

# FACTS

and

# FIGURES

As of **2011**



# ASA

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**2011** was a dismal year judged in the economic perspective of the country. All economic and development indices have demonstrated gloomy performance during the year. High inflation, low remittance inflow, increase of unemployment and unbearable price spiral of daily necessities disrupted the economy stability round the year. Rural economy also suffered as prices of agro products were very low and peasants incurred huge losses with their crops.

As an MFI, ASA was not excluded from this economic slow-down. But ASA management was very careful about the economic turmoil of the country. Because of pragmatic and down to earth steps ASA could maintain financial stability successfully in this year also. We had to take some bold steps to avert any possible mishap that were looming in the horizon. ASA has brought some changes in its microcredit program in 2011. The loan products of the organization have been categorised into two segments: Primary loan and Special loan. The amount of loan up to Tk. 50 thousand has been categorised as primary loan and above Tk. 50 thousand classified as special loan. The main rationale of this segmentation was reducing unnecessary hazard of credit program and gear up activities for better productivity. The organization took new strategies for consolidating its field level structure to avoid needless expenditure and better usage of manpower during the period.

ASA initiated a Primary Education Strengthening Program with own resources for the students of poor families in 2011. The main objective of the program is reducing dropout through facilitating quality education for the wards of underprivileged families and increasing students' enrollment rate in primary schools. ASA has set up 300

## Vision

**The vision of ASA is to establish a poverty free society.**

## Mission

**The institutional mission of ASA is to support and strengthen the economy at the bottom of the socio-economic pyramid by facilitating access to financial services for the poor, marginalized and disadvantaged.**

primary education centers and deployed a teacher for each center for the purpose. Over 6000 students have been provided necessary tuition to overcome their lack of studies.

ASA's associate organization Hope for the Poorest (HP), funded by ASA, has opened four Health Centers in the outreach areas of the country in 2011. HP Health Centers have been providing quality medical services to the poor of the localities. These are also helping to create awareness about the importance of maternity, child care, family planning and cleanliness in daily life. Necessary and emergency medicines are being sold from the centers at discount price. Several health and eye camps were arranged in these health centers and thousands of poor were provided treatment and minor surgeries from the camps in the year in retrospect. HP has started Water, Sanitation a Hygiene (WASH) program in November 2011 in the coastal areas of Bangladesh. HP is implementing WASH program at Satkhira and Bagerhat municipalities located in the southern part of the country. About 50 thousand poor people will be benefited from this program supported by the Netherlands government. Moreover HP has carried out philanthropic and charity program like worm clothes distribution among the cold-hit poor of Bangladesh during the chilly winter season.

ASA's technical assistance (TA) program is going on in full swing for the development and expansion of micro credit activities over the world. A notable number of officials of ASA went to various countries of Asia, Africa and America continent in the corresponding period. On the other hand, a large number visitors from a round the world gathered in ASA this time to learn its innovative and sustainable model. They are included teachers and students of reputed universities of Europe and USA, researchers, microcredit practitioners, NGO delegates, etc.

## Products

ASA's philosophy as an MFI is to provide small and medium size loan to the poor and low income earning people with soft and friendly obligations so that they can use such loans in various income generating activities which would integrate them in the mainstream economic processes of the country. However, by providing small collateral-free loans, ASA is enabling the poor and the underprivileged to obtain capital so that they may engage themselves in income generating activities. This helps reduce their poverty and provides them access to manifold socio-economic opportunities and markets. ASA has been categorized its products in two segments in 2011. The products are primary loan and special loan. The main rationale of this categorized was to reduce unnecessary hazard of loan program and speed up productivity of the organization.

**Primary loan:** Loan amount up to 50 thousands taka is considered as primary loan according to the latest categorized. 27% declining interest rate will be effective for this loan from 1st July 2011.

**Special loan:** Loan amount above 50 thousands taka has been considered as special loan from the new classification. Also 27% declining interest rate will be effective for this loan from 1st July 2011.

# Financial Services

## SAVINGS

ASA provides services on flexible and accessible savings products which work as cushion for the poor to absorb any economic shocks. Without savings many poor live a rather precarious life. Even a minor emergency can send these people to extreme poverty or financial ruin. So the members of ASA save money on a regular basis. With this view in mind that only danger could be faced in need.

By offering safe and secured savings, ASA clients need not to sell assets during their crisis times, but can simply withdraw their accumulated savings and use them to meet their pressing needs. ASA provides voluntary, mandatory and long term savings services with due interest to its clients.

## SECURITY FUND/MINI INSURANCE

ASA has introduced two types of insurance policies for its borrowers. One is mini life insurance and other one is loan insurance. These services facilitate the clients to shield themselves in mitigating emergencies and sudden economic shocks.

## MEMBER SECURITY FUND

### (Mini life insurance)

Small Female loan and Small business loan account holders deposit Tk. 10 on weekly basis as the premium of insurance. The size of deposit for the SEL account holders is Tk. 50 per month. Inheritors receive 6 (six) times of the total deposit if a member dies. Otherwise, the depositors are refunded their savings amount with interest on maturity. During the first half of 2011, ASA paid Tk. 18.16 million as claim to the families of 4,381 deceased members.

## MALE MEMBER SECURITY FUND

### (Mini life insurance)

Female group members are also allowed to introduce insurance for their husbands or guardians and the size of weekly premium is Tk.10 for the program. If the male member dies, respective inheritors receive three times of their total deposits.

## LOAN INSURANCE

ASA charges a premium of only Tk. 10 per 1,000 (One Thousand) taka loan to provide this insurance. The outstanding loan is adjusted in full as insurance benefit if a member or her husband/guardian dies with outstanding loan.

# Technical Assistance

ASA deployed a notable number of its microfinance experts to develop and expand microcredit activities throughout the world. Over the years, ASA model has been replicated in Asia, Africa and Latin America rapidly for its unique feature and specialties in poverty alleviation. Besides, ASA was recognized internationally as a best managed and sustainable MFI of the world. ASA's innovative policy led the organization attaining this grand success. For these accomplishments more and more countries have adopted ASA model to combat poverty with full enthusiasm. ASA emerged as a leading MFI of the world and enjoying this status over one decade.



*Employees of QUE GENERAN BENEFICIOS, S.A. DE C.V. of Mexico stand in front of a newly open Branch in Mexico city. This Branch has been established following ASA microfinance model.*

At present a good number of ASA officials are staying in different countries of Asia and Africa for providing technical support to the local MFIs /NGOs for expanding microfinance coverage to the doorstep of the poor.

The experts are providing technical assistance (TA) to replicate ASA microfinance model in India, Pakistan, Afghanistan, Sri Lanka, The Philippines, Cambodia, Mexico, Ghana and Nigeria. During 2011 period 40 officials of ASA went to these countries in this regard.

# Hope for the Poorest (HP)

Hope for the Poorest (HP), a sister concern of ASA inaugurated four Primary health centres in the different backward areas of the country during 2011. The centres are Aruail Primary Health centre at Sarail upazila, Brahmanbaria, Nakaihat health centre at Gavindaganj upazila, Gaibandha, Shamnagar Health Centre at Satkhira and Sarankhola Health Centre at Bagerhat district. Poor patients of the localities are Primary with quality health services from those HP centres at a token price. HP health centres are working to create awareness among the pregnant women about maternity period, child care, family planning and cleanliness in daily life. Some necessary diagnosis and tests are being done and necessary medicines and drugs are being sold at 10% - 15% cheaper price from the centres than the open market price.

Beside, HP has started water, sanitation and hygiene (WASH) program at Satkhira and Bagerhat municipalities with the support from the Netherlands government in 2011. Approximately 50 thousands poor people, especially slum dwellers will be provided with WASH facilities through this program in the next four years.

Moreover, HP has been carried out Philanthropic and charity program like winter clothes distribution among the cold-hit poor of the country with financial assistance from ASA.



*A doctor examines poor patients at HP health centre, Chunarughat while ASA President is witnessing the health camp seen in above picture*

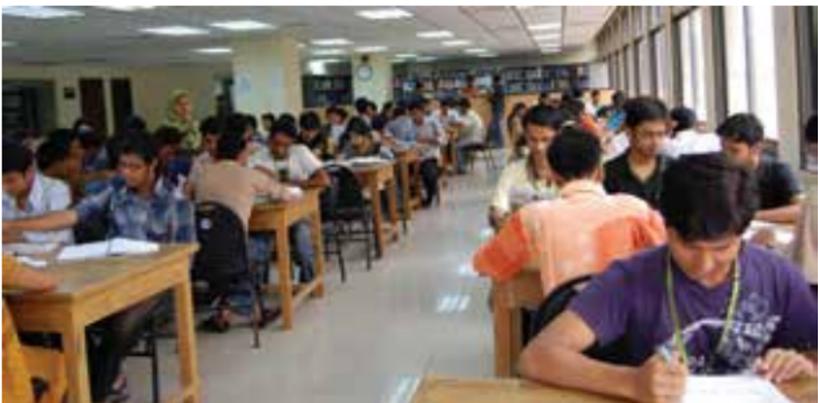
## **Exposure & Internship Program**

ASA has been witnessing a surge of foreign visitors over the years as its exclusive microfinance model received huge international accolades in recent years. The curious visitors of different countries have been visiting ASA to learn about its unique microfinance model practically. These visitors are comprised of researchers, university teachers, students, NGO officials, social activists, microfinance experts, Govt. officials etc.

A large number of students from European and American universities visits ASA each year as these universities have adopted microfinance study in their curriculum considering its importance in poverty alleviation. It is an academic recognition for microfinance as well for ASA. During the year 2011, seventy-five visitors from 14 countries across the world visited ASA.

## **ASA UNIVERSITY BANGLADESH (ASAUB)**

ASA University Bangladesh has been administering academic activities since 2007. Presently the University offers different programs and courses at graduate and post graduate level. The graduation (4 years) programs are English, LLB, B.Pharm., Applied Sociology and BBA. The post graduations (2 years) are LLM, MA in English, Master of Public Health, MBA (Regular) and MBA (Executive). Also there is microfinance course in MBA. The University is planning to start some new courses at the end of this year. About 6,000 students are enrolled presently with the university under different disciplines. ASA University Bangladesh is working hard to make it a centre of academic excellence so that it could disseminate the best education and knowledge among students at affordable fees.



# FINANCIAL ANALYSIS

## Financial Statistics

(Amount in BD Taka)

Particulars	2011	2010	2009	2008
<b>Information</b>				
No. of branches	3,154	3,194	3,236	3,303
Total no. of groups	271,697	273,317	271,059	271,976
No. of members (in million)	4.94	5.66	5.50	7.28
No. of active borrowers (in million)	4.36	4.47	4.00	5.88
No. of loan officers (end of year)	11,897	12,498	13,266	14,266
Average no. of members per LO	410	453	407	504
Avg. no. of borrowers per LO	362	357	302	412
Avg. no. of members per branch	1,565	1,771	1,699	2,177
<b>Loan portfolio</b>				
Yearly total loan disbursed (in million)	86,702	68,486	61,495	61,108
No. of loans disbursed (in million)	4.64	4.83	5.04	6.73
Average loan size	18,675	14,183	12,203	9,039
Total loan outstanding (in million)	47,414	37,547	31,323	32,022
Current	46,716	36,780	30,195	31,222
Overdue (past due)	698	767	1,128	800
Avg. outstanding balance by clients	10,877	8,404	7,830	5,193
Portfolio per Loan Officer (in million)	3.99	3.00	2.36	2.24
Portfolio per staff (in million)	2.22	1.67	1.30	1.24
Total amount written off (in million)	329.50	343.41	306.39	146.84
Total loan loss reserve (in million)	1,146	1,048	1,089	1,092
<b>Savings</b>				
Total savings (in million)	13,378	10,551	8,145	6,433

Note: 2011 figures are provisional

# FINANCIAL ANALYSIS

## Financial Statistics

(Amount in BD Taka)

Particulars	2011	2010	2009	2008
<b>Productivity/quantitative indicator</b>				
Cost per money lent	0.054	0.066	0.068	0.069
Cost per loan made	1,076	938	839	632
Portfolio in arrears	1.47%	2.04%	3.60%	2.50%
Portfolio at risk	2.28%	2.55%	4.67%	5.00%
Loan loss ratio	0.69%	0.91%	0.97%	0.45%
Reserve ratio	2.41%	2.79%	3.86%	3.41%
Effective yield on avg. portfolio (Annualized)	28.65%	25.84%	22.72%	24.35%
Effective yield on avg. assets (Annualized)	24.40%	20.06%	19.66%	23.38%
ROE (Adjusted Return on Equity)	9.42%	6.74%	3.57%	3.80%
ROA (Adjusted Return on Assets)	5.52%	3.67%	1.94%	2.29%
Operating self-sufficiency (OSS)	188.40%	184.02%	140.27%	136.75%
Financial self-sufficiency (FSS)	125.84%	119.48%	110.63%	110.40%
Total expenses/Total average assets (Annualized)	21.34%	18.83%	18.24%	22.44%
Financial cost/Total average assets	4.00%	1.62%	1.68%	2.09%
Adjustment cost/Total average assets (Annualized)	7.09%	6.60%	3.85%	4.32%
Loan loss cost/Total average assets (Annualized)	0.85%	0.41%	1.15%	1.59%
Operating cost/Total average assets (Annualized)	9.40%	10.19%	11.56%	14.41%
Total equity (own fund)/assets	64.09%	59.55%	57.28%	63.79%
Total equity (own fund)/liability	135.90%	132.71%	130.60%	130.66%
<b>USD1= Taka</b>	<b>80.22</b>	<b>70.75</b>	<b>68.45</b>	<b>68.50</b>

# ASA AT A GLANCE

## Up to December 2011

(Amount in BD Taka)

1. Year of Starting the Microcredit Program			1992
2. Total number of Branch Offices			3,154
3. Total number of Staff			21,422
4. Total number of Thanas /Upazila (sub-districts)			511
5. Total number of Districts			64
6. Total number of active Groups (Function as a collection center)			271,697
7. Total number of Active Members	Primary	4,751,044	
	Special	184,641	4,935,685
8. Total number of longterm savings A/C			1,546,780
9. Savings balance	Primary	6,985.25	
	Special	990.70	
	LTS	5,401.57	13,377.52
10. Total number of Security Fund (Mini insurance policy holders)			4,900,297
11. Amount of Security Fund			4,145.56
12. Total number of active borrowers (end of the month)	Primary	4,172,391	
	Special	184,641	
	Solar	2,186	4,359,218
13. Loan outstanding (Principal)			47,414
Disbursed (cumulative) Taka		496,815	
Realized (cumulative) Taka		(449,401)	
14. Rate of Recovery (cumulative)			99.84 %
15. Operational Self-Sufficiency (OSS)			188.40 %
16. Financial Self-Sufficiency (FSS)			125.84 %

\* Taka in million

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