems Used: (If Any)	
Clients' Problem of Saturation: (Those Uplifted from Poverty Line)	
Market Problem for Clients' Products:	
Potential Market Development Through Your Organization:	
Technology Transfer Opportunity: (If Any)	
Expectations from Government: (Grants, Policy, Soft Loans etc.)	
Expectation from Regulatory	

Body/ Line Agencies:	
Clients' Cultural Constraints: (If Any)	
Employees' Cultural Constraints (If Any):	
Organization Chart/ Structure:	
Do You Feel Any Deficiency in Technical Matters in Existing Micro Finance Institutions?	
What Might be Your Recommendation to Overcome with Such Deficiencies?	
Your Open Advice: If Something Missing	
Additional Information: (If Any, please add more rows if needed)	

Thanks for your cooperation.

Er. Deepak K. Shrestha

shresthadk1@yahoo.ca or and shresthadk1@gmail.com

Glimpses of Sample Microfinance Development Banks

Annex 3.0: Glimpse of Sana Kisan Bikas Bank Ltd.

Institution	1. Sana Kisan Bikas Bank Ltd. (Small Farmers Development Bank Ltd.)																										
Types of activity	Wholesale lending to microfinance institutions																										
Establishment	2001 July																										
Corporate Location	Central Office Subidhanagar, Kathmandu Tel: +977-1-4111828, 4111923, 4111752 Fax: +977-1-4111901 Email: info@skbbl.com.np , skbbl@wlink.com.np URL: http://www.skbbl.com.np																										
Capital	NRs. 140 million rupees (Indian Currency IRs. 1 = NRs. 1.60)																										
Sources of Capital	<table> <tr> <th>SN</th><th>Name of Shareholders</th><th>Amount in Millions (NRs.)</th><th>Share Percentages</th></tr> <tr> <td>1</td><td>Agriculture Development Bank Ltd (Nepal Govt. Under Taking)</td><td>44</td><td>31.5</td></tr> <tr> <td>2</td><td>Nepal Bank Ltd.</td><td>12</td><td>8.8</td></tr> <tr> <td>3</td><td>Nabil Bank Ltd</td><td>6</td><td>4.3</td></tr> <tr> <td>4</td><td>Small Farmers Cooperative Ltd. (SFCLs, 21 institutions)</td><td>78</td><td>55.5</td></tr> <tr> <td></td><td>Total</td><td>140</td><td>100</td></tr> </table>			SN	Name of Shareholders	Amount in Millions (NRs.)	Share Percentages	1	Agriculture Development Bank Ltd (Nepal Govt. Under Taking)	44	31.5	2	Nepal Bank Ltd.	12	8.8	3	Nabil Bank Ltd	6	4.3	4	Small Farmers Cooperative Ltd. (SFCLs, 21 institutions)	78	55.5		Total	140	100
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4	Small Farmers Cooperative Ltd. (SFCLs, 21 institutions)	78	55.5																								
	Total	140	100																								
Vision & Mission	<p>Vision:</p> <p>A leading, financially viable, microfinance wholesale bank, owned by SFCLs and similar rural MFIs, to substantially improve the quality of life of the rural poor</p> <p>Mission:</p> <p>The bank's core business is wholesale financing of SFCLs and rural MFIs, advocates and supports capacity building of these institutions in cooperation with partners</p> <p>Values:</p> <ul style="list-style-type: none"> • Business and financial viability • Political neutrality 																										

	<ul style="list-style-type: none">• Committed to serve the rural poor• Quality services to the customer• Transparency in policies and operations																																										
Objectives	<ol style="list-style-type: none">1. Provide wholesale credit and refinance facilities to Small Farmer Cooperative Ltd (SFCLs) and micro-finance institutions (MFIs) for lending to low income households.2. Monitor and supervise client MFIs' activities to ascertain adherence to prudential and non prudential regulations.3. Provide technical assistance for institutional strengthening and capacity building4. Pool resources from the government and donors for social mobilization and community development activities through client MFIs.5. Undertake replication program to expand microfinance services to the underserved and unserved areas, especially in the hills and mountains; targeting women, Dalits, Madhesis, Janjatis, indigenous groups and other backward communities.6. Provide technical and financial support to client MFIs to expand their business to potential microfinance clients.																																										
Target Clients	<ol style="list-style-type: none">1. Small Farmers Cooperatives limited (SFCLs) and similar Cooperatives.2. In the future, the bank intends to provide whole sale credit to Financial Intermediary NGOs (FINGOs) and Micro Finance Institutions (MFIs).																																										
Progress Report	<table><tr><th>S.N.</th><th>Particulars</th><th>End of Marga 2069 B.S.</th></tr><tr><td>A.</td><td>Coverage</td><td></td></tr><tr><td>1</td><td>Number Of Branch Offices</td><td>8</td></tr><tr><td>2</td><td>Number Of Area Offices</td><td>N/A</td></tr><tr><td>3</td><td>Number Of Districts Covered</td><td>75</td></tr><tr><td>4</td><td>Number Of Districts Served</td><td>46</td></tr><tr><td>5</td><td>Number of VDCs/ Municipalities Covered</td><td>416</td></tr><tr><td>B</td><td>Loan Account</td><td></td></tr><tr><td>1</td><td>Loan Disbursed</td><td>11,810,435</td></tr><tr><td>2</td><td>Loan Repaid</td><td>8,774,874</td></tr><tr><td>3</td><td>Loan Outstanding</td><td>3,035,561</td></tr><tr><td>C</td><td>Saving & Deposits</td><td></td></tr><tr><td>1</td><td>Group Fund Saving</td><td>0</td></tr><tr><td>2</td><td>Personal Saving</td><td>0</td></tr></table>	S.N.	Particulars	End of Marga 2069 B.S.	A.	Coverage		1	Number Of Branch Offices	8	2	Number Of Area Offices	N/A	3	Number Of Districts Covered	75	4	Number Of Districts Served	46	5	Number of VDCs/ Municipalities Covered	416	B	Loan Account		1	Loan Disbursed	11,810,435	2	Loan Repaid	8,774,874	3	Loan Outstanding	3,035,561	C	Saving & Deposits		1	Group Fund Saving	0	2	Personal Saving	0
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C	Saving & Deposits																																										
1	Group Fund Saving	0																																									
2	Personal Saving	0																																									

	3	Other saving	0
	4	Public Deposits	0
	5	Total Saving & Deposits(1+2+3+4)	0
	D	Information On Groups	
	1	No. Of Active Clients	257,342
	2	No. Of Loan Clients	205,566
	3	No. Of Personal Saving Holders	0
	4	No. of Groups	34,748
	5	No. Of Centers	N/A
	E	Information on Staffs	
	1	Total Staffs (Excluding Trainees)	48
	2	Of Which No. Of Female Staffs	
	3	Number Of Trainees	
	(Extracted from Nepal Rastra Bank's Website: NRB MICROFIN Progress_Report_of_MFDB_2069-09-30)		
Sources of Funds (for lending)	<ol style="list-style-type: none"> 1. Share capital and retained earnings. 2. Handed over and new loan from Agricultural Development Bank Ltd. 3. Deprived sector loans from commercial Banks. 4. Loans from Nepal Rastra Bank-Central Bank of Nepal 		
Total Number of Technical Employees	None		
Products	<p>Wholesale credit program:</p> <p>To extend and increase the impact of microfinance services to rural women, Dalits, poor, and deprived communities, the bank provides wholesale credit to SFCLs and other microfinance institutions. Those institutions unable to meet demand for microcredit with their internal resources, can borrow wholesale credit from the bank.</p> <p>Targeted communities in which institutions can invest wholesale credit are:</p> <ul style="list-style-type: none"> • Families or persons with less than 15 ropanis (0.76 hectare) of land in the hills and 1 bigha (0.67 hectare) of land in the Terai, and unable to live by the yearly harvest. • Families or persons who do not have regular earnings and find difficulty surviving. • Families or persons who do not owe overdue credit to the government and other financial institutions. • Dalits, Madhesis, backward communities, poor, women and micro entrepreneurs. <p>Various products under credits and services are:</p> <ol style="list-style-type: none"> 1. Credit for meat production 		

	<ol style="list-style-type: none"> 2. Self-employment Credit Program 3. Farmer to Farmer Replication Program 4. Business Expansion Program 5. Capacity Development Programs 6. Community development program 7. Remittance Services
Average loan size	Rs. 15000
Average Cost of Fund and Lending Interest Rate	NA
Organization Chart	<p style="text-align: center;">Organization Chart Sana Kisan Bikas Bank Ltd.</p> <pre> graph TD Board[Board of Directors] --> CEO[Chief Executive Officer] Board --> Audit[Audit Committee] CEO --> CS[Company Secretariat] CEO --> LA[Legal Advisor] CEO --> BD[Business Department] CEO --> SD[Service Department] BD --> PID[Program & Institutional Development] BD --> CM[Credit Management] SD --> IT[Information Technology] SD --> HR[Human Resource management] SD --> FM[Finance Management] SD --> AMP[Asset management & procurement] SD --> PRM[Planning, Research & Risk Management] SD --> IA[Internal Audit] PID --> AO1[Area Office Birtamod] PID --> AO2[Area Office Itahari] CM --> AO3[Area Office Janakpur] CM --> AO4[Area Office Hetauda] IT --> AO5[Area Office Butwal] HR --> AO6[Area Office Nepalganj] FM --> AO7[Area Office Pokhara] AMP --> AO8[Area Office Gajuri] PRM --> AO9[Area Office Gajuri] IA --> AO9 </pre> <p style="font-size: small;">Source: 11th Annual Report (Nepali), Sana Kisan Bikas Bank Ltd., Page 28; Summarized by Deepak K. Shrestha</p>
Source of above Information	<p>Official Website of Sana Kisan Bikas Bank Ltd. http://www.skbbbl.com.np/front/Annex.php By: Deepak K. Shrestha (ID 1154254) On: 29/06/2013 6:33 PM</p>

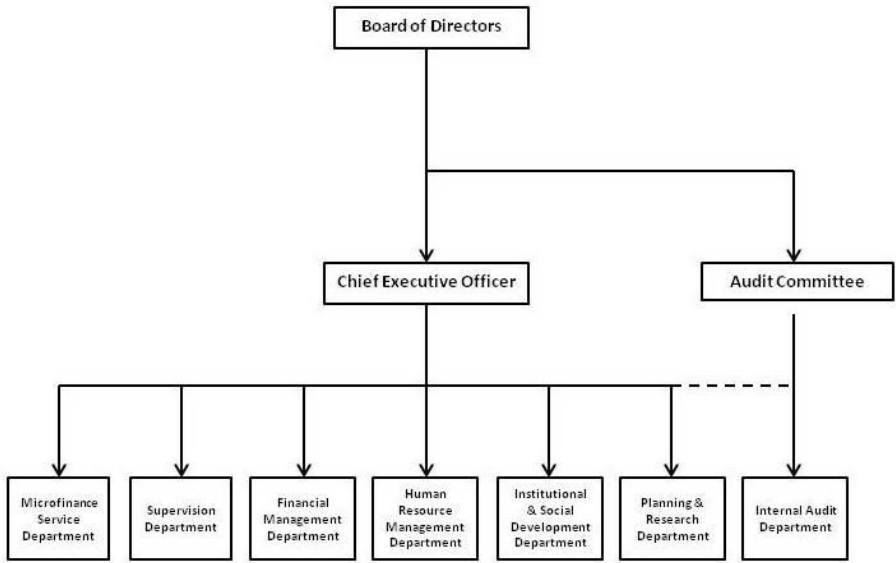
Annex 4.0: Glimpse of Rural Micro Finance Development Centre Ltd. (RMDC)

Institution	2. Rural Microfinance Development Centre Ltd. (RMDC)																																																																																						
Types of activity	Wholesale lending to microfinance institutions																																																																																						
Establishment	1998 October (Registered.) and 2000 January (Operation)																																																																																						
Corporate Location	Contact Address: Putalisadak, Kathmandu, Nepal P.O.Box : 20789 Tel. No.:977-01-4-268019/4-268020 Fax : 977-01-247702 Email:rmdc@wlink.com.np http://www.rmdcnepal.com																																																																																						
Capital	NRs. 320 million																																																																																						
Sources of Capital	Promoters' Shareholding Pattern <table border="1"> <thead> <tr> <th>S.N.</th><th>Name of Shareholders</th><th>Amount ('000' Rs.)</th><th>% of Total</th></tr> </thead> <tbody> <tr><td>1</td><td>Nepal Rastra Bank</td><td>21,045</td><td>6.58</td></tr> <tr><td>2</td><td>Nepal Bank Ltd.</td><td>29,355</td><td>9.17</td></tr> <tr><td>3</td><td>Rastriya Banijya Bank</td><td>8,295</td><td>2.59</td></tr> <tr><td>4</td><td>Nabil Bank Ltd.</td><td>50,720</td><td>15.85</td></tr> <tr><td>5</td><td>Nepal Investment Bank Ltd.</td><td>33,810</td><td>10.57</td></tr> <tr><td>6</td><td>Standard Chartered Bank Nepal Ltd.</td><td>52,190</td><td>16.31</td></tr> <tr><td>7</td><td>Himalayan Bank Ltd.</td><td>48,000</td><td>15.00</td></tr> <tr><td>8</td><td>Nepal SBI Bank Ltd.</td><td>18,895</td><td>5.90</td></tr> <tr><td>9</td><td>Nepal Credit & Commerce Bank Ltd.</td><td>7,075</td><td>2.21</td></tr> <tr><td>10</td><td>Bank of Kathmandu Ltd.</td><td>7,075</td><td>2.21</td></tr> <tr><td>11</td><td>Nepal Bangladesh Bank Ltd.</td><td>4,531</td><td>1.42</td></tr> <tr><td>12</td><td>Everest Bank Ltd.</td><td>3,120</td><td>0.98</td></tr> <tr><td>13</td><td>Lumbini Bank Ltd.</td><td>1,534</td><td>0.48</td></tr> <tr><td>14</td><td>Nepal Industrial & Commercial Bank Ltd.</td><td>25,231</td><td>7.88</td></tr> <tr><td>15</td><td>Purbanchal Grameen Bikas Bank Ltd.</td><td>800</td><td>0.25</td></tr> <tr><td>16</td><td>Sudurpaschimanchal Grameen Bikas Bank Ltd.</td><td>800</td><td>0.25</td></tr> <tr><td>17</td><td>Madhyapaschimanchal Grameen Bikas Bank Ltd.</td><td>1,154</td><td>0.36</td></tr> <tr><td>18</td><td>Paschimanchal Grameen Bikas Bank Ltd.</td><td>2,900</td><td>0.91</td></tr> <tr><td>19</td><td>Madhyamanchal Grameen Bikas Bank Ltd.</td><td>1,000</td><td>0.31</td></tr> <tr><td>20</td><td>Deposit & Credit Guarantee Corporation</td><td>1,370</td><td>0.43</td></tr> </tbody> </table>			S.N.	Name of Shareholders	Amount ('000' Rs.)	% of Total	1	Nepal Rastra Bank	21,045	6.58	2	Nepal Bank Ltd.	29,355	9.17	3	Rastriya Banijya Bank	8,295	2.59	4	Nabil Bank Ltd.	50,720	15.85	5	Nepal Investment Bank Ltd.	33,810	10.57	6	Standard Chartered Bank Nepal Ltd.	52,190	16.31	7	Himalayan Bank Ltd.	48,000	15.00	8	Nepal SBI Bank Ltd.	18,895	5.90	9	Nepal Credit & Commerce Bank Ltd.	7,075	2.21	10	Bank of Kathmandu Ltd.	7,075	2.21	11	Nepal Bangladesh Bank Ltd.	4,531	1.42	12	Everest Bank Ltd.	3,120	0.98	13	Lumbini Bank Ltd.	1,534	0.48	14	Nepal Industrial & Commercial Bank Ltd.	25,231	7.88	15	Purbanchal Grameen Bikas Bank Ltd.	800	0.25	16	Sudurpaschimanchal Grameen Bikas Bank Ltd.	800	0.25	17	Madhyapaschimanchal Grameen Bikas Bank Ltd.	1,154	0.36	18	Paschimanchal Grameen Bikas Bank Ltd.	2,900	0.91	19	Madhyamanchal Grameen Bikas Bank Ltd.	1,000	0.31	20	Deposit & Credit Guarantee Corporation	1,370	0.43
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	21	Nirdhan Utthan Bank Ltd.	1,100	0.34	
		Total	320,000	100.00	
Vision & Mission	<p>Vision:</p> <p>Emerge as a financially viable, operationally sustainable and professionally efficient apex institution of microfinance in Nepal.</p> <p>Mission:</p> <p>Reaching out to the largest number of the poor and disadvantaged households with appropriate microfinance services to enable them to realize their untapped potentials of development through the network of partner MFIs.</p>				
Objectives	<p>GOAL</p> <p>Serving over 1.5 million poor families across the country with quality microfinance services through 150 partner organizations by the end of 2015.</p> <p>OBJECTIVES</p> <p>The main objective of RMDC is to improve the socio-economic conditions of the majority of the poor, the landless and the asset-less through increasing their access to institutional microfinance services for productive undertakings and self-employments. The specific objectives of RMDC are:</p> <ul style="list-style-type: none"> • to provide wholesale funds to microfinance institutions (MFIs) for on-lending to the poor, particularly the women of those families, for undertaking productive activities; • to build and strengthen institutional capacities of its partner MFIs as well as of potential institutions willing to implement microfinance program; • to promote financially viable and sustainable MFIs by providing adequate wholesale funds and necessary technical supports to the existing as well as potential institutions including NGOs and cooperatives; • to support or undertake studies and research works for innovation of best practices and products; • to assist POs in improving organizational capacities and occupational skills of their clients; and • to play the role of a financial intermediary to channelize international and national resources to the poor (the ultimate beneficiaries). 				

Target Clients			
	Targeted Partners		As of 2012 July - Mid
	Micro Finance Banks		7
	Development Banks		9
	Saving and Credit Cooperatives		62
	Financial Intermediaries NGOs (FINGOs)		24
Progress Report			
	S.N.	Particulars	Mid July 2012
	A.	Coverage	
	1	Number Of Branch Offices	0
	2	Number Of Area Offices	0
	3	Number Of Districts Covered	75
	4	Number Of Districts Served	67
	5	Number of VDCs/ Municipalities Covered	0
	B	Loan Account '000'	
	1	Loan Disbursed	6,820,000
	2	Loan Repaid	4,920,000
	3	Loan Outstanding	1,910,000
	C	Saving & Deposits '000'	
	1	Group Fund Saving	0
	2	Personal Saving	0
	3	Other saving	0
	4	Public Deposits	0
	5	Total Saving & Deposits(1+2+3+4)	0
	D	Information On Groups	
	1	No. Of Active Clients	N/A
	2	No. Of Loan Clients/ Borrowers	102
	3	No. Of Personal Saving Holders	0
	4	No. of Groups	0
	5	No. Of Centers	0
	E	Information on Staffs	
	1	Total Staffs (Excluding Trainees)	25
	2	Of Which No. Of Female Staffs	6
	3	Number Of Trainees	N/A
	(Extracted from RMDC's Annual Report 2011-12 page 2 & 7)		
Total Number of Technical Employees	None		

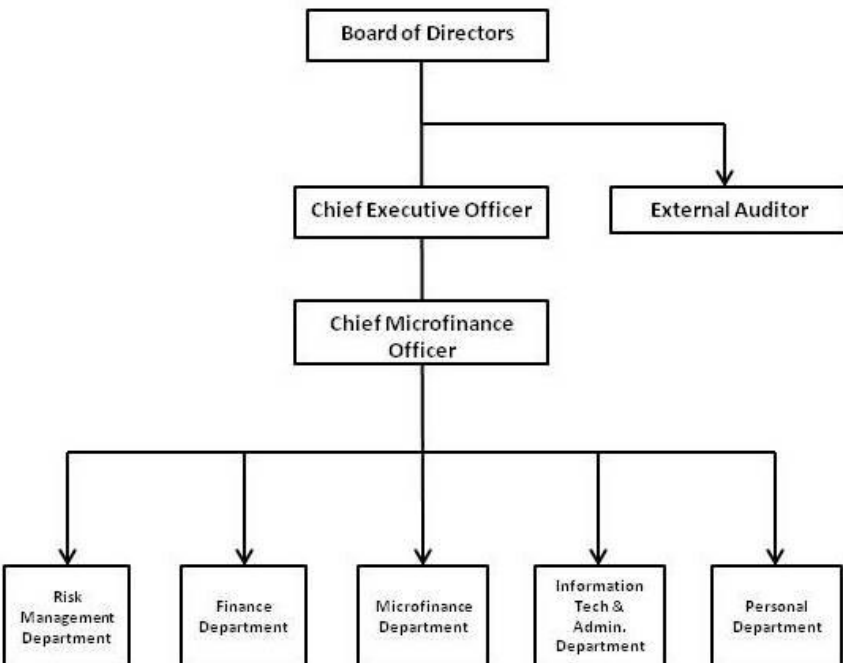
Products/ Activities	<p>The major activities of RMDC are providing wholesale credit, institutional strengthening and capacity building supports to MFIs, and training supports to the ultimate borrowers through the concerned MFIs.</p> <p>Wholesale Credit to MFIs</p> <p>RMDC provides wholesale credit to MFIs for on-lending to the ultimate borrowers for undertaking viable agriculture and off-farm economic activities. RMDC has been charging</p> <ol style="list-style-type: none"> 1. CLDP fund 2. Microfinance promotion loan for small MFIs having less than 10,000 members 3. Regular microfinance loan 4. Incentive loan 5. Micro enterprise loan 6. Bridge loan <p>Eligible MFIs can request RMDC for loans submitting loan applications along with a set of documents such as their business plans and organizational documents including certificate of registration, governance and management structure, status of human resources, financial position reports and statements.</p>
Average loan size	N/ A
Average Cost of Fund and Lending Interest Rate	N/A

<p>Organization Structure</p>	<p style="text-align: center;">Organization Chart Rural Microfinance Development Centre Ltd.</p>  <pre> graph TD BD[Board of Directors] --> CEO[Chief Executive Officer] BD --> AC[Audit Committee] CEO --> MSD[Microfinance Service Department] CEO --> SD[Supervision Department] CEO --> FMD[Financial Management Department] CEO --> HRMD[Human Resource Management Department] CEO --> ISD[Institutional & Social Development Department] CEO --> PRD[Planning & Research Department] AC --> IAD[Internal Audit Department] CEO -.- IAD </pre> <p>Source: Annual Report 2011-12 of RMDC, Page 21</p> <p>Redrawn by: Deepak K. Shrestha (ID 1154254)</p>
<p>Source of above Information</p>	<p>Official Website of RMDC http://www.rmdcnepal.com By: Deepak K. Shrestha (ID 1154254) On: 08/07/2013 2:13:13 PM</p>

Annex 5.0: Glimpse of First Microfinance Development Bank Ltd.

Institution	3. First Microfinance Development Bank Ltd., Kathmandu
Types of activity	Wholesale lending to microfinance institutions
Establishment	2010 January
Corporate Location	P. O. Box: 24800 Block No 483, Charter Tower Gyaneshwor (Opposite to Sano Gaucharan) Kathmandu, Nepal Phone: +977-1-4425361, +977-1-4425358 Fax: +977-1-4427046 Email: info@fmdb.com.np URL: http://fmdb.com.np
Capital	NRs. 100 million
Sources of Capital	Initial promoters 70% General Public and Employees 30%
Vision & Mission	Vision: Empowering people to minimize poverty and improve livelihood. Mission: Creating opportunity for deprived people by providing resource. Values: Sustainability, Innovation, Integrity & Professionalism.
Objectives/ Goals	What We Do? <ul style="list-style-type: none"> • Integrated Microfinance • Employment Creation • Community Development • Value Chain Creation
Target Clients	Provides wholesale loan/credit with priority to MFI's that: <ul style="list-style-type: none"> • Provide saving, credit, insurance and remittance services to its members, • Serve high percentage of low income individuals particularly women, • Extend operations to rural communities, • Operate or provide linkages to community development and social services.

Progress Report			
	S.N.	Particulars	End of Marga 2069 B.S.
	A.	Coverage	
	1	Number Of Branch Offices	1
	2	Number Of Area Offices	0
	3	Number Of Districts Covered	75
	4	Number Of Districts Served	34
	5	Number of VDCs/ Municipalities Covered	0
	B	Loan Account	
	1	Loan Disbursed	1,011,500
	2	Loan Repaid	551,871
	3	Loan Outstanding	459,629
	C	Saving & Deposits	
	1	Group Fund Saving	0
	2	Personal Saving	0
	3	Other saving	0
	4	Public Deposits	0
	5	Total Saving & Deposits(1+2+3+4)	0
	D	Information On Groups	0
	1	No. Of Active Clients	0
	2	No. Of Loan Clients	61
	3	No. Of Personal Saving Holders	0
	4	No. Of Groups	0
	5	No. Of Centers	0
	E	Information on Staffs	
	1	Total Staffs (Excluding Trainees)	13
	2	Of Which No. Of Female Staffs	Not Available
	3	Number Of Trainees	Not Available
	(Extracted from Nepal Rastra Bank's Website: NRB MICROFIN Progress_Report_of_MFDB_2069-09-30)		
Total Number of Technical Employees	NA		
Products	N/A		
Average Cost of Fund and Lending Interest Rate	NA		

<p>Organization Chart</p>	<p style="text-align: center;">Organization Chart First Microfinance Development Ltd.</p>  <pre> graph TD BD[Board of Directors] --> CEO[Chief Executive Officer] BD --> EA[External Auditor] CEO --> CMO[Chief Microfinance Officer] CMO --> RMD[Risk Management Department] CMO --> FD[Finance Department] CMO --> MD[Microfinance Department] CMO --> ITAD[Information Tech & Admin. Department] CMO --> PD[Personal Department] </pre> <p style="text-align: center; border: 1px solid black; padding: 5px;">Source: Website of First Microfinance Development Bank Ltd., http://fmdb.com.np. Developed from Management Committee List by Deepak K. Shrestha</p>
<p>Source of above Information</p>	<p>Official Website of First Micro Finance Development Bank Ltd. http://fmdb.com.np/ By: Deepak K. Shrestha (ID 1154254) On: 08/07/2013 1:55:30 PM</p>

Annex 6.0: Glimpse of Nirdhan Utthan Bank Ltd.

Institutions	4. Nirdhan Utthan Bank Ltd., Kathmandu																																											
Types of activity	Retail lending to the clients, groups, institutions etc.																																											
Establishment	1998 November																																											
Corporate Location	Sahayog Marg, Nagarjun Galli-House No. 19, Anamnagar, Kathmandu, Nepal Phone No. : 977-1- 4102770, 4238325, 4238326 Fax No. : 977- 1- 4102655 Email: nubl@ntc.net.np http://www.nirdhan.com																																											
Capital	Paid Up: Rs. 192, 456,000.00 (FY 2011-12)																																											
Sources of Capital	<table><tr><th>S.N.</th><th>Shareholders</th><th>Paid Up Rs.</th><th>Percent (%)</th></tr><tr><td>1</td><td>NIRDHAN (The mother NGO)</td><td>21,094,083</td><td>10.96%</td></tr><tr><td>2</td><td>Himalayan Bank Limited (A Commercial Bank)</td><td>21,599,837</td><td>11.22%</td></tr><tr><td>3</td><td>Nabil Bank Limited (A Commercial Bank)</td><td>26,645,589</td><td>13.85%</td></tr><tr><td>4</td><td>Everest Bank Limited (A Commercial Bank)</td><td>21,599,837</td><td>11.22%</td></tr><tr><td>5</td><td>Grameen Trust Bangladesh</td><td>6,872,279</td><td>3.57%</td></tr><tr><td>6</td><td>Private Sector Individuals</td><td>22,202,898</td><td>11.54%</td></tr><tr><td>7</td><td>General public including clients and staffs</td><td>57,923,361</td><td>30.10%</td></tr><tr><td>8</td><td>IFC (Under General Public Share Holder)</td><td>14,518,116</td><td>7.54%</td></tr><tr><td></td><td>Total</td><td>192,456,000</td><td>100%</td></tr></table>				S.N.	Shareholders	Paid Up Rs.	Percent (%)	1	NIRDHAN (The mother NGO)	21,094,083	10.96%	2	Himalayan Bank Limited (A Commercial Bank)	21,599,837	11.22%	3	Nabil Bank Limited (A Commercial Bank)	26,645,589	13.85%	4	Everest Bank Limited (A Commercial Bank)	21,599,837	11.22%	5	Grameen Trust Bangladesh	6,872,279	3.57%	6	Private Sector Individuals	22,202,898	11.54%	7	General public including clients and staffs	57,923,361	30.10%	8	IFC (Under General Public Share Holder)	14,518,116	7.54%		Total	192,456,000	100%
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8	IFC (Under General Public Share Holder)	14,518,116	7.54%																																									
	Total	192,456,000	100%																																									
Vision & Mission	Vision: The vision of Nirdhan Utthan Bank is to be a bank with a social conscience that enables poor to contribute equally to a prosperous, self-reliant rural society through self-employment and social awareness, and help to reduce poverty in Nepal.																																											
Objectives/ Goals	Goals: The primary goals of Nirdhan Utthan Bank are to: Reach a maximum number of poor households with potential and financial viability by adopting proven delivery mechanism.																																											

	<p>Develop a well-managed institution with high staff morality.</p> <p>Enhance women's "self-respect" through social awareness, proper use & on-time repayments of loans, regular savings and provision of related micro-finance services.</p>																											
Target Clients	<p>Criteria for group based financial services:</p> <p>1. Own less than .25 hectares of irrigated land or less than .5 hectares of un-irrigated land per five-person family.</p> <p>2. House must not have cement walls or ceiling (pucca house).</p> <p>3. Permanent residents of area.</p> <p>4. No family members employed in the formal sector.</p> <p>5. No current loans from other financial service providers.</p>																											
Operation Area	<p>Operation Area</p> <p>Branches: 105</p> <p>Districts: 40 out of 75</p> <p>Dadeldhura, Kanchanpur, Kailali, Doti, Bardiya, Banke, Surkhet, Dailekh, Dang, Pyuthan, Kapilvastu, Arghakhachi, Rupandehi, Nawalparasi, Palpa, Syangja, Kaski, Tanahu, Chitwan, Makwanpur, Parsa, Bara, Rautahat, Sarlahi, Mahottari, Dhanusha, Siraha, Saptari, Sunsari, Morang, Dhankuta, Sankhuwasabha, Tehrathum, Jhapa, Ilam, Pachthar, Taplejung, Udaypur, Rolpa and Salyan.</p>																											
Progress Report	<p style="text-align: center;">Program Progress Report</p> <p style="text-align: center;">US\$ 1.00 = NRs.87.16 and Indian Currency Rs. 1.00 = NRs. 1.60</p> <p style="text-align: center;">Amount In '000' NPR</p> <table><tr><th>S.N.</th><th>Particulars</th><th>As of 13 Apr. 2013</th></tr><tr><td>A.</td><td>Coverage</td><td></td></tr><tr><td>1</td><td>Number Of Branch Offices</td><td>105</td></tr><tr><td>2</td><td>Number Of Area Offices</td><td>7</td></tr><tr><td>3</td><td>Number Of Districts Covered</td><td>40</td></tr><tr><td>4</td><td>Number of VDCs Covered</td><td>1,087</td></tr><tr><td>B</td><td>Loan Account</td><td></td></tr><tr><td>1</td><td>Loan Disbursed</td><td>20,141,555</td></tr><tr><td>2</td><td>Loan Repaid</td><td>16,807,047</td></tr></table>	S.N.	Particulars	As of 13 Apr. 2013	A.	Coverage		1	Number Of Branch Offices	105	2	Number Of Area Offices	7	3	Number Of Districts Covered	40	4	Number of VDCs Covered	1,087	B	Loan Account		1	Loan Disbursed	20,141,555	2	Loan Repaid	16,807,047
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B	Loan Account																											
1	Loan Disbursed	20,141,555																										
2	Loan Repaid	16,807,047																										

	3	Loan Outstanding	3,334,508
	C	Saving & Deposits	
	1	Group Fund Saving	587,786
	2	Personal Saving	284,855
	3	Other saving	157,430
	4	Public Deposits	149,501
	5	Total Saving & Deposits(1+2+3+4)	1,179,573
	D	Information On Groups	
	1	No. Of Active Clients	187,382
	2	No. Of Loan Clients	121,860
	3	No. Of Personal Saving Holders	182,867
	4	No. of Groups	29,876
	5	No. Of Centers	8,133
	E	Information on Staffs	
	1	Total Staffs (Excluding Trainees)	538
	2	Of Which No. Of Female Staffs	90
	3	Number Of Trainees	12
Total Number of Technical Employees	None		
Products	Loans: (Amount, Duration, Interest rate declining, Repayment schedule) 1. General Loan (Rs. 20 – 60 K, Max. 2 years, 18-20%, Fortnightly/ Monthly) 2. Seasonal Agricultural Loan (Up to Rs. 5 K, 1 year, 18-20%, Fortnightly/ Monthly) 3. Seasonal Business Loan (Up to Rs. 10 K, 6 months, 18-20%, Fortnightly/ Monthly/ Balloon) 4. Tube Well/ Sanitary Loan (Up to Rs. 5 K, 1 year, 18-20%, Fortnightly/ Monthly) 5. Housing Loan (amount and duration not disclosed, 15-18%, Fortnightly/ Monthly) 6. Micro Enterprise Loan (Up to Rs. 150 K, 2-3 years, 15%, Fortnightly to Quarterly)		

	<p>7. Biogas Loan (Up to Rs. 20 K, 2-5 years, 15 %, Fortnightly/ Monthly)</p> <p>8. Foreign Employment Loan (Up to Rs. 100 K, Up to 3 years, 15%, Fortnightly/Monthly/Quarterly)</p> <p>9. Education Loan (Up to Rs. 50 K, Up to 3 years, 15%, Fortnightly/Monthly/Quarterly)</p> <p>10. Emergency Loan (Up to Rs. 15 K, Up to 2 years, 10%, Fortnightly/Monthly)</p> <p>Saving:</p> <p>1. Savings to Group members</p> <p>2. Savings to General Public</p> <p>Security Services => Micro Insurance:</p> <p>1. Live Stock Insurance</p> <p>2. Micro Life Insurance (Grameen Karza Beema)</p> <p>Remittance Services:</p> <p>1. As an agent/ sub agent of various inter/ national remittance companies, remittance service is provided to the members to send and receive money within the country and to receive from abroad.</p>
Average Cost of Fund and Lending Interest Rate	NA
Organization Structure	

	<p style="text-align: center;">Organization Chart Nirdhan Utthan Bank Ltd.</p> <pre> graph TD Board[Board Of Directors] --> ED[Executive Director] ED --> GM[General Manager] GM --> DGM[Dy. General Manager] DGM --> Director[Director] Director --> AC[Audit Committee] Director --> ID[Internal Audit Department] Director --> PMRD[Planning, Monitoring & Research Department] Director --> ITD[Information Technology Department] Director --> HRM[HRM and Gen. Admin. Department] Director --> TD[Training & Development Department] Director --> AFMD[Account & Fund Mangt. Department] Director --> OD[Operation Department] Director --> RO1[Regional Office Bhairahawa] Director --> RO2[Regional Office Bharatpur] Director --> RO3[Regional Office Birganj] Director --> RO4[Regional Office Kohalpur] Director --> RO5[Regional Office Birtamod] RO1 --> BO1[Branch Office: 19] RO2 --> BO2[Branch Office: 9] RO3 --> BO3[Branch Office: 23] RO4 --> BO4[Branch Office: 24] RO5 --> BO5[Branch Office: 17] </pre> <p>Source: Website of Nirdhan Utthan Bank, http://www.nirdhan.com; Re-drawn by: Deepak K. Shrestha (ID 1154254)</p>
Source of above Information	<p>Official Website of NIRDHAN UTTHAN BANK LTD.: http://www.nirdhan.com By: Deepak K. Shrestha (ID 1154254) On: 29/06/2013 7:41:34 PM</p>

Annex 7.0: Glimpse of Chhimek Laghubitta Bikas Bank Ltd.

Institution	5. Chhimek Laghubitta Bikas Bank Ltd., Kathmandu
Types of activity	Retail lending to the clients, groups, institutions etc.
Establishment	2002 January
Corporate Location	Mid Baneswor-34, Kathmandu Phone No:-01-4490513, 01-4464852 Fax No: - 01-4465785 E-Mail:- cbbhtd@ntc.net.np Website: http://chhimekbank.org/en
Capital	NA
Sources of Capital	NA
Vision & Mission	<p>Vision:</p> <p>The vision of CBB is to be a social conscience bank that enables the poor to contribute equally to a prosperous, self-reliant rural society through self-employment and social awareness and to help reduce poverty in Nepal.</p> <p>Mission:</p> <p>The bank's mission is to extend financial services and social awareness to the poor in under-served and un-served areas of Nepal in a sustainable manner.</p>
Objectives	The specific objective is to improve the socio-economic condition of the poor, the landless, assets-less and the deprived rural women through the microfinance service
Target Clients	The bank targets women who don't have more than 1.5 Bigha (1 hectare) land, a little house, and a yearly income of capital income of less than NRs. 5500.
Operation Area	Branches: 57 Districts: 31 Rautahat, Bara, Parsa, Makawanpur, Chitwan, Kaski, Rupandehi, Tanahu, Gorkha Nawalparasi, Udaypur, Syanja, Sindhuli, Dhading, Lumjung, Mahottari, Jhapa, Sarlahi, Sunsari, Morang, Kavrapalanchowk, Kapilvastu, Pyuthan, Siraha, Dhanusa, Arghakhachi, Surkhet, Banke,

	Dang, Jajarkot and Dailekha
Total Number of Technical Employees	None
Products	<p>Loans:</p> <p>1. Unit Home Loan, 2. Special Card Loan, 3. Normal Loan, 4. Micro Enterprise Loan, 5. Discipline Loan, 6. Consumer Loan, 7. Business Loan, 8. Alternative Energy Loan</p> <p>Saving:</p> <p>1. Unit Fund, 2. Pension Saving, 3. Optional Saving, 4. Mero Sajilo Bachat, 5. Disaster Saving, 6. Compulsory Monthly Saving</p> <p>Security Services:</p> <p>1. Loanee Member Security Service, 2. Cattle Security Scheme</p>
Average Cost of Fund and Lending Interest Rate	NA
Organization Structure	

	<p style="text-align: center;">Organization Chart Chhimek Laghubitta Bikas Bank Ltd.</p> <pre> graph TD GA[General Assembly] --> BD[Board of Directors] BD --> IAC[Internal Auditing Committee] BD --> CEO[Chief Executive Officer] CEO --> PTD[Planning and IT Department] CEO --> TRD[Training Department] CEO --> AD[Account Department] CEO --> ADM[Admin. Department] CEO --> HRD[Human Resource Department] CEO --> WR[Western Regions] CEO --> MR[Mid Regions] CEO --> KR[Kathmandu Regions] CEO --> ER[Eastern Regions] WR --> WB[Branches 14] MR --> MB[Branches 15] KR --> KB[Branches 14] ER --> EB[Branches 14] </pre> <p>Source: http://chhimekbank.org/en Redrawn By: Deepak K. Shrestha (ID 1154254) On: 01/07/2013 9:21:18 AM</p>
Source of above Information	Official website of Chhimek Laghubitta Bikas Bank Ltd.: http://chhimekbank.org/en By: Deepak K. Shrestha (ID 1154254) On: 01/07/2013 9:21:18 AM

Annex 8.0: Glimpse of Swabalamban Laghubitta Bikas Bank Ltd.

Institutions	6. Swabalamban Laghubitta Bikas Bank Ltd.																																						
Types of activity	Retail lending to the clients, groups, institutions etc.																																						
Establishment	2002 January																																						
Corporate Location	<p><u>Corporate office :</u> Maitighar Height, Kathmandu, Nepal Phone: 977-01-4265635, 977-01-4256786 ,9751015366, 9751015367,9751018128 Fax: 977-01-4232229, Email: sb_bank@ntc.net.np / Swbbl@ntc.net.np Website: www.slbbanknepal.com <u>Regd. office :</u> Janakpur, Dhanusha,Nepal Phone/Fax: 041-526353</p>																																						
Capital	<p>Authorized Capital: NRs. 200 million</p> <p>Issued and Paid-up Capital: NRs. 124.70 million</p>																																						
Sources of Capital	<p>Promoters: 70%</p> <p>Public Shareholders: 30%</p> <table border="1"> <thead> <tr> <th>S.N.</th><th>Promoters</th><th>Amount NRs.</th><th>Percent (%)</th></tr> </thead> <tbody> <tr> <td>1</td><td>Centre for Self-Help Development</td><td>28355600</td><td>22.72</td></tr> <tr> <td>2</td><td>Nabil Bank Ltd.</td><td>15002400</td><td>12.02</td></tr> <tr> <td>3</td><td>Nepal Investment Bank Ltd.</td><td>15002400</td><td>12.02</td></tr> <tr> <td>4</td><td>Himalayan Bank Ltd.</td><td>15002400</td><td>12.02</td></tr> <tr> <td>5</td><td>Mahila Sahakari Sanstha Ltd.</td><td>7501200</td><td>6.01</td></tr> <tr> <td>6</td><td>Ram Kumar Shrestha</td><td>1260600</td><td>1.01</td></tr> <tr> <td>7</td><td>Dr. Sumitra Manandhar (Gurung)</td><td>1250200</td><td>1.00</td></tr> <tr> <td>8</td><td>Satis Kumar Shrestha</td><td>840200</td><td>0.67</td></tr> </tbody> </table>			S.N.	Promoters	Amount NRs.	Percent (%)	1	Centre for Self-Help Development	28355600	22.72	2	Nabil Bank Ltd.	15002400	12.02	3	Nepal Investment Bank Ltd.	15002400	12.02	4	Himalayan Bank Ltd.	15002400	12.02	5	Mahila Sahakari Sanstha Ltd.	7501200	6.01	6	Ram Kumar Shrestha	1260600	1.01	7	Dr. Sumitra Manandhar (Gurung)	1250200	1.00	8	Satis Kumar Shrestha	840200	0.67
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8	Satis Kumar Shrestha	840200	0.67																																				

	9	Nanda Ram Baidhya	735400	0.59																								
Vision & Mission	Vision: To contribute to establish poverty free prosperous society Mission: To uplift socio-economic condition of rural and urban disadvantaged poor by providing easy access to microfinance services																											
Objectives	<p>The primary objective of the Bank is to provide the disadvantaged section of the rural poor with easy access to credit, which will help them to uplift their socio-economic status and make the full use of their existing skills and resources. The specific objectives include:</p> <ul style="list-style-type: none">• Providing credit support to low income people for promoting various income raising activities by mobilizing local capital, indigenous skills and labour.• Raising production and productivity of poor communities by utilizing their skills and resources.• Providing the poor people with capital to encourage them to undertake productive enterprises.• Mobilizing rural savings and strengthening credit delivery system to help increase productive assets of the poor people.• Making the poor communities aware and conscious among the poor communities on the need and importance of self-help development. <p>o</p>																											
Target Clients	<ul style="list-style-type: none">• The family having yearly income less than deprived class that is defined by the Government of Nepal.• Only the women could be the members of the bank.																											
Operation Area	45 Districts																											
Progress Report	<p>Program Progress Report</p> <p>As of 2069 Mangsir (2012 Dec.)</p> <table><tr><th>S.N.</th><th>Particulars</th><th>As of 13 Apr. 2013</th></tr><tr><td>A.</td><td>Coverage</td><td></td></tr><tr><td>1</td><td>Number Of Branch Offices</td><td>108*</td></tr><tr><td>2</td><td>Number Of Area Offices</td><td>6311</td></tr><tr><td>3</td><td>Number Of Districts Covered</td><td>45*</td></tr><tr><td>4</td><td>Number of VDCs/ Municipalities Covered</td><td>790</td></tr><tr><td>B</td><td>Loan Account</td><td></td></tr><tr><td>1</td><td>Loan Disbursed</td><td>2055399216*</td></tr></table>				S.N.	Particulars	As of 13 Apr. 2013	A.	Coverage		1	Number Of Branch Offices	108*	2	Number Of Area Offices	6311	3	Number Of Districts Covered	45*	4	Number of VDCs/ Municipalities Covered	790	B	Loan Account		1	Loan Disbursed	2055399216*
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1	Loan Disbursed	2055399216*																										

	2	Loan Repaid	15,577,491
	3	Loan Outstanding	2,204,844
	C	Saving & Deposits	1002120451*
	1	Group Fund Saving	432,956
	2	Personal Saving	618,109
	3	Other saving	15,932
	4	Public Deposits	0
	5	Total Saving & Deposits(1+2+3+4)	
	D	Information On Groups	
	1	No. Of Active Clients	161,340
	2	No. Of Loan Clients	113,203
	3	No. Of Personal Saving Holders	161,340
	4	No. of Groups	34,038
	5	No. Of Centers	6311
	E	Information on Staffs	
	1	Total Staffs (Excluding Trainees)	555
	2	Of Which No. Of Female Staffs	
	3	Number Of Trainees	
	(Extracted from Nepal Rastra Bank's Website: http://www.nrb.org.np/ NRB MICROFIN Progress_Report_of_MFDB_2069-09-30) *Extracted from 11 th Annual Meeting of the Bank.		
Total Number of Technical Employees	None (Previous technical staffs are working in non-technical field in present time.)		
Products	Loans: A. Micro Loan <ul style="list-style-type: none"> General Loan (~ NRs. 100 K, 12-24 months) Seasonal Loan (~ NRs. 30 K, 12 Months) Emergency Loan (~ NRs. 2 K, 6 months) Special Loan (Additional NRs. 10 K, 12 months) B. Micro Entrepreneur Loan <ul style="list-style-type: none"> Micro Entrepreneur Loan (NRs. 150-300 K, 2 yrs, need collateral) Foreign Employment Loan (~ NRs. 100 K, 2 yrs, need collateral) Education Loan (~ NRs. 100 K, 3 yrs, need collateral) Home Loan (~ NRs. 200 K, 5 yrs, need collateral) Personal Loan (~ NRs. 60 K, need collateral, no need of group) Saving:		

	<ol style="list-style-type: none"> 1. Compulsory Saving 2. Centre Fund Saving 3. Optional saving 4. Welfare Fund 5. Education, Pension Saving 6. Festival Saving <p>Security Services:</p> <ol style="list-style-type: none"> 1. Life and Home Security Program 2. Livestock Security Program
Average Cost of Fund and Lending Interest Rate	<p>Loan: Ranging from 12 – 25% per annum</p> <p>Saving: 8% per annum in general</p>
Organization Structure	<p style="text-align: center;">Organization Chart Swabalamban Laghubitta Bikas Bank Ltd.</p> <pre> graph TD GA[General Assembly] --> BD[Board of Directors] BD --> CEO[Chief Executive Officer] BD --> AC[Audit Committee] CEO --> CS[Company Secretary/ Legal & Share] CEO --> ADM[Ast. / Dyp. / Gen. Manager] ADM --> PIM[Planning/ Implementing/ Monitoring/ Evaluation Dept.] ADM --> HTA[HR, Training & Admin Department] ADM --> FMD[Finance & MIS Department] ADM --> ID[Internal Audit Department] PIM --> PIS[Plan/ Imple. Section] PIM --> ME[Monitoring & Eva. Section] HTA --> HGA[HR & Gen. Adm. Section] HTA --> TCS[Training & Communication Section] FMD --> FACS[Finance & A/C Section] FMD --> MISIT[MIS & IT Section] ADM --> RO[Regional Office] RO --> AO1[Area office Birtamod] RO --> AO2[Area office Itahari] RO --> AO3[Area office Lahan] RO --> AO4[Area office Bardibas] RO --> AO5[Area office Birganj] RO --> AO6[Area office Kathmandu] RO --> AO7[Area office Damauli] RO --> AO8[Area office Dang] AO1 --> BO1[Branch offices] AO2 --> BO2[Branch offices] AO3 --> BO3[Branch offices] AO4 --> BO4[Branch offices] AO5 --> BO5[Branch offices] AO6 --> BO6[Branch offices] AO7 --> BO7[Branch offices] AO8 --> BO8[Branch offices] </pre> <p>Source: Website of Swabalamban Laghubitta Bikas Bank Ltd. www.slbbanknepal.com Re-developed by: Deepak K. Shrestha (ID 1154254)</p>
Source of above Information	<p>Official Website of Swabalamban Laghubitta Bikas Bank Ltd., http://slbbanknepal.com</p> <p>NRB site, http://www.nrb.org.np/</p> <p>Broacher of the bank, published in Nepali</p> <p>By: Deepak K. Shrestha (ID 1154264)</p> <p>On: 01/07/2013 11:42:32 AM</p>

Annex 9.0: Glimpse of Deprosc Laghubitta Bikas Bank Ltd.

Institutions	7. Deprosc Laghubitta Bikas Bank Ltd.																												
Types of activity	Retail lending to the clients, groups, institutions etc.																												
Establishment	July 2001																												
Corporate Location	Shahid Chowk, Narayangarh, Chitwan, Nepal Phone: +977 56 527900; Fax: 523056 Website: www.ddbank.org.np Liaison Office: M M Complex, Kuleshwor, Kathmandu, Nepal Phone: +977 1 4288650; Fax: 4288652 Email: ddbank@wlink.com.np																												
Capital	NRs. 106.141 million (FY 2068-69)																												
Sources of Capital	Promoters: 69.93 % General Public: 30.07 % <table border="1"> <thead> <tr> <th>S.N.</th><th>Shareholders</th><th>Percentage of Share (%)</th></tr> </thead> <tbody> <tr> <td>1</td><td>Nabil Bank Ltd. ("A" Class)</td><td>12.92</td></tr> <tr> <td>2</td><td>Nepal Bank Ltd. ("A" Class)</td><td>12.92</td></tr> <tr> <td>3</td><td>Agricultural Development Bank ("A" Class)</td><td>9.65</td></tr> <tr> <td>4</td><td>Lumbini Finance & Leasing Co. Ltd. ("C" Class)</td><td>12.92</td></tr> <tr> <td>5</td><td>Deprosc Nepal (NGO)</td><td>14.98</td></tr> <tr> <td>6</td><td>CEAPRED</td><td>0.86</td></tr> <tr> <td>7</td><td>Individual Promoters</td><td>5.68</td></tr> <tr> <td>8</td><td>General Public</td><td>30.07</td></tr> </tbody> </table>		S.N.	Shareholders	Percentage of Share (%)	1	Nabil Bank Ltd. ("A" Class)	12.92	2	Nepal Bank Ltd. ("A" Class)	12.92	3	Agricultural Development Bank ("A" Class)	9.65	4	Lumbini Finance & Leasing Co. Ltd. ("C" Class)	12.92	5	Deprosc Nepal (NGO)	14.98	6	CEAPRED	0.86	7	Individual Promoters	5.68	8	General Public	30.07
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8	General Public	30.07																											
Vision & Mission	Vision: Constantly access to financial services for poor, particularly those living below poverty line by providing financially viable, technically competent and sustainable microfinance services. Mission: The financial services to poor could create employment to generate disposable income, for making expenditure on basic food, health,																												

	education, shelter and clothing to escape from poverty.
Objectives	<ul style="list-style-type: none"> ◆ To provide competent and sustainable microfinance services. ◆ To empower the woman from backward communities. ◆ To provide microfinance services which is adaptable at local situation and that is cost effective, financially viable and sustainable. ◆ To Increase outreach by scaling up the program and designing demand driven products, ◆ To reach bottom poor and vulnerable groups, ◆ To ensure financial viability and sustainability of the program, ◆ To improve lives of the poor and disadvantages groups.
Target Clients	<ul style="list-style-type: none"> • Families living below than poverty line or families whose income is below than per capita income, • Families whose lands are below than 0.5 hectare irrigated land, 1 hectare un-irrigated lands which productions are insufficient for family feeding, • Communities of rural areas who are in the condition of unemployment or underemployment, • Women from marginal societies, abandoned, single, scheduled castes, Madhesi, and Muslim communities who have skill and interest, • Families who are interested to improve their economic condition from microfinance services, • Other individuals, groups, families and classes as defined by Board of Directors.
Operation Area	25 Districts: Udaypur, Sindhuli, Ramechhap, Dolakha, Sindhupalcho, Kavre, Sarlahi, Rautahat, Makawanpur, Parsa, Nuwakot, Rasuwa, Dhading, Chitwan, Nawalparasi, Tanahu, Gorkha, Kaski, Syangja, Palpa, Rupandehi, Arghakhanchi, Lalitpur
Total Number of Technical Employees	None
Products	Loan: General Loan <ul style="list-style-type: none"> • For small shops, service business, Cash crop farming and small trading • Payable in 10 Monthly instalments

	<ul style="list-style-type: none"> • Initial maximum loan size up to Rs. 25 thousand without collateral • First instalment starts after 2 month
	Livestock Loan <ul style="list-style-type: none"> • For buffalo, cow, ox, horse Keeping with insurance and other livestock's without insurance • Insurance premium as prescribed by government • Payable in 10 -18 monthly instalments • Initial maximum loan size up to Rs. 60 thousand without collateral • First instalment starts after 2 month
	Project Loan <ul style="list-style-type: none"> • For small running Business • Payable in 10 or 18 (optional) monthly instalment • Initial maximum loan size up to Rs. 60 thousand without collateral • First instalment starts after 2 month
	Micro Enterprises Loan <ul style="list-style-type: none"> • For running enterprises (scaled up) • Payable in 18 or 24 monthly instalment • Initial maximum loan size up to Rs. 150 thousand with collateral • First instalment starts after 2 month
	Discipline Loan <ul style="list-style-type: none"> • For disciplined Borrowers • After payment of half no of instalment • Within approved limit • Other condition are same as consuming loan
	Motherhood Loan <ul style="list-style-type: none"> • For nutrition, safe delivery and motherhood related treatment. • In multiple of saving amount not exceeding Rs 100 thousands without collateral • Concessional Interest Rate • Grace period 1 month for nutrition 2 month for normal delivery and 3 months for scissoring case.
	Saving: Compulsory Monthly Saving

	<ul style="list-style-type: none"> • In enrolment Rs. 200 • Monthly Rs. 70 • Refundable more than Rs 5000 in multiple of 500 or in dropout.
	Personal Saving <ul style="list-style-type: none"> • In enrolment Rs. 100 • Account opening compulsory • Minimum balance Rs. 100 • Transaction as per desire
	Loan Guarantee Saving <ul style="list-style-type: none"> • Applicable for borrower only • 5% of Loan amount • Refundable on loan settlement
	Motherhood Saving <ul style="list-style-type: none"> • Optional • Monthly In multiple of 100 • Refundable after 6 month
	Retirement Saving <ul style="list-style-type: none"> • Optional • For 15 years • Monthly Deposit in multiple of 10 • Surrender Facility • Refundable 385 times of monthly deposit
	Remittance: <ul style="list-style-type: none"> • Instalment payment services for member from any branch without any cost • Remittance services for member to relative or relative to member without any cost
	Credit Guarantee: <ul style="list-style-type: none"> • In collaboration with Deposit and Credit Guarantee Corporation the bank is providing credit guarantee service for big livestock credit.
	Plus Services
	Welfare services: <ul style="list-style-type: none"> • Borrower should contribute to Borrower's welfare fund

	<ul style="list-style-type: none"> Welfare services for consuming loan without collateral In case of non defaulter Member death Rs 2000 will be provided for ritual expenses. All the gross outstanding loan and interest will be subsidized in case of death of borrower in without collateral loan <p>Other services</p> <ul style="list-style-type: none"> Financial Literacy classes to members Regular Interaction program Exposure visit Regular social awareness program Linkage for skill development trainings
Average Cost of Fund and Lending Interest Rate	NA
Organization Structure	NA
Source of above Information	<p>Official website of Deprosc Laghubitta Bikas Bank Ltd.</p> <p>http://www.ddbank.org.np/en/</p> <p>By: Deepak K. Shrestha (ID 1154254) , On: 25/07/2013 9:44:05 AM</p>

Annex 10.0: Glimpse of NeRuDe Laghubitta Bikas Bank Ltd.

Institutions	8. NeRuDe Laghubitta Bikas Bank Ltd.																															
Types of activity	Retail lending to the clients, groups, institutions etc.																															
Establishment	2007																															
Corporate Location	Head Office: Bhanu Tole, Biratnagar-14 Morang, Nepal Phone +977-21-524560, 440178 Fax No. +977-21-531087 Email : info@nerude.org.np website : www.nerude.org.np																															
Capital	Promoters: 70% Public Shareholders: 30% Authorized Capital: NRs. 100 million Issued/ Paid-up Capital: NRs. 64.4 million																															
Sources of Capital	<table><tr><td>S.N.</td><td>Description</td><td>NRs.</td><td>Percent (%)</td></tr><tr><td></td><td>Promoters</td><td></td><td></td></tr><tr><td>1</td><td>Nepal Rural Development Society Centre</td><td>14,000,000</td><td>21.739%</td></tr><tr><td>2</td><td>Biratnaxmi Bikas Bank Ltd.</td><td>9800000</td><td>15.217%</td></tr><tr><td>3</td><td>Promoters from Private Sectors</td><td>15400000</td><td>23.913%</td></tr><tr><td>4</td><td>General Public Shareholders</td><td>16800000</td><td>26.087%</td></tr><tr><td>5</td><td>To be add bonus share</td><td>8400000</td><td>13.043%</td></tr></table>				S.N.	Description	NRs.	Percent (%)		Promoters			1	Nepal Rural Development Society Centre	14,000,000	21.739%	2	Biratnaxmi Bikas Bank Ltd.	9800000	15.217%	3	Promoters from Private Sectors	15400000	23.913%	4	General Public Shareholders	16800000	26.087%	5	To be add bonus share	8400000	13.043%
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Vision & Mission	The objective of uplifting the socio-economic status of rural poor, has initiated micro-financial services and community development activities to female group members by replicating the basic approach of Grameen Bank Financial System of Bangladesh (GBFS).																															
Objectives	NA																															
Target Clients	Poor people and women																															

Operation Area	14 Districts: Jhapa, Morang, Sunsari, Saptari, Udayapur, Siraha, Dhanusha, Mohattari, Sindhuli, Sarlahi, Rautahat, Dhankuta, Terhathum, Ilam																																																																																	
Progress Report	<div>Program Progress Report</div> <table><tr><th>S.N.</th><th>Particulars</th><th>As of 2069 Paush End</th></tr><tr><td>A.</td><td>Coverage</td><td></td></tr><tr><td>1</td><td>Number Of Branch Offices</td><td>40*</td></tr><tr><td>2</td><td>Number Of Area Offices</td><td></td></tr><tr><td>3</td><td>Number Of Districts Covered</td><td>14*</td></tr><tr><td>4</td><td>Number of VDCs/ Municipalities Covered</td><td>229</td></tr><tr><td>B</td><td>Loan Account</td><td></td></tr><tr><td>1</td><td>Loan Disbursed</td><td>5705103</td></tr><tr><td>2</td><td>Loan Repaid</td><td>4909765</td></tr><tr><td>3</td><td>Loan Outstanding</td><td>795338</td></tr><tr><td>C</td><td>Saving & Deposits</td><td></td></tr><tr><td>1</td><td>Group Fund Saving/ Compulsory</td><td>101712</td></tr><tr><td>2</td><td>Personal Saving/ Optional</td><td>232604</td></tr><tr><td>3</td><td>Other saving</td><td>0</td></tr><tr><td>4</td><td>Public Deposits</td><td>0</td></tr><tr><td>5</td><td>Total Saving & Deposits(1+2+3+4)</td><td>334316</td></tr><tr><td>D</td><td>Information On Groups</td><td></td></tr><tr><td>1</td><td>No. Of Active Clients</td><td>63705</td></tr><tr><td>2</td><td>No. Of Loan Clients</td><td>49126</td></tr><tr><td>3</td><td>No. Of Personal Saving Holders</td><td></td></tr><tr><td>4</td><td>No. of Groups</td><td>14691</td></tr><tr><td>5</td><td>No. Of Centers</td><td>3305</td></tr><tr><td>E</td><td>Information on Staffs</td><td></td></tr><tr><td>1</td><td>Total Staffs (Excluding Trainees)</td><td>246</td></tr><tr><td>2</td><td>Of Which No. Of Female Staffs</td><td></td></tr><tr><td>3</td><td>Number Of Trainees</td><td></td></tr><tr><td colspan="3"><div><div><div></div><div>(Extracted from Nepal Rastra Bank's Website: NRB site: http://www.nrb.org.np/ NRB MICROFIN Progress_Report_of_MFDB_2069-09-30)</div></div></div></td></tr></table>	S.N.	Particulars	As of 2069 Paush End	A.	Coverage		1	Number Of Branch Offices	40*	2	Number Of Area Offices		3	Number Of Districts Covered	14*	4	Number of VDCs/ Municipalities Covered	229	B	Loan Account		1	Loan Disbursed	5705103	2	Loan Repaid	4909765	3	Loan Outstanding	795338	C	Saving & Deposits		1	Group Fund Saving/ Compulsory	101712	2	Personal Saving/ Optional	232604	3	Other saving	0	4	Public Deposits	0	5	Total Saving & Deposits(1+2+3+4)	334316	D	Information On Groups		1	No. Of Active Clients	63705	2	No. Of Loan Clients	49126	3	No. Of Personal Saving Holders		4	No. of Groups	14691	5	No. Of Centers	3305	E	Information on Staffs		1	Total Staffs (Excluding Trainees)	246	2	Of Which No. Of Female Staffs		3	Number Of Trainees		<div><div><div></div><div>(Extracted from Nepal Rastra Bank's Website: NRB site: http://www.nrb.org.np/ NRB MICROFIN Progress_Report_of_MFDB_2069-09-30)</div></div></div>		
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Products	<div>Loans:</div> <div><div></div>General Loan</div>																																																																																	

	<ul style="list-style-type: none"> ◆ Seasonal Loan ◆ Business Loan (20 – 40+ K) ◆ Biogas Loan ◆ Livestock Loan ◆ Collateral Loan <ul style="list-style-type: none"> ◆ Business Loan ◆ Education Loan ◆ Foreign Employment Loan <p>Savings:</p> <ul style="list-style-type: none"> ◆ Group Fund Saving ◆ Personal Voluntary Saving ◆ Central Fund Saving ◆ Life (two) Saving <p>Insurance Services</p> <ul style="list-style-type: none"> ◆ Livestock Insurance
Average Cost of Fund and Lending Interest Rate	N/A
Organization Structure	<p style="text-align: center;">Organization Chart NeRuDe Laghubitta Bikas Bank Ltd., Biratnagar</p> <p style="text-align: right; font-size: small;">Source: http://www.nerude.org.np Developed by: Deepak K. Shrestha</p> <pre> graph TD GA[General Assembly] --> BD[Board of Directors] BD -.-> AC[Audit Committee] BD --> ED[Executive Director] ED --> IAD[Internal Audit Department] ED --> AD[Administration Department] ED --> FD[Finance Department] ED --> PMIS[Planning & MIS Department] ED --> BCD[Banking & Credit Department] IAD --> IOB[Area Office Biratnagar] AD --> IOI[Area Office Itahari] FD --> IOBt[Area Office Bitamod] PMIS --> IOBd[Area Office Bardibas] BCD --> IOBd IOB --> BOB[Branch Offices] IOI --> BOI[Branch Offices] IOBt --> BOBt[Branch Offices] IOBd --> BOBd[Branch Offices] </pre>
Source of above Information	<p>Official Website of Nerude Laghubitta Bikas Bank Ltd. http://www.nerude.org.np/ By: Deepak K. Shrestha (ID 1154254) On: 21/07/2013 9:23:31 PM</p>

Annex 11.0: Glimpse of Naya Nepal Laghu Bittiya Bikas Bank Ltd.

Institutions	9. Naya Nepal Laghu Bitta Bikas Bank Ltd.
Types of activity	Retail lending to the clients, groups, institutions etc.
Establishment	N/A
Corporate Location	Head Office: Dhulikhel, Kavre P. Box No.: 36 Tel.: +977 -11-490671 Fax: +977 -11- 490672 E-mail: info@nemfin.com.np / nemfin@ntc.net.np
Capital	NRs. 20 million
Sources of Capital	Initial promoters 70% General Public and Employees 30%
Vision & Mission	<p>Vision:</p> <p>To become a sustainable and leading commercial microfinance institution in Nepal.</p> <p>Mission:</p> <p>Reading out to encouraging poor people of the central and Eastern Regions through microfinance services including special support package (Solar Home System, Biogas and Irrigation, etc.) and making them financially empowered.</p>
Objectives/ Goals	<p>Core Values</p> <ul style="list-style-type: none"> • The belief, its core value as under for sustainable microfinance services: • Poor are honest and bankable. • To get micro credit is just like a human right of the poor people. • Savings for future economic strength. • Microfinance for poverty alleviation achieved through income generation activities which leads to peace and prosperity. • Microfinance for collectiveness and community development. • Inclusive financial services without political interference. • Bank will not survive without the cooperation of valued customers. <hr/> <p>Program Principles</p> <ul style="list-style-type: none"> • Focus on poor, micro-entrepreneurs, small and medium scale

	<p>enterprises with an aim to benefit and empower the un-served and underserved people;</p> <ul style="list-style-type: none">• Scaling up to achieve the goals of impact and sustainability;• Operating under market realities including charging a market based interest rate and full cost recovery;• Regular monitoring and evaluation to improve program quality and measure the impact on clients. <p>Objectives</p> <ul style="list-style-type: none">◆ To provide all kinds of sustainable microfinance services to its clients of the operational areas of the bank.◆ To help develop banking and saving habits amongst rural people, generate saving mobilize for its best utilization.◆ To provide alternative financial services to its clients such as remittance services and insurance products.◆ To make its clients financially empowered through microfinance services.◆ To generate employment opportunities including self-employment in the project area of the bank.◆ To provide microfinance services to at least one member from the deprived household.◆ To maintain a constant and close relationship with its beneficiaries.																																							
Target Clients	Economically disadvantaged people of Nepal																																							
Progress Report	<table><tr><th>S.N.</th><th>Particulars</th><th>As of Paush End 2069</th></tr><tr><td>A.</td><td>Coverage</td><td></td></tr><tr><td>1</td><td>Number Of Branch Offices</td><td>6</td></tr><tr><td>2</td><td>Number Of Area Offices</td><td></td></tr><tr><td>3</td><td>Number Of Districts Covered</td><td>5</td></tr><tr><td>4</td><td>Number Of Districts Served</td><td>5</td></tr><tr><td>5</td><td>Number of VDCs/ Municipalities Covered</td><td>53</td></tr><tr><td>B</td><td>Loan Account</td><td></td></tr><tr><td>1</td><td>Loan Disbursed</td><td>324585</td></tr><tr><td>2</td><td>Loan Repaid</td><td>255916</td></tr><tr><td>3</td><td>Loan Outstanding</td><td>72629</td></tr><tr><td>C</td><td>Saving & Deposits</td><td></td></tr><tr><td>1</td><td>Group Fund Saving</td><td>14997</td></tr></table>	S.N.	Particulars	As of Paush End 2069	A.	Coverage		1	Number Of Branch Offices	6	2	Number Of Area Offices		3	Number Of Districts Covered	5	4	Number Of Districts Served	5	5	Number of VDCs/ Municipalities Covered	53	B	Loan Account		1	Loan Disbursed	324585	2	Loan Repaid	255916	3	Loan Outstanding	72629	C	Saving & Deposits		1	Group Fund Saving	14997
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	2	Personal Saving	12642
	3	Other saving	
	4	Public Deposits	
	5	Total Saving & Deposits(1+2+3+4)	27639
	D	Information On Groups	
	1	No. Of Active Clients	3383
	2	No. Of Loan Clients	3204
	3	No. Of Personal Saving Holders	3296
	4	No. Of Groups	730
	5	No. Of Centers	271
	E	Information on Staffs	
	1	Total Staffs (Excluding Trainees)	28
	2	Of Which No. Of Female Staffs	Not Available
	3	Number Of Trainees	Not Available
	(Extracted from Nepal Rastra Bank's Website: NRB MICROFIN Progress_Report_of_MFDB_2069-09-30)		
Total Number of Technical Employees	None		
Products	<p>Credits:</p> <p>First loan maximum NRs. 30,000/-</p> <p>Second loan NRs. 50,000/-</p> <p>Third loan NRs. 60,000/-</p> <p>Credit with collateral up to NRs.150,000/-</p> <p>Total credit package (TCP)</p> <p>Graduated clients and Green-Card Holder clients will be provided total credit package services for catering the credit need for one year.</p> <p>Group Saving and Deposit Mobilization:</p> <ul style="list-style-type: none"> i. Compulsory saving deposit (CSD) ii. Voluntary saving <p>Other Services:</p> <p>Remittance service to rural people through branch offices.</p> <p>Micro Insurance Service:</p> <p>Micro insurance service is linked with the credit projects, upfront 1 percent of total loan will be charged as premium.</p>		

Average Cost of Fund and Lending Interest Rate	NA
Organization Chart	NA
Source of above Information	<p>From profile, Broacher, and website of Naya Nepal Laghubitta Bikas Bank Ltd.</p> <p>http://nemfin.com.np/pages/contactus.php</p> <p>By: Deepak K. Shrestha (ID 1154254)</p> <p>On: 21/07/2013 7:01:12 PM</p>

Annex 12.0: Glimpse of Laxmi Laghubitta Bittiya Sanstha Ltd.

Institutions	10. Laxmi Laghubitta Bittiya Sanstha Limited (LLBS) (Subsidiary of Laxmi Bank Ltd.)
Types of activity	Retail lending to the clients, groups, institutions etc.
Establishment	2011 September
Corporate Location	1st Floor, Alfa Beta Complex, New Baneshwor, Kathmandu, Nepal Tel: +977 1 478 5307 / 478 5308 Email: info@laxmilaghu.com.np URL: http://www.llbs.com.np
Capital	NRs. 100 million
Sources of Capital	Initial promoters 70% General Public and Employees 30% Laxmi Bank Ltd. NRs. 70 million General Public through IPO in near future.
Vision & Mission	Vision: To be a pioneer microfinance institution committed to improving quality of life through the provision of inclusive and sustainable microfinance services to the economically disadvantaged people of Nepal. Mission: We are committed to provide customer friendly financial products and services to the poor and disadvantaged community and promote economic activities in un-served and underserved areas of Nepal in a sustainable manner.
Objectives/ Goals	Program Principles <ul style="list-style-type: none"> • Focus on poor, micro-entrepreneurs, small and medium scale enterprises with an aim to benefit and empower the un-served and underserved people; • Scaling up to achieve the goals of impact and sustainability; • Operating under market realities including charging a market based interest rate and full cost recovery; • Regular monitoring and evaluation to improve program quality and measure the impact on clients.

Target Clients	Economically disadvantaged people of Nepal			
Progress Report				
	S.N.	Particulars	As of Paush End 2069	
	A.	Coverage		
	1	Number Of Branch Offices	5	
	2	Number Of Area Offices		
	3	Number Of Districts Covered	75	
	4	Number Of Districts Served	6	
	5	Number of VDCs/ Municipalities Covered	27	
	B	Loan Account		
	1	Loan Disbursed	32100	
	2	Loan Repaid	8200	
	3	Loan Outstanding	23900	
	C	Saving & Deposits		
	1	Group Fund Saving	2064	
	2	Personal Saving	1180	
	3	Other saving	41	
	4	Public Deposits	0	
	5	Total Saving & Deposits(1+2+3+4)	3285	
	D	Information On Groups		
	1	No. Of Active Clients	1899	
	2	No. Of Loan Clients	974	
	3	No. Of Personal Saving Holders		
	4	No. Of Groups	350	
	5	No. Of Centers	131	
	E	Information on Staffs		
	1	Total Staffs (Excluding Trainees)	27	
	2	Of Which No. Of Female Staffs	Not Available	
	3	Number Of Trainees	Not Available	
	(Extracted from Nepal Rastra Bank's Website: NRB MICROFIN Progress_Report_of_MFDB_2069-09-30)			
	Total Number of Technical Employees	None		
	Products	Credit Services: Laxmi Laghubitta Bittiya Sanstha Limited currently offers following loan products: Income Generating (IG) Loan: After completion of the compulsory group training (CGT) and group		

	<p>recognition test (GRT) clients are eligible to take IG Loan. Clients choose their project as per their own knowledge about any kind of IGA, and can submit loan application at the center. The maximum Loan amount per client is NPR 90,000 and available at 20% interest rate charged on declining basis.</p> <p>Social/Consumption Loans (SC):</p> <p>Beside the Income generating Loan (IG Loan) the LLBS try to satisfy the Social and Consumption need of the clients by providing Social/consumption loans. The maximum amount for this Loan is NPR 20,000 and provided at 20% interest rate for maximum period of 18 months.</p> <p>Group-based Micro-enterprise Loan (GME):</p> <p>This loan product is designed to satisfy credit need of micro-entrepreneurs. It is provided to graduated clients from the groups. The maximum loan amount of this loan is Rs. 200,000 and is provided for maximum 3 years period at the rate of 18% per annum. Project viability, client's integrity and the physical collateral are the basis to provide this loan.</p> <p>Individual Micro-enterprise Individual (IME) Loan:</p> <p>LLBS provides IME loan to the missing middle or poor clients who do not wish to join groups for various reasons. The maximum loan amount of this loan is Rs. 90,000 and is provided for maximum 3 years period at the interest rate of 18% per annum. Project viability, client's integrity and the physical collateral are the basis to provide this loan. The physical collateral will be required to avail this loan</p> <p>Saving Services:</p> <p>The institution offers two type of saving products to its member clients. The saving products currently available are:</p> <p>Compulsory Savings (CS):</p> <p>This is mandatory Savings and is linked with loan disbursement. The clients are required to deposit 4% of their loan disbursement in this account. This product is designed to encourage saving habits of clients as well as to provide safety net for both LLSB and client. Clients earn 8% interest on these savings. The clients can withdraw the amount</p>
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	<p>from this saving as and when required keeping at-least 10% of loan outstanding or Rs. 500.00 whichever is higher.</p> <p>Samriddhi Savings (SS):</p> <p>This is the voluntary saving product offered to all its clients. A client can open his/her account with a minimum of Rs.10.00. Clients earn 8% interest on this saving. S/he can deposit in this account when he or she has surplus and withdraw from this account as per his/her needs.</p>
Average Cost of Fund and Lending Interest Rate	NA
Organization Chart	<p style="text-align: center;">Laxmi Laghu Bittaya Sanstha Ltd.</p> <pre> graph TD Board[Board of Directors] --> CS[Company Secretary] Board --> CEO[Chief Executive Officer] CEO --> Credit[Credit Department] CEO --> Finance[Finance Department] CEO --> Admin[Operation & Admin Department] Admin --> Battar[Battar Branch] Admin --> Charikot[Charikot Branch] Admin --> Bahunepani[Bahunepani Branch] Admin --> Mahadevbesi[Mahadevbesi Branch] Admin --> Bhanjyang[Bhanjyang Pokhari Branch] </pre> <p style="text-align: right; font-size: small;">Developed by: Deepak K. Shrestha Source: http://www.llbs.com.np; Management Team;</p>
Source of above Information	<p>Official Website of Laxmi Laghubittiya Sanstha Ltd. http://www.llbs.com.np</p> <p>By: Deepak K. Shrestha (ID 1154254) On:11/07/2013 9:55:57 AM</p>

Annex 13.0: Glimpse of Swarojgar Laghubitta Bikas Bank Ltd.

Institutions	11. Swarojgar Laghubitta Bikas Bank Ltd.
Types of activity	Retail lending to the clients, groups, institutions etc.
Establishment	N/A
Corporate Location	Central Office: Banepa-10, Kavrepalanchok Tel: +977 011-661060 EE-mail: info@slbbl.com.np Website: http://slbbl.com.np
Capital	Authorized Capital NRs. Issued/ Paid Up Capital NRs. 1 Crore 57 Lakh Promoters' Contribution 70% NRs. 10,990,000 Public Share offering in future 30% NRs. 4,710,000
Sources of Capital	N/A
Vision & Mission	<p>Vision:</p> <p>Mission:</p> <p>Basic values:</p> <ul style="list-style-type: none"> • Underprivileged people are also honest and qualified for banking. • Microfinance is the human rights of deprived people. • Saving is for future prosperous. • Microfinance increases employments and creates assets and helps eradicating poverty and ultimately brings peace and progress. • Microfinance is for community and social development. • Balanced microfinance services for equality without partiality regardless politics, sexuality, religion and so forth. • Bank only could be succeed with the help and belief of the clients. <p>Strategies:</p> <ol style="list-style-type: none"> 1. Forced (compulsory) saving systems to all the clients 2. Microfinance services to all deprived families. 3. Complete package of microfinance services for the clients. 4. Compulsory of financial discipline for microfinance service. 5. Priority to women, schedule casts, indigenous people and minority groups 6. Group guarantee for tiny credits and personal guarantee for comparatively smaller credits. 7. Regular instalment system i.e. interest and principal. 8. Transparent and prompt service. 9. Service on the door step.

	10. Small and smart employees based. 11. Credit with additional services.																																																																		
Objectives	1. To provide sustainable microfinance service to all the clients of the operational area. 2. To make habit of people for banking systems, encouraging for saving and investing to good things. 3. To provide additional new financial services like social security funds and remittance and so forth. 4. To empower the clients through microfinance activities. 5. To help clients for self-employment. 6. To provide financial service to at least one member of each deprived family. 7. To maintain good interpersonal relationship with the clients in regular basis.																																																																		
Target Clients	N/A																																																																		
Operation Area	3 Districts: Kavre, Makawanpur, Chitwan																																																																		
Progress Report	<div>Program Progress Report As of 2069 Mangsir (2012 Dec.)</div> <table><tr><th>S.N.</th><th>Particulars</th><th>As of 13 Apr. 2013</th></tr><tr><td>A.</td><td>Coverage</td><td></td></tr><tr><td>1</td><td>Number Of Branch Offices</td><td>8</td></tr><tr><td>2</td><td>Number Of Area Offices</td><td></td></tr><tr><td>3</td><td>Number Of Districts Covered</td><td>3</td></tr><tr><td>4</td><td>Number of VDCs/ Municipalities Covered</td><td>52</td></tr><tr><td>B</td><td>Loan Account</td><td></td></tr><tr><td>1</td><td>Loan Disbursed</td><td>527277</td></tr><tr><td>2</td><td>Loan Repaid</td><td>366694</td></tr><tr><td>3</td><td>Loan Outstanding</td><td>160583</td></tr><tr><td>C</td><td>Saving & Deposits</td><td></td></tr><tr><td>1</td><td>Group Fund Saving/ Compulsory</td><td>5889</td></tr><tr><td>2</td><td>Personal Saving/ Optional</td><td>14979</td></tr><tr><td>3</td><td>Other saving</td><td>29441</td></tr><tr><td>4</td><td>Public Deposits</td><td>0</td></tr><tr><td>5</td><td>Total Saving & Deposits(1+2+3+4)</td><td>50309</td></tr><tr><td>D</td><td>Information On Groups</td><td></td></tr><tr><td>1</td><td>No. Of Active Clients</td><td>10340</td></tr><tr><td>2</td><td>No. Of Loan Clients</td><td>8178</td></tr><tr><td>3</td><td>No. Of Personal Saving Holders</td><td></td></tr><tr><td>4</td><td>No. of Groups</td><td>1964</td></tr><tr><td>5</td><td>No. Of Centers</td><td>661</td></tr></table>	S.N.	Particulars	As of 13 Apr. 2013	A.	Coverage		1	Number Of Branch Offices	8	2	Number Of Area Offices		3	Number Of Districts Covered	3	4	Number of VDCs/ Municipalities Covered	52	B	Loan Account		1	Loan Disbursed	527277	2	Loan Repaid	366694	3	Loan Outstanding	160583	C	Saving & Deposits		1	Group Fund Saving/ Compulsory	5889	2	Personal Saving/ Optional	14979	3	Other saving	29441	4	Public Deposits	0	5	Total Saving & Deposits(1+2+3+4)	50309	D	Information On Groups		1	No. Of Active Clients	10340	2	No. Of Loan Clients	8178	3	No. Of Personal Saving Holders		4	No. of Groups	1964	5	No. Of Centers	661
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	E	Information on Staffs	
	1	Total Staffs (Excluding Trainees)	52
	2	Of Which No. Of Female Staffs	
	3	Number Of Trainees	
	(Extracted from Nepal Rastra Bank's Website: NRB site: http://www.nrb.org.np/ NRB MICROFIN Progress_Report_of_MFDB_2069-09-30)		
Total Number of Technical Employees	None		
Products	Loans: <ol style="list-style-type: none"> 1. Unsecured Loan (Group guarantee based) NRs. 1,000 to 30,000. 2. Secured Loan (Collateral based) ≤NRs. 60,000 (first time), ≤NRs. 150,000 (next time for successful creditors) Saving: <ol style="list-style-type: none"> 1. Centre Fund 2. Elective/ Optional Saving 3. Natural Calamity Saving 4. Monthly Saving 5. Future Self-employment Program Security Services: <ol style="list-style-type: none"> 1. Member Assurance Fund Service. 2. Creditors Assurance Fund Service. 3. Other services like remittance service, business counseling service, girls' education service and so forth. 4. Livestock Insurance Fund Service. 		
Average Cost of Fund and Lending Interest Rate	N/A		
Organization Structure	N/A		
Source of above Information	Official Website of Swarojgar Laghubitta Bikas Bank Ltd. <ul style="list-style-type: none"> • http://slbbl.com.np/ • NRB Site, http://www.nrb.org.np/ • Broacher of the bank, published in Nepali By: Deepak K. Shrestha (ID 1154254) On: 11/07/2013 9:24:15 AM		

Annex 14.0: High Yield Top 20 Countries (Cereal kg/ hectare - 2011)					
S.N.	Country name	2008	2009	2010	2011
1	Oman	3,342	15,342	10,649	10,269
2	Belgium	8,886	9,711	9,344	9,004
3	Kuwait	2,914	6,984	8,573	8,648
4	Ireland	7,589	6,887	7,455	8,440
5	Austria	6,835	5,973	5,164	7,873
6	Netherlands	8,332	9,033	8,569	7,801
7	Mauritius	7,895	8,000	6,833	7,442
8	Egypt, Arab Rep.	7,475	7,158	6,506	7,247
9	Korea, Rep.	7,073	7,265	6,539	7,038
10	United Kingdom	7,420	7,031	6,953	6,985
11	New Zealand	7,380	6,909	7,387	6,951
12	Chile	5,868	5,472	6,736	6,934
13	France	7,289	7,456	6,989	6,859
14	United States	6,620	7,236	6,988	6,818
15	Switzerland	6,417	6,578	6,163	6,680
16	Germany	7,119	7,199	6,718	6,461
17	Slovenia	5,464	5,260	5,978	6,372
18	Qatar	4,922	6,324	7,593	6,050
19	Denmark	6,017	6,779	5,883	5,907
20	China	5,548	5,450	5,526	5,706
<p>Note: Cereal yield, measured as kilograms per hectare of harvested land, includes wheat, rice, maize, barley, oats, rye, millet, sorghum, buckwheat, and mixed grains. Production data on cereals relate to crops harvested for dry grain only. Cereal crops harvested for hay or harvested green for food, feed, or silage and those used for grazing are excluded. The FAO allocates production data to the calendar year in which the bulk of the harvest took place. Most of a crop harvested near the end of a year will be used in the following year.</p>					
<p>Source: The World Bank (Working for a World Free of Poverty) http://data.worldbank.org/indicator/AG.YLD.CREL.KG By: Deepak K. Shrestha (ID 1154254) On: 19/07/2013 9:05:05 AM</p>					

Annex 15.0: Low Yield Bottom 20 Countries (Cereal kg/ hectare - 2011)					
S.N.	Country name	2008	2009	2010	2011
1	Cape Verde	337	231	220	178
2	Namibia	496	365	373	354
3	Niger	488	380	490	378
4	Botswana	361	359	374	393
5	Somalia	338	361	410	466
6	Vanuatu	547	565	538	559
7	Brunei Darussalam	701	515	580	591
8	Eritrea	252	500	536	592
9	Libya	623	625	610	614
10	Lesotho	390	421	909	664
11	Angola	728	603	664	694
12	Congo, Dem. Rep.	772	772	772	766
13	Jordan	1,145	1,244	1,963	812
14	Congo, Rep.	771	791	780	814
15	Zimbabwe	309	436	756	820
16	Gambia, The	977	1,049	1,127	869
17	Chad	812	826	843	888
18	Haiti	961	995	895	949
19	Senegal	1,172	1,134	1,196	966
20	Burkina Faso	1,040	1,002	1,063	995
<p>Note: Cereal yield, measured as kilograms per hectare of harvested land, includes wheat, rice, maize, barley, oats, rye, millet, sorghum, buckwheat, and mixed grains. Production data on cereals relate to crops harvested for dry grain only. Cereal crops harvested for hay or harvested green for food, feed, or silage and those used for grazing are excluded. The FAO allocates production data to the calendar year in which the bulk of the harvest took place. Most of a crop harvested near the end of a year will be used in the following year.</p>					
<p>Source: The World Bank (Working for a World Free of Poverty) http://data.worldbank.org/indicator/AG.YLD.CREL.KG By: Deepak K. Shrestha (ID 1154254) On: 19/07/2013 9:05:05 AM</p>					

Annex 16.0: Yield in South/ Asian Countries (Cereal kg/ hectare)						
	S.N.	Country name	2008	2009	2010	2011
South Asia	1	Bangladesh	4,103	4,176	4,295	4,191
	2	Sri Lanka	3,617	3,791	3,974	3,503
	3	India	2,638	2,581	2,676	2,883
	4	Pakistan	2,654	2,790	2,611	2,718
	5	Bhutan	2,742	2,166	2,482	2,705
	6	Maldives	2,014	1,973	2,264	2,508
	7	Nepal	2,361	2,374	2,295	2,481
	8	Afghanistan	1,426	2,041	2,011	1,660
South East and Asia	9	Korea, Rep.	7,073	7,265	6,539	7,038
	10	China	5,548	5,450	5,526	5,706
	11	Vietnam	4,898	5,080	5,177	5,383
	12	Japan	6,263	4,826	4,758	4,911
	13	Indonesia	4,694	4,813	4,878	4,886
	14	Lao PDR	4,016	4,170	3,832	4,045
	15	Malaysia	3,599	3,735	3,660	3,920
	16	Myanmar	3,828	3,846	3,861	3,880
	17	Korea, Dem. Rep.	3,710	3,509	3,571	3,749
	18	Thailand	3,036	2,976	3,021	3,065
	19	Timor-Leste	1,443	2,316	2,451	2,252
	20	Mongolia	1,383	1,552	1,370	1,485
Note: Cereal yield, measured as kilograms per hectare of harvested land, includes wheat, rice, maize, barley, oats, rye, millet, sorghum, buckwheat, and mixed grains. Production data on cereals relate to crops harvested for dry grain only. Cereal crops harvested for hay or harvested green for food, feed, or silage and those used for grazing are excluded. The FAO allocates production data to the calendar year in which the bulk of the harvest took place. Most of a crop harvested near the end of a year will be used in the following year.						
Source: The World Bank (Working for a World Free of Poverty) http://data.worldbank.org/indicator/AG.YLD.CREL.KG By: Deepak K. Shrestha (ID 1154254) On: 19/07/2013 :05:05 AM						

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Biography



Er. Deepak K. Shrestha

B.E. (Civil); Institute Of Engineering, Pulchowk Campus, Tribhuvan University, Nepal (1989)

MBA, Post Graduate Diploma (HR); Indira Gandhi National Open University, India (2013)

Chairperson, Pashchimanchal Finance Co. Ltd., Butwal, Nepal (2013 -)

Chairperson, ECSC (P.) Ltd., Anamnagar, Kathmandu, Nepal (1991 -)

Founder Chairperson, Crimson College of Technology, Butwal, Nepal (2000-2003)

Training and Seminar Participation

Advance Training Course in “Software Development and Management” in Shanghai, China organized by The United Nations University (2001)

Seminar on “Japanese Management for Improvement of Quality and Productivity” (1997)

Publications

Various Articles published on Various Nepali National Daily Papers like Kantipur Daily, Rajdhani Daily, Karobar Daily, regarding economic, technical, and development issues in Nepal in. (2007- to date)

Keynote Speaker

On various seminars regarding promotion of Centennial, Seneca and Humber College using power point in:

North South University and Atish Dipanker University, Dhaka, Bangladesh (2008).

Various public places in Kathmandu and countryside cities of Nepal (2008- 2010)

Presenter

Presentation on “New Concept of Micro Finance Institution in Nepal” in Nepal Financial Institution Association and Nepal Rastra Bank (2011-2012)

Professional Membership

Life Member, Nepal Engineers’ Association

Member, Nepal Engineering Council

Social Status

President, Nepal Engineers Association, Lumbini Regional Centre, Butwal, Nepal (1995-97)

President, Rotary Club of Butwal, Nepal (2001-02)

Visit

India, Singapore, Malaysia, USA, China, Canada, South Africa, UAE