

# Glimpse



A Newsletter of CSD – March 2020, Issue 29

## Transforming Lives Through Entrepreneurship Development

The Centre for Self-help Development (CSD) organized a two day interaction program on 'Entrepreneurship Development' in Ghorahi, Dang from February 16-17, 2020 (Falgun 4-5, 2076). The program was attended by 23 participants comprising Chairpersons, Vice Chair Persons and CEOs from the Institutional Members of CSD. The program was chaired by the Chairman of CSD Mr. Shankar Man Shrestha.

Speaking during the program Mr. Shankar Man Shrestha said, "The borrower members must be transformed from subsistence level to generate profit and sustain a decent lifestyle." He added, "The members should also be able to transform their standard of living." At the same time he also warned that borrowers should also be made vigilant about individual money lenders who charged high interest rate and financially ruin the households. Similarly, he also said that the objective of MFIs is not only economically transform individuals but also to work in areas like women empowerment so that a woman will be able to lead and make decisions for her family.

The participants visited the enterprises of the members of Mahila Samudaiyik Laghubitta Bittiya Sanstha Ltd. and Aatmanirbhar Laghubitta Bittiya Sanstha Ltd. They appreciated the achievements and progress of the members and provided some valuable feedbacks for their future improvements. They were also impressed by the loyalty shown by the members towards their organizations and to find how the members were able to raise their standard of living as well as provide their children good quality education.

The participants also provided some feedbacks on the enterprises



Participants Interacting with the Client

of members they invested. They expressed the need to create a proper market for the products of the members so that they would get the right profit and stop the middle men from taking advantage of the members.

The participants visited an enterprise of Ms. Gita Chaudhary, member of the Aatmanirbhar Laghubitta Bittiya Sanstha Ltd. She initially took a loan of Rs. 5000 and after gradually increasing the loan amount has now taken a loan of Rs. 300,000. She is currently selling chilly and other seasonal vegetables from her farm. She also sells pigs and chickens. Her revenue in 2075 by selling vegetables and livestock was Rs. 2,500,000. She also advocates about the ill-effects of multiple lending. She said, "Borrowers should take loans based on their capacity and need only."

The participants also visited the enterprise of Ms. Kalawati Chaudhary. She currently has 6 sewing machines and apart from sewing clothes of her customers she also has a training centre. Currently she has taken a loan of Rs. 200,000. On the second day of the program there was a review of the field visit to the enterprises of members.

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## CORONAVIRUS

### Tips to reduce risk of infection



Wash hands often. Use soap and water or an alcohol-based hand rub.



Cover your mouth and nose if you cough or sneeze with the inside of your elbow.



Don't get close to anyone who has cold or flu-like symptoms.



Go to the doctor if you have a fever, cough or feel that it is difficult to breathe.



If you go to the market, don't touch animals or anything in the area they stay.

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# Participants Gain Insight on Controlling and Mitigating Credit Risk in Microfinance

With the rapid expansion of microfinance sector in past few years in Nepal, the sector has been facing numerous problems and challenges due to deviations from the true path of microfinance. In this context the Centre for Self-help Development (CSD) organized a three day training program on “Controlling and Mitigating Credit Risk in Microfinance” from February 13-15, 2020 in Kathmandu. The aim of the training program was to acquaint the participants with techniques of handling and mitigating the problems related to loan delinquency in microfinance and educate them about the changing scenario of microfinance in the present context.

Prominent microfinance personalities like Mr. Roop Bahadur Khadka, Mr. Sundar Pd. Shrestha, Mr. Govinda Bahadur Raut and Legal Expert Mr. Shyam Kumar Khatri facilitated the sessions and interacted with the participants in the three day program. It is concluded that all the problems of loan delinquency arises with the negligence of staffs and from the period of client selection to recovery stage.

The training sessions highlighted on major causes and effects of delinquency, importance and procedures of credit risk management, client relationship and maintaining credit discipline, financial analysis, portfolio quality management and monitoring and supervision. Further it also covered on process of legal remedies to tackle the problems faced



Participants Learning the Concepts of Risk Management through Games

in microfinance sector and latest directives of NRB to be followed by microfinance institutions.

There were 24 participants from 11 MFIs namely: Manushi Laghubitta Bittiya Sanstha Ltd., Solve Laghubitta Bittiya Sanstha Ltd., Global IME Laghubitta Bittiya Sanstha Ltd., Upakar Laghubitta Bittiya Sanstha Ltd., Mahila Samudayik Laghubitta Bittiya Sanstha Ltd., Mero Microfinance Laghubitta Bittiya Sanstha Ltd., Nawa Prativa Bachat Tatha Rin Sahakari Sanstha Ltd., Chhimek Laghubitta Bittiya Sanstha Ltd., Ganapati Microfinance Bittiya Sanstha Ltd., Swabalamban Laghubitta Bittiya Sanstha Ltd. and Swarojgar Laghubitta Bittiya Sanstha Ltd.

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## Transforming Lives ...

Mr. Kiran Basnet from the Batabaran Bahuuddeshiya Sahakari Sanstha Ltd. said, “The entrepreneurs have shown that people involved in agriculture and livestock can also financially transform their lives. It will also set a good practice among youths who desperately want to go abroad for foreign employment.”

Dr. Gopal Dahit, Executive Director of the Unique Nepal Laghubitta Bittiya Sanstha Ltd. said that MFIs should

encourage members to take initiative in environmental friendly ventures like bio-gas plants.

Ms. Sharada Pokharel, CEO of the Upakar Laghubitta Bittiya Sanstha Ltd. said, “Those involved in agricultural activities may leave this field and start a different venture because it requires hard work and patience. If proper technical advice from experts is taken, apart from hard work and dedication, the venture may be very profitable.”

Ms. Bimala Yogi, Chief Executive Officer of the Mahila Samudayik

Laghubitta Bittiya Sanstha Ltd. said, “Branch Managers have to visit the enterprises of their members every month and find out problems of members as well as suggest.”

Mr. Shankar Man Shrestha said, “The MFIs should employ Junior Technical Assistants/Junior Technicians to provide technical guidance to borrowers.”

In the closing session all the participants passed a way forward for improving the microfinance operations.

## Way Forward

1. Each MFI will examine 10 branches and submit the status/findings in the forthcoming interaction program
2. Each participating MFI should identify best entrepreneurs among their members and publish a bulletin with their photo within Ashad 2077
3. In order to operate agriculture and livestock activities in an organized and business friendly manner, Junior Technical Assistants (JTA) will be hired by each MFI
4. Each institution should appoint a marketing officer for the promotion and marketing of their members' products
5. 30% of dormant members of each MFIs will be transformed into active borrowers who will be involved in entrepreneurial activities
6. Prior to disbursing loan to the members a business plan will be made mandatory and loans will be made available based on the capacity of the members
7. Branch Manager will visit each center in his/her branch at least twice a year and also households of 10 members affiliated to each center
8. Within a span of 6 months each MFI will create 25 youth entrepreneurs
9. Staff will be given targets based on the number of entrepreneurs developed and not based on the number of members created
10. Next interaction program will be organized in Bhadra, 2077 at Mahendranagar, Kanchanpur



# Bangladeshi Team Drawing Experiences from the Microfinance Practices in Nepal



**Bangladeshi team with the centre members of Mahila Sahayogi**

A Bangladeshi exposure team visited Nepal from Magh 4-11, 2076 (January 18-25, 2020). The team visited some of the micro-finance institutions in Kathmandu, Nuwakot, Dhading and Kaski where the respective staff members of the MFIs informed the team about innovative techniques and working modalities practiced by them.

Bangladeshi team visited the head office of Centre for Self-help Development in Maitighar, Kathmandu. The team got acquainted with current activities carried out by CSD like trainings, workshops, exposure visits and related events focused primarily on microfinance related subjects and issues which are endemic in micro-financial institutions. They were also briefed on the activities of CSD.

The team visited one of the centers, Jaya Parbati Maslabi, of Mahila Sahayogi Bachat Tatha Rin Sahakari Sanstha Ltd. at Nepaltar. One encouraging finding was that the center meeting is conducted in a bi-weekly basis. Many microfinance institution in Nepal conduct center meeting in a monthly basis as part of cost reduction strategy and increase profit and this results in jettisoning long term sustainability of the organization. Meanwhile, the team also visited Manamaiju Branch of Mahila Sahayogi. The branch has enough internal savings and is self-sufficient in disbursing loan. The Bangladeshi team was also impressed that there are no overdue loans in the branch.

Since the majority of clients affiliated to this center are in urban area, it was also found that Mahila Sahayogi was providing backstopping support to the clients more in line with enterprises that are based on the need of local market.

The team also visited the National Microfinance Bittiya Sanstha Ltd. Branch office at Goganpani, Dhading. The branch has provided a total of 80 micro- entrepreneur loans. Their members have established micro enterprises such as grocery store and seasonal vegetable farming.

The Bangladesh visit team observed the center meeting operated by Muktinath Bikas Bank Ltd. (MBBL) in Hemja. The name of the visited center is Suryamukhi Muktinath Mahila Bikas Center. The repayment rate is 100% in this branch. They were very much impressed with Ms. Prem Kumari Nepali, a member from Suryamukhi Muktinath Mahila Bikas Center operated by MBBL. The team observed seasonal vegetables such as carrot, lettuce, tomato, cauliflower and coriander. She is assisted by her family

members to cultivate vegetables. She also provides seasonal labor to the youths from her area. MBBL also renders service to the public and the high amount of deposit is due to the collection of funds from the public. Although a development bank, it has forayed into micro-finance after establishing a special wing and this kind of innovative concept is also viewed as model for other development banks to replicate. It has been able to provide diversified and innovative service like modern banking, limited banking and microfinance backed by some of the latest state of information technology.

Similarly, the team also visited a member, Ms. Nirmaya Tamang, of Manushi Laghubitta Bittiya Sanstha Ltd. in Ranipauwa, Nuwakot. She started strawberry farming after a Japanese firm provided her technical support and Manushi provided her with necessary loan to initiate this endeavor. With the appropriate technological support from Japanese firm and loan from Manushi, Ms. Tamang has been able to grow bountiful supply of strawberries as well as find easy access to market. Manushi has also been providing various trainings like compost preparation, grafting and so on. In the near future Manushi is planning to provide additional technical support to the farmers which is currently provided by the Japanese firm. Manushi will also provide necessary platform for phased withdrawal of Japanese firm and thus it will fill the slot. The Bangladeshi team was impressed with this kind of support of Manushi and the Japanese are providing essential support to the members. Some parts of Bangladesh also has climatic condition as well as soil texture which is suitable for strawberry farming but the Bangladeshi farmers are not able to sell at Rs. 300 per kg which is sold in Ranipauwa. With this kind of support the strawberry farmers have been able to drastically reduce the cost of strawberry production and make them competitive in the market.

The Bangladeshi team also visited branch office of Manushi at Ranipauwa. Consequently, they also visited the enterprise of Ms. Kanchhi Maya Lama, one of the largest borrowers of the center. She is currently operating a hotel and she is also rearing piglets. She has been in the center for 12 years. She has also participated in Second National Microfinance Members' Summit 2018 which was organized by Centre for Self-help Development from December 1-2, 2018. The



**Ms. Nirmaya Tamang (Left), member of Manushi who has taken loan for strawberry plantation, with her family**

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# Special Talk Program on Microfinance by Mr. Shankar Man Shrestha



Chairman of CSD Mr. Shankar Man Shrestha Addressing the Gathering at Ghorahi, Dang

The Aatmanirbhar Laghubitta Bittiya Sanstha Ltd. organized an interaction program titled “Special Talk Program on Microfinance with Mr. Shankar Man Shrestha” in Ghorahi, Dang Nepal on February 15, 2020. The interaction program was chaired by the founder Chairperson of the Aatmanirbhar Laghubitta Bittiya Sanstha Ltd. Ms. Asmani Chaudhary. The Chairman of CSD Mr. Shankar Man Shrestha and Executive Chief Mr. Bechan Giri were the special guests. Chairperson Ms. Meera Chaudhary and CEO Mr. Soghat Bir Chaudhary of Aatmanirbhar were also present. The interaction program commenced after lighting the traditional lamp 'Panas' by Mr. Shankar Man Shrestha. It was also attended by the members of the Governing Board, Department Heads, and the branch managers of the organization. There were a total of 48 participants in the program.

The objective of the program was to address the problems and challenges faced by MFIs and find out its measures to mitigate and come up with a way forward to create a clean microfinance.

During the program there were presentations from the branch managers of Gadhwā, Hapure, Salyan, Bhalubang, Ghorahi and Baijapur branch. Unhealthy competition among the MFIs, lack of member discipline, geographical difficulties, lack of target clients, willful defaulters reluctant to pay the installments, incorrect credit information of members, increasing rate of drop out of members, and declining amount of loan outstanding were issues raised during the presentation.

Speaking during the program Mr. Shankar Man Shrestha said, “Majority of the problems and challenges faced by the MFIs is due to

the negligence of staff. Therefore, the staff should be well oriented in such a way that problems and challenges faced by them in their daily operation could be addressed effectively.”

Speaking in the valedictory session Ms. Asmani Chaudhary said, “The staff should be energetic and dedicated towards their work. Accordingly the organization has been sending the staff in internal and external trainings and exposure visits to sharpen their skills and knowledge. It is in the hands of the staff to take the organization forward and they should develop an action plan to achieve their objectives.”

The interaction program concluded by approving a way forward

## Way Forward

1. The branch manager should visit each center twice in a year
2. Each employee should submit a field report to their supervisors and maintain proper communication.
3. Maintain zero tolerance in client poaching
4. Zero amount of new addition in overdue loan
5. One third of inactive members should be made active members within this fiscal year 2076/77

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## Bangladeshi Team ....

Bangladeshi team said that the members were comprehensible and eloquent unlike some of the members in their home country who could be inscrutable due to cultural factors. Similarly, it was found that the enterprises in Ranipauwa are more focused on agriculture and livestock and Manushi has been providing backstopping support in line with the market demand in Kathmandu.

Mr. Maksudur Rahman thanked CSD and the respective MFIs for their support and hard work in making the visit a success. “I saw that the MFIs have very good repayment

rate and this shows that the staff members have not been disbursing loan haphazardly”, he added. He also said that the members of different MFIs are very expressive and did not shy away when queried about their loan product or the nature of their enterprise.

The 12-member Bangladeshi team comprised of Mr. Md. Maksudur Rahman, Mr. Md. Hasan Reza, Mr. Mofidul Haque, Mr. Lalit Chakma, Mr. Md. Melon Islam and Mr. Chandruday Roaza from Integrated Development Foundation as well as Mr. Bikash Ranjan Chowdhury, Mr. Nepal Chandra Sarker, Mr. Md. Nuruzzaman Fakir, Mr. Md. Obaybur Rahman, Mr. Md. Nazrul Islam and Mr. Shapan Chandra Shil from Centre for Development Innovation and Practices.



# An Engaging Interaction with the Youths of Ghorahi, Dang and Kohalpur, Banke

The Centre for Self-help Development (CSD) organized three different interaction programs with the youths who are the children of the microfinance members of Aatmanirbhar Laghubitta Bittiya Sanstha Ltd., Mahila Samudayik Laghubitta Bittiya Sanstha Ltd. and



A Picture with the Member's Children of Upakar Laghubitta Bittiya Sanstha Ltd.

Upakar Laghubitta Bittiya Sanstha Ltd. with the view to engage the young generation in microenterprise and create employment opportunity. The interaction programs were conducted on Falgun 3, 6 and 7, 2076. This was the continuation of program organized to aware young boys and girls of MFI members held in Birtamod Jhapa on Poush 12, 2076.

The objective of the interactions was to educate the member's children about the concepts of the microfinance program and the role of microenterprise development among the younger generation for self employment. It also aimed to control the massively emerging trend of youths going abroad in search of work and insisted them to involve in their parent's enterprises and create employment opportunities in their own home ground.

The locally potential enterprises are backbone of rural economy and it is anticipated these local enterprises will rejuvenate and revitalize them. Microfinance institutions, in coordination with relevant line agencies can train and mentor the youths in developing relevant technical and managerial skills which will help them to initiate enterprise in their local area and create employment.

Speaking during the programs Mr. Shankar Man Shrestha, Chairman of CSD said, "There is an immediate need to introduce young blood with innovative ideas for operating enterprises. Though there are utmost potentials in Nepal to operate their businesses, the able bodies of youth population are going abroad for work. They are engaging in dirty, difficult and dangerous works. Therefore, the younger generation should be encouraged to work in their own home yard in Nepal." Similarly, in another context he added, "There has been sharp rise in multiple borrowing as well as over-lending. If these issues are not addressed urgently it will severely affect the sustainability of microfinance sector as a whole." Similarly in context to over financing and loan duplication he said, "Youths should also warn their parents about these issues otherwise it is the beckoning of financial catastrophe in their lives." The youths should augment the traditional businesses operated by their parents by embracing state-of-the-art technology and working modality.

One participant of Mahila Samudayik Laghubitta Bittiya Sanstha Ltd. Ms. Arati said that her mother received Rs. 20,000 in 2018 to start a grocery shop. Now she has taken Rs. 5 lakh loan to expand her business. She said that currently she is supporting her mother in running the shop.

She added, "I may expand the business which my mother is currently running or initiate a new business."

Consequently in the program organized at Kohalpur Banke in Upakar Laghubitta Bittiya Sanstha Ltd. one of the participants, Ms. Muna Thapa said, "MFIs disburse loans

but do not carry out necessary supervision to gauge the progress of their clients. Periodic supervision of their clients is necessary so that the MFIs can develop preventive measures and can derive action plan to counteract the situation." Similarly she said that MFIs should also provide technical and skill based training to probable entrepreneurs. If businesses are initiated without having sufficient skills the business may go into disarray and the borrowers may not be able to repay their loan amount in a timely and regular fashion.

In the interaction program with the youth of Aatmanirbhar Laghubitta Bittiya Sanstha Ltd., the Chairman of RWDC Ms. Asmani Chaudhary said, "The younger generation has to be encouraged to become entrepreneurs."

Ms. Bimala Yogi, Chief Executive Officer of Mahila Samudayik Laghubitta Bittiya Sanstha Ltd., in the interaction program with youth that was held in her organization on Falgun 6, 2076 said that her immediate plan is to develop members' profile with their economic and social status. The profile will be periodically updated and upgraded. She further added, "At least five members' children will be developed into entrepreneurs from each branch and will rigorously work in grooming as well as providing mentoring and other necessary support in order to make this noble cause come into fruition."

The program on entrepreneurship development were attended by 45 youth (Male-13 Female-33) at Aatmanirbhar Laghubitta Bittiya Sanstha Ltd. in Ghorahi Dang. Similarly, in the program of Mahila Samudayik Laghubitta Bittiya Sanstha Ltd. was attended by 47 youth (Male-18 Female-29) at Ghorahi Dang and the program organized on 7 Falgun, 2076 at Kohalpur Banke in Upakar Laghubitta Bittiya Sanstha Ltd. was participated by 27 youth (Male-7 Female-20).

## CSD Recruits New Staff

CSD has expanded its staff with the intention of operating and expanding its services in a more efficient and effective manner in the days to come. The new recruits include Shraddha Joshi, Suchita Maharjan, Tasi Lhamu Sherpa and Laxmi Parajuli as Assistants. All four of them have started their journey in CSD since February, 2020. Similarly, Chandrakant Pandit has also been appointed as the Information and Communication Officer since the month of April, 2020.

# CSD Conducts Regional Trainings on Bookkeeping and Accounting Management for MFI's

As per the request of the microfinance institutions of the Sudur Paschim Pradesh of Nepal, CSD organized two regional training programs at Lamki, Kailali and Mahendranagar, Kanchanpur from February 4-9, 2020 (Magh 21-26, 2076). Training was specially designed with the aim of ensuring proper account keeping and quality financial management in microfinance institutions.

The regional level training programs provided the participants a platform to share their experience as an account officer and provided better insight on the roles and responsibilities of account officers, significance of financial analysis, planning and budgeting in branch offices and importance of bank reconciliation.

The training also dealt with the concept of accounting in microfinance, the importance of voucher and supporting document, classification of property and loan, preparation of sound financial statement, ratio analysis and so on. It had also enlightened the participants on the tax management and standard framework of taxation in Nepal. In the end of the training program all the participants expressed that they were very happy to be part of this fruitful program.

There were 26 participants from Kisan Bahuuddeshiya Sahakari Sanstha Ltd. who benefited from this training that took place from Magh 21-23, 2076 (February 4-6, 2020). There were altogether 21 participants from three institutions namely Shree Udayadev Sahakari Sanstha Ltd, Navojeevan Cooperative Ltd. and Ghodighoda Laghubitta Bittiya Sanstha Ltd. that was held from Magh 24-26, 2076 (February 7-9, 2020).



Group Photo of the Participants with the Resource Person

## CSD Aims to Enhance Management Capacities of Branch Managers of MFIs



Participants Eagerly Listening to the Resource Person

From January 2-4, 2020 twenty branch managers from different microfinance institutions and cooperatives gathered at CSD training hall, Maitighar Height, Kathmandu to participate in the three day long training on "Effective Branch Management in Microfinance". It was designed to sharpen the skills and knowledge of branch managers to efficiently manage their branch office and develop entrepreneur clients.

The program focused on new tools, techniques and methods of understanding fundamental skills of today's effective branch management. It helped in enhancing financial analysis, building good relationships with clients, maintaining credit discipline, program planning and budgeting for the successful operation of branch offices. This training provided an opportunity for sharing management practices

and team building methods amongst the participants. It also aimed to acquaint them with the process of managing tax, legal remedies and solutions to emerging problems and new directives of NRB. Also, risk management, causes and effects of delinquency management, monitoring and supervision of their clients were comprehensively covered during various sessions by experienced microfinance practitioners.

The participating organizations were Kisan Bahuuddeshiya Sahakari Sanstha Ltd., Manushi Laghubitta Bittiya Sanstha Ltd., Unique Nepal Laghubitta Bittiya Sanstha Ltd., Swabalamban Laghubitta Bittiya Sanstha Ltd., Grameen Bikas Laghubitta Bittiya Sanstha Ltd., Upakar Laghubitta Bittiya Sanstha Ltd., Sahara Nepal SACCOS Ltd., Chhimek Laghubitta Bittiya Sanstha Ltd., Ganapati Microfinance Bittiya Sanstha Ltd., Mahila Sahayatra Microfinance Bittiya Sanstha Ltd. and Swarojgar Laghubitta Bittiya Sanstha Ltd.



Group Photo of Participants



# Learning from Bangladesh MFIs

## *'To be a friend, you must know the friend'*



Participants taking picture with Prof. Dr. Muhammad Yunus at Yunus Centre

The Centre for Self-help Development (CSD) organized a Study Visit to Bangladesh from January 4-11, 2020 with an objective to perceive, learn and follow the best practices of microfinance institutions of Bangladesh. The visit was for 7 days with team of 10 participants from 4 Nepali microfinance institutions i.e. Sahara Nepal SACCOS Ltd., Chhimek Laghubitta Bittiya Sanstha Ltd., Mero Microfinance Bittiya Sanstha Ltd. and Manushi Laghubitta Bittiya Sanstha Ltd.

It visited Grameen Bank, IDF and ASA offices to learn the operational practice of the MFIs in Bangladesh. The team also visited the centers and had a dialogue with clients, loan officers, branch managers and other senior officers. It was found that the

clients were very satisfied with the microfinance in Bangladesh and there was no duplication. Further availability in required amount of loan is also another major reason to overrule the duplication. The loan product like higher education loan, beggar loan, pension policy are the attractive products of Bangladeshi microfinance.

Besides financial services, the microfinance in Bangladesh also offers other non financial services to its clients. They assist free blankets, umbrella, and wheelchair to the old aged people and also free tutors to the children. They also help their clients in agriculture and water sanitation programs. Free health

service is one of the best services providing by IDF to its members and non members.

While visiting Grameen Bank office at Dhaka, the team also had an opportunity to meet with Prof. Muhammad Yunus at Yunus Centre. He was with the team for a moment and shared his microfinance belief with the participants. He said that to be a friend, you must know the friend. With this thought, he revealed the fundamentals of microfinance services. According to him, "First we need to understand the condition of clients with empathy. After then we can offer what is necessary for them. Once you help your friend, a friend will never leave you again."

The participants were Mr. Poshak Sunuwar from the Centre for Self-help Development, Ms. Buddha Laxmi Malakar from Manushi Laghubitta Bittiya Sanstha Ltd., Ms. Urmila Shrestha, Ms. Sita Adhikari and Mr. Mahesh Shah from Sahara Nepal SACCOS Ltd., Mr. Sujeet Kumar Jha and Mr. Tekraj Pantha from Chhimek Laghubitta Bittiya Sanstha Ltd., Mr. Sushil Kumar Chaudhary, Mr. Kashindra Yadav, Mr. Saroj Pandit and Mr. Sagar Bhandari from Mero Microfinance Bittiya Sanstha Ltd.

## CSD Organizes a Customized Training for Field Staff

The Centre for Self-help Development (CSD) organized a two day capacity building training for the field staff of Mahila Sahayogi Bachat Tatha Rin Sahakari Sanstha Ltd. for their field staff. The training was held from January 10-11, 2020 (Poush 25-26, 2076).

The training program emphasized on the roles and responsibilities of field staff in organizational development, the need of handing out loan only by identifying genuine members, client development and loan appraisal by strictly following the 5C's that are Character, Capacity, Collateral, Capital and Condition of a member who is requesting for a loan. It also highlighted on how a field staff should focus on their clients' development, diversification of product & market management, how field staff should be able to monitor and supervise loan



Group Photo of the Participants with the Resource Persons

and manage risk at the same time. The training also focused on how non-financial services provided by them can enhance social, economical and personal development and win loyalty of their client. The program was facilitated by the Director of CSD Mr. Satish Shrestha, Senior Manager

of RMDC Mr. Roop Bahadur Khadka, Assistant CEO of Muktinath Bikas Bank Ltd. Mr. Govinda Raut and CEO of National Microfinance Laghubitta Bittiya Sanstha Ltd. Mr. Ram Bahadur Yadav. The training was participated by 24 field staffs of MSBTRSSL.

# Interaction with the Staff of Microfinance Institutions on Challenges in Microfinance

The Mahila Samudayik Laghubitta Bittiya Sanstha Ltd. organized a one day interaction on challenges in microfinance with the staffs in Ghorahi, Dang on February 18, 2020 (Falgun 6, 2076). The program was attended by 63 (39 male and 24 female) participants comprising of Chairperson, Vice Chair Person, CEO, Department Chiefs and Branch Managers. The program was chaired by the Chairman of CSD Mr. Shankar Man Shrestha.

The objective of the program was to find out the problems prevalent in the microfinance sector as well as to discuss the roles and responsibilities of branch level staff in promoting entrepreneurship among the members of the branch. The interaction focused on procedures to develop and maintain zero dormant members, zero delinquency, zero drop out, zero duplication as well as zero members below poverty level.

Speaking on the occasion, Chairman of CSD Mr. Shankar Man Shrestha urged the staff to develop the saving habits among their members and to use the locally available resource in their business. To make the members aware and maintain discipline the higher level management has a very



Mr. Shankar Man Shrestha Interacting with Staff of NWCSC

important role to play. He further added, "It is also the responsibility of the staff to drive the organization forward. Therefore the organization should constantly interact with their staff to know their progress and problems and also to develop their profile."

In the program branch managers of Nuan (Salyan), Bhingri (Pyuthan), Lamahi (Dhang) and Jungar (Rolpa) also shared their experience and status of their branches. They shared that concentration of many MFIs in same village/locality create unhealthy competition, provide loan beyond the need of members and poach members from one MFI to another. This kind of scenario will bring

harmful culture and will hamper the quality of MFIs.

In the closing session Ms. Bimala Yogi, Chief Executive Officer of Mahila Samudayik Laghubitta Bittiya Sanstha Ltd. said, "Branch Manager should consistently take part in monitoring and supervision of their members." Speaking in context to her organization, she added, "Initiation will be taken to convert 30% dormant members as active member and also to develop at least five young entrepreneurs in all branch offices."

Lastly, the interaction program was concluded with following way forward.



A Picture with the Staff of NWCSC

## Way Forward Maintaining Following 5 Zeros

1. Zero Inactive Members
2. Zero Delinquency
3. Zero Loan Duplication
4. Zero Dropout of Members
5. Zero Members below the Poverty Line



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