

# FINAL REPORT

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**CO-OPERATIVE AGREEMENT  
GRANT NO. 367-A-00-97-00086-00**



## NEPAL CRS COMPANY

(FROM JULY 16, 1997 TO OCTOBER 15, 2002)

*Submitted to:  
HFP Office, USAID/Nepal*

*Submitted by:  
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## EXECUTIVE SUMMARY

This report is prepared by Nepal CRS Company (CRS) as required by 1.5.2(c) of the five-year cooperative agreement that CRS had entered with the United States Agency for International Development effective July 16, 1997 and ending as of July 2002 with no cost extension up to October 15, 2002. This report covers the period starting July 16, 1997 and ending October 15 2002.

CRS is the only social marketing company having a full range of both clinical and non-clinical contraceptives in its product line. CRS has been marketing two brands of condoms two brands of oral contraceptives and one brand of injectable, intra-uterine device and Norplant. Similarly, CRS has bleach powder for decontamination, Safe Home Delivery Kits and a range of other health related products including ORS in its product portfolio. CRS accomplished all agreed outcomes in the cooperative agreement. In meeting its defined program objectives, CRS has also immensely complemented and supported all four Intermediate Results outlined in the USAID Strategic Objective 2 entitled Reduced Fertility And Improved Maternal and Child Health.

During the period of the award, CRS achieved 803,350 cumulative couple year protection. From July 2001 to October 2002, CRS has accomplished a CYP of 233,966 against the target of 206,000.

CRS introduced behavioral change initiatives in its program since 2000. There is network of 4 CBOs in selected districts through which awareness programs are being conducted, products are distributed and trainings are held on matters of family planning and general public health.

The total expenditures during the period of the Award stand Rs. 241,620,250. The USAID contributed expenditures amount to be Rs. 204,291,128.

During the period CRS implemented Condom Promotion and Distribution Program (FCO 52426) under AIDSCAP/Nepal project with assistance of Family Health International focusing on the major transport routes having commercial sex workers and clients as its target population. The objective of this project was to continue expanding the distribution and accessibility of the CRS brand condoms for disease prevention. The project also aimed to strengthen sales and to influence consumer behavior in the selective geographical areas with focus on the highways.

CRS faced a serious funding problem when USAID suspended the co-operative agreement with effective April 10, 2000. A new senior management team was put in place to work towards lifting of the USAID suspension and to restructure and reorient the company. Subsequently, CRS has revamped its structure and reoriented its staff. Besides managing the distribution and promotion of family planning contraceptives and related health products, CRS is today involved in a number of demand generating activities through community based behavioral change communication.

October 15, 2002 ushered in a new era for CRS as USAID/Nepal direct support to CRS came to an end. Started as a pilot project between His Majesty's Government of Nepal and United States Agency for International Development in 1979, CRS was later registered as a company in 1983. Since its inception, USAID/Nepal directly provided commodity and financial support to CRS, social marketing activities. In its 23 years of history CRS has undoubtedly made its contribution to the welfare of Nepalese families. That contribution has been only possible because of USAID/Nepal' support to CRS for which the company is grateful to USAID/Nepal.

Post October 15, 2002, CRS will be funded through USAID field based AIDSMARK Project. Population Services International (PSI), a leading social marketing international non-governmental organization, is the prime of this project. CRS looks forward to having a sub-agreement with PSI for both technical and financial support to maintain and enhance the social marketing programs of CRS.

## OVERVIEW

During the period of the Cooperative Agreement, CRS carried out its social marketing program of contraceptives and other health related products successfully. With many ups and down CRS has emerged as a leading social marketing organization in Nepal.

CRS, a not-for-profit private company, has been complementing and supplementing USAID efforts to increase family planning services, maternal health services and child health services in Nepal. CRS adopted modern marketing tools and techniques to fulfill its mission statement.

CRS faced a serious funding problem when USAID suspended the co-operative agreement with effective April 10, 2000. As a result, the Board suspended the then Managing Director effective April 11, 2000. Upon lifting of his suspension on 12 June 2000, the then managing director resigned from his post 26 July 2000. Selected through a competitive process, Mr. Shanker Raj Pandey joined CRS as its Managing Director effective 11 December 2000.

The USAID suspension on its Cooperative Agreement was lifted partially as of March 14, 2001 and fully as of August 16, 2001. During the period of suspension CRS was not able to carry out its social marketing activities in a full-fledged manner. CRS new management was able to meet all the criteria laid out for the lifting of the suspension.

During the suspension period, the company faced many problems and challenges. After the suspension of co-operative agreement and before the new Managing Director joined the company, the operations of the company were carried out by the directors under the leadership of the Board Chairperson.

After the appointment of a new Managing Director, CRS has made tremendous progress in the overall aspects of the company operations. A new Business Plan 2001 was prepared and was adopted as the guide to the Management in rejuvenating and re-orienting CRS. Many new policies have been introduced while others were reviewed and amended incorporating opinions and suggestions of auditors and external consultants who visited the company from time to time. CRS fulfilled various benchmarks (except those related to governance issue) as agreed with USAID. Striving to attain these benchmarks has helped the company to enhance its financial controls, program effectiveness and institutional capacity building.

Presently, CRS is carrying its activities with focus on creating greater health impact in the country. Commercial distribution system has been introduced and is fully operational. Community level demand generation activities are also being given due focus and importance. BCC interventions are also in place in partnership with local level NGOs in various parts of the country.

CRS has shifted its main office from Dhobighat, Lalitput to Banasthali, Balaju, Kathmandu. The main office now houses both the headquarters and the warehouse/repackaging under one roof.

## **PROJECT OBJECTIVES**

### **A. Cost Sharing**

Clause No. 3.9, Attachment I entitled Cost Sharing provides that:

"The recipient agrees to expend an amount not less than 32% of the total federal contribution. Cost sharing contributions will meet the criteria as set out in the Standard Provision entitled " Cost Sharing (Matching) as shown in Attachment 3".

The total expenditures during the period of the Award stand Rs 241,620,250, and the revenue from the sale of USAID products is Rs. 59,402,605. In accordance with USAID Reg. CFR 226.24 (f), Net expenditure on USAID account comes to Rs.144, 888,523, which accounts for 60% contribution to CRS.

CRS spent 40% from non-federal contribution against the requirement of minimum 32%. Hence cost-sharing requirement has been fulfilled. A detailed statement of cost sharing has been shown in the Annexure I.

### **B. Program**

On signing of the cooperative agreement, CRS anticipated achieving the following objective from its project initiatives:

1. A sixty percent recovery of fixed costs by the end of the year 2002, excluding the commodities donated by USAID
2. Achieving approximately 300,000 annual years of protection (CYP) by the end of 2002.
3. Providing a full range of temporary contraceptive products including 3 three brands of condoms, 2 brands of pills, Depo Provera injectable, a brand of vaginal foaming tablets, and intra-uterine device and Norplant.
4. Marketing Virex (bleach powder for decontamination), Safe Home Delivery Kits and a range of other health related products including ORS, and
5. The Continued distribution and promotion of condoms in an effort to reduce HIV incidence along the major highways through Nepal by having at least 20 percent annual increase in the number of retail shops selling these products using the MIS information available at the main office.

However, due to suspension of cooperative agreement and reduced funding, the original objectives were revised and amended in September 24, 2001 as follows:

1. A sixty percent recovery of fixed costs by the end of the year 2002, excluding the commodities donated by USAID
2. Achieving approximately 1,74,000 annual years of protection (CYP) by the end of 2002. This was changed to 206,000 CYP with the no-cost extension letter dated April 11, 2002.
3. Providing a full range of temporary contraceptive products including two brands of condoms, 2 brands of pills, Depo Provera injectable, intra-uterine device and Norplant.
4. Marketing Virex (bleach powder for decontamination), Safe Home Delivery Kits and a range of other health related products including ORS, and
5. The Continued distribution and promotion of condoms in an effort to reduce HIV incidence along the major highways through Nepal by achieving an approximate 20 percent increase in the number of retail shops selling these products using the MIS information available at the main office.

## **PROGRAM PERFORMANCE**

CRS Company's activities over the period being reported has complemented and supported all four Intermediate Results outlined in USAID Strategic Objective 2 entitled Reduced Fertility And Improved Maternal and Child Health. As per the Attachment 2 of the cooperative agreement, these objectives are as follows.

1. To increase family planning services
2. To improve the quality of family planning services
3. To increase use of selected maternal and child health services
4. To increase STD/HIV prevention and control practices by high risk groups in target areas.

With respect to achieving the above objectives, CRS performance over the period of agreement has been as follows:

### ***CRS Product Line***

As agreed in the program objectives, CRS is marketing clinical, non-clinical and health related products to the people of Nepal.

It is the only social marketing company having a full range of both clinical and non-clinical contraceptives in its product line. CRS is marketing two brands of condoms: *Dhaal Deluxe* and *Panther*; two brands of oral contraceptives: *Nilocon White* ( Duofem-Norgestrel 0.3 mg. with Ethinyl Estradiol 0.03 mg.) and *Sunaulo Gulaf* (Microgynon ED Fe-Levonogestrel 0.15 mg with Ethinystradiol 0.03 mg); and one brand of injectable-- *Sangini* (Depo Medroy Progesterone Acetate).

Due to reduction in funding and suspension of the agreement, CRS could not arrange the marketing of third brand condom. Therefore, the marketing of third brand condom was withdrawn from its scope of work as revised on September 24, 2001. CRS has discontinued selling vaginal foaming tablet under the brand name of *Kamal* (9-non oxynol 100 mg.) due to low demand from the customers. USAID/Nepal has removed this product from the list of products in November 2001.

Further, IUD and Norplant are also being marketed in major cities and towns through the members of Paribar Swastha Sewa Network (PSSN) since 1995 and SEWA members since 2000.

CRS has also been marketing health-related products as *Clean Home Delivery Kit (CHDK)*, Calcium Hypochlorite Powder (*VIREX*) and Oral Rehydration Salts (*Navajeevan*).

### ***Increase Family Planning Services***

CRS has contributed to increase family planning services by sale of contraceptives to consumers and services providers. During the period of the award, CRS achieved 803361 cumulative couple year of protection. The yearly breakdown is as below:

Period	CYP Achievements	Cumulative Achievement
1997 / 1998	127,570	127570
1998 / 1999	155,975	283,545
1999 /2000	137,484	421029
2000/2001	148,356	569,385
2001/ 2002	182,525	751,900
From July 16, 2002 to October 15, 2002	51,451	803,351
<b>Total till 2002</b>	<b>803,350</b>	<b>803,350</b>

In order to achieve above CYPs, CRS sold 49,512,652 units of condom, 2,760,030 cycles of pills, 591,101 vials of injectable, 1,704,735 vaginal foaming tablets, 10,165 units of intra-uterine device and 2,624 units of Norplant during the period of the award. Details are provided in Annexure II.

#### *Improvement in the quality of family planning services*

CRS has been continuously selling Calcium Hypochlorite (bleach) powder under the brand name of VIREX, which is used for decontamination of soiled and contaminated surgical instruments. This product allows health providers to protect themselves from harmful diseases such as HIV and hepatitis contributing to an improvement in the quality of services being offered. Hospitals, nursing homes, medical colleges, clinics and other health related institutions are major users of the product. This product has been marketing by CRS since 1995, and it is the first product of CRS that are being marketing with CRS generated revenue. Details are provided in Annexure II.

Period	Sales Achievements (Packets)	Cumulative Achievement
1997 / 1998	20,530	20,530
1998 / 1999	37,536	58,066
1999 /2000	38,359	96,425
2000/2001	32,520	128,945
2001/ 2002	45,445	174,390
From July 16, 2002 to October 15, 2002	19,330	193,720
<b>Total</b>	<b>193720</b>	

#### *Increase use of selected maternal and child health services*

##### **Maternal Health Services**

CRS has helped reduce the incidence of deadly infections by providing safe home delivery kits. CRS is selling the kits under the name of Clean Home Delivery Kits (CHDK) or "Sutkeri Saman". CHDK is a simple packet consisting of a razor, plastic sheet, thread and soap. As about 90% of childbirths take place in homes, the use of CHDK has been very useful in making safe delivery. CRS has distributed the Clean Home Delivery Kit since early 1995.

The sales performance of this product during the period being reported is as below, and details are provided in Annexure II.

Period	Sales Achievements (Packets)	Cumulative Achievement
1997 / 1998	19,406	19,406
1998 / 1999	37,396	56,802
1999 /2000	30,328	87,130
2000/2001	43,291	130,421
2001/ 2002	49,641	180,062
From July 16, 2002 to October 15, 2002	14,686	194,748
<b>Total</b>	<b>194,748</b>	

### Child Health Services

Similarly, CRS has contributed towards better child health through the sale of oral rehydration salts under the brand name of *Navajeevan* to treat the effects of diarrhea since July 1998. The sales performance of this product during the period being reported is as below, and details are provided in Annexure II.

Period	Sales Achievements (Sachets)	Cumulative Achievement
1997 / 1998	N.A.	N.A.
1998 / 1999	2,384,750	2,384,750
1999 /2000	1,985,267	4,370,017
2000/2001	1,896,000	6,266,017
2001/ 2002	2,391,309	8,657,326
From July 16, 2002 to October 15, 2002	390,459	9,047,785
<b>Total</b>	<b>9,047,785</b>	

### HIV/AIDS Reduction/control initiatives

CRS implemented Condom Promotion and Distribution Program (FCO 52426) under AIDSCAP/Nepal project with geographic focus on the Terai and Central Region major transport routes having commercial sex workers and clients as its target population. The project dates covered were Feb 1, 1996 till July 31, 1997.

The objective of this project was to continue expanding the distribution and accessibility of the CRS brand condoms for disease prevention. The project aimed to strengthen sales and to influence consumer behavior in 22 districts and most particularly in the nine districts of the Central Development Region with focus on the highways.

To meet the above objectives, CRS completed the following activities.

1. Conducted workshops for general outlet owners, non-traditional retailers and local community leaders focused on topics of condom promotion and STI/HIV/AIDS.
2. Designed and produced banners with HIV/AIDS condom messages.
3. Revised the social marketing training curriculum and materials and conducted field trainings for NGOs.

4. Supported initiatives for condom distribution and expansion by opening and maintaining, new sales outlets in non-traditional outlets.
5. Supported initiatives of the condom multimedia campaign.

During this sub-project period CRS accomplished desired results. All together 87,125 individuals were educated, 555 individuals were trained and 1,000 pieces of promotional materials & 14,411,072 condoms were distributed.

Subsequent to AIDSCAP project, CRS has been continuing in reducing the risks of the deadly HIV/AIDS by supplying condoms in various parts of the country, providing training on use and importance of condoms, conducting community based programs to enhance awareness about condoms and STI/HIV/AIDS. During the period of the USAID Cooperative Agreement, CRS sold 49.5 million units of condoms.

#### **Non-traditional outlets**

In addition to supplying and distributing contraceptives through medical outlets and pharmacies, CRS has been very active in supplying contraceptives to such non-traditional outlets as groceries, paan shops, etc. CRS has been successfully opened such outlets and supplied its products to the consumers. In 2001-02 CRS opened 1083 non-traditional outlets. The target for the year 2002-03 has been set at 1800 out of which 1247 have been opened in the first half of the year. The table below lists the number of NTOs opened and serviced by the Company over the past several years. Thus, it can be concluded that there is at least a 20 % annual increment in opening NTOs as stipulated in the Program Objectives.

<b>Period</b>	<b>Nos. of NTOs</b>	<b>% Increase over preceding year</b>
1997 / 1998		NOT AVAILABLE
1998 / 1999	<b>195</b>	-
1999 /2000	<b>160</b>	Minus 18%
2000/2001	<b>393</b>	146%
2001/ 2002	<b>1,083</b>	176%
From July 16, to October 15, 2002	493	15% in six months or 30 % on annual basis
From October 16 to Jan 14, 2003	754	
<b>Total</b>	<b>1247</b>	

#### **BCC Initiatives**

CRS has been instrumental in increasing family planning contraceptive awareness (presently national awareness is 99%). Motivation is required on the part of people to change their sexual habit through behaviour change communication interventions. As part of management efforts putting new thrust to the social marketing programs of the company, CRS, as part of its Business Plan 2001, created a BCC department to plan and implement BCC initiatives at the community level in partnership with local community based organizations (CBO).

CRS has established a network with the following 4 CBOs in six districts, namely, Jhapa, Morang, Sunsari, Mohottari, Chitwan and Banke of the country:

Districts	Groups associated with the CBOs	No of Group Members trained / mobilized
Jhapa	13	311
Morang	10	153
Sunsari	3	87
Chitwan	2	44
Banke	3	69
Mahottari	4	88
<b>Total</b>	<b>35</b>	<b>752</b>

CRS provided/conducted trainings to the members and beneficiaries of these organizations on importance and use of various contraceptives, bleaching powder, oral rehydration salt, clean home delivery kits. Further, trainings were also provided on general health, safer motherhood and HIV/AIDS. CRS trained people are expected to train the local people on the issues as mentioned earlier.

### **Financial Aspect of the Project**

#### **1. Program Budget and Expenditures**

As per the revised program schedule attached to the "no cost extension up to Oct. 15, 2002" dated April 11, 2002, the total LOP Budget for CRS program was Rs. 170, 311,402.

The project expenditures incurred during the Cooperative Agreement period were NRs.204, 291,128 including expenses incurred from the Revenue Fund during the suspension period.

As per the LOP Budget, CRS has incurred a total expenditure of Rs. 166,382,917 out of which CRS has already received reimbursements totaling Rs. 151,240,680 for expenses up to July 16, 2002. CRS is in the process of submitting the final disbursement request to USAID Controller Office for reimbursement of Rs. 15,142,237 incurred up to October 15, 2002. The pipeline analysis has been given in Annexure III.

#### **2. Cost Recovery**

The sources of CRS incomes have been grants of commodities and assets, sale proceeds (revenues) and reimbursement of expenses. CRS has been able to meet the objective of cost recovery as agreed in the cooperative agreement. The Scope of Work has spelt out that CRS has to recover 60% of its fixed costs by the end of the Cooperative Agreement excluding the commodities donated by USAID. The following is the yearly recovery of fixed as per the stipulation.

Year (12 month periods)	Total Cost	Total Revenue	Cost Recovery
1997/98	13,293,252	8,954,418	67%
1998/1999	13,825,415	9,974,135	72%
1999/2000	15,782,038	9,815,891	62%
2000/2001	17,853,694	11,779,974	64%
2001/2002	24,939,122	14,853,555	60%

The details of above calculation have been given in Annexure IV. This is clear that CRS has successfully achieved its objective with respect to cost recovery.

### 3. Cost Per CYP

Fiscal Years/CYP	Cost in Rupees	Cost in US \$	Exchange Rate (US \$: Rs.)
1997-1998/ 127,570	291.00	4.80	61.05
1998-1999/ 155,975	368.00	5.40	67.95
1999-2000/ 137,484	313.00	4.50	69.35
2000-2001/ 148,356	217.00	3.00	73.25
2001-2002/ 182525	235.00	3.00	78.60

### Project Contribution to Direct Employment

CRS has emerged as a model employer especially in developing human resources in social marketing sector. The knowledge and expertise of its people are widely recognized in the contraceptive marketing, training and community work related to family planning and reproductive health. At present CRS provides direct employment to about 70 people. The number of employees as on the closing of the fiscal years is as follows:

Fiscal Years	No of Employees
1997/1998	69
1998/1999	73
1999/2000	72
2000/2001	70
2001/2002	69

### NEW FUNDING ARRANGEMENT and the FUTURE

KfW of Germany support to one oral contraceptive and oral rehydration salt started in 1998 and the agreement with KfW has been renewed for another 4-year period starting July 2002. The present co-operative agreement with USAID/Nepal expired as of October 15, 2002. It has been agreed in principle that post October 15, USAID/Nepal will be supporting CRS programs and activities through a new funding mechanism, i.e. Washington-based USAID AIDSMARK Project. Population Services International (PSI), a leading social marketing international non-governmental organization, is the prime of this project. CRS looks forward to having a sub-agreement with PSI under this project to fund the social marketing programs of CRS.

### CONCLUSION

In conclusion, CRS has expanded the availability of quality family planning services in Nepal by achieving 803361CYPs through sales of modern contraceptive methods. Selling 194705 packets of CHDK evidences that CRS has helped 9,047,785 mothers during child deliveries. At the same time child health services are rendered by CRS through sales of oral Rehydration salt has also created great health impact in the people especially rural poor and needy. This is substantiated by the decline in the reported diarrhea cases in the health offices.

CRS activities over the period being reported has complemented and supported all four Intermediate Results outlined in Strategic Objective 2 entitled *Reduced Fertility And Improved Maternal and Child Health*. CRS has established itself as the only social marketing organization

in Nepal helping to raise the health standard of Nepalese people by increasing quality family planning services, increasing use of maternal and child health services and increasing STD/HIV prevention and control practices by high risk groups in target areas.

CRS has thus accomplished all the performance objectives laid down in the Cooperative Agreement.

1. CRS has met the cost-sharing requirement by spending 40% from non-federal contribution against the requirement of minimum 32 %.
2. CRS has achieved 233, 976 CYP against the requirement of 206, 000 CYP in the final year of the contract.
3. As stipulated, CRS is currently providing a full range of temporary contraceptive products.
4. CRS is marketing VIREX (bleach powder for decontamination), Safe Home Delivery Kits and ORS.
5. CRS has kept up with the expansion of non-traditional outlets at the increasing rate of at least 20 percent per annum.



# ANNEXURES



## ANNEXURE I

**Nepal CRS Company**  
**DETAILS OF EXPENDITURES FOR THE PERIOD OF JULY 16,1997 TO OCTOBER 15,2002**

S.No.	Line Items	Total USAID	Total KRW	Total Program Expenditures
I	Promotion	42,285,007	21,911,119	64,196,126
II	Repackaging	19,215,855	1,658,136	20,873,991
III	Market Research	1,672,683	3,081,900	4,754,583
IV	Sales Incentives	7,131,791	2,433,259	9,565,050
V	Sales Training	2,103,120	753,532	2,856,652
	a.Sales Conference	-	-	-
	b.Training-Sangini	-	-	-
	c.Local/Retailers	-	-	-
VI	Other Training	5,030,940	-	5,030,940
VII	Commodities (Vehicles)	8,541,798	2,405,533	10,947,331
VIII	Administration	118,309,933	5,085,643	123,395,576
	Salary & Other Staff Cost	70,545,295	337,430	70,882,725
	Travel/Perdiem	-	-	-
	Perdiem - Sales	6,772,830	636,527	7,409,356
	Perdiem - Non Sales	486,280	83,096	569,376
	Insurance	-	-	-
	Insurance Personnel	176,972	-	176,972
	Insurance Vehicle	2,984,927	230,493	3,215,420
	Vehicle Running Cost	12,386,780	1,021,932	13,408,711
	Capital expenditure	3,540,497	366,575	3,907,072
	Office & Computer Supply	2,690,171	25,747	2,715,918
	Utilities & Office rental	10,174,505	1,109,200	11,283,705
	Commodity Distribution/Porte	3,512,839	181,150	3,693,989
	Board Meetings Expenses	499,523	4,715	504,239
	Other Costs	4,539,313	1,088,780	5,628,093
		-	-	-
	<b>TOTAL EXPENSES</b>	<b>204,291,128</b>	<b>37,329,122</b>	<b>241,620,250</b>

**ANNEXURE I (a)**

**CALCULATION OF COST SHARING BETWEEN CRS AND USAID IN THE RATIO OF 32:68**

USAID EXPENDITURE	<b>204,291,128</b>
LESS: REVENUE FROM SALES OF USAID PRODUCTS	<b>59,402,605</b>
NET EXPENDITURE	<b>144,888,523</b>
TOTAL PROGRAM EXPENDITURE	<b>241,620,250</b>

As per the cost sharing arrangement under the Cooperative Agreement, USAID's Share of the total program expenditure is 68% i.e 68% of NRs.241,620,250 which amounts to NRs.164,301,770. Actual expenditure of USAID as indicated above is NRs.144,888,523 .Hence the cost sharing requirement has been fulfilled.

for the purpose of determining the cost share of CRS and USAID in the CRS Program, we have consider the second alternatives as mentioned in Reg 22 CFR 226.24 (f).

## ANNEXURE I.(b)

Nepal CRS Company  
 DETAILS OF EXPENDITURES FOR THE FISCAL YEAR 1997/1998

S.No.	Line Items	USAID	KfW	Total Expenditures
I	Promotion	10,325,565	-	10,325,565
II	Repackaging	3,175,031	-	3,175,031
III	Market Research	513,705	-	513,705
IV	Sales Incentives	696,424	-	696,424
V	Sales Training	469,992	-	469,992
	a.Sales Conference	-	-	-
	b.Training-Sangini	-	-	-
	c.Local/Retailers	-	-	-
VI	Other Training	3,416,940	-	3,416,940
VII	Commodities (Vehicles)	-	-	-
VIII	Administration	18,394,257	75,878	18,470,135
	Salary & Other Staff Cost	8,647,270	-	8,647,270
	Travel/Perdiem	-	-	-
	Perdiem - Sales	1,294,112	7,395	1,301,507
	Perdiem - Non Sales	77,002	-	77,002
	Insurance	-	-	-
	Insurance Personnel	-	-	-
	Insurance Vehicle	635,927	-	635,927
	Vehicle Running Cost	2,610,851	15,641	2,626,491
	Capital expenditure	1,024,245	1,025	1,025,270
	Office & Computer Supply	701,507	5,890	707,397
	Utilities & Office rental	2,234,904	35,512	2,270,415
	Commodity Distribution/Porte	94,796	5,700	100,496
	Board Meetings Expenses	115,475	4,715	120,191
	Other Costs	958,170	-	958,170
	<b>TOTAL EXPENSES</b>	<b>36,991,914</b>	<b>75,878</b>	<b>37,067,792</b>

**Nepal CRS Company**  
**DETAILS OF EXPENDITURES FOR THE FISCAL YEAR 1998/1999**

S.No.	Line Items	USAID	KfW	Total Expenditures
I	Promotion	13,191,076	10,527,189	23,718,265
II	Repackaging	4,418,327	546,623	4,964,949
III	Market Research	6,795	873,038	879,833
IV	Sales Incentives	4,267,450	1,818,228	6,085,678
V	Sales Training	503,447	699,117	1,202,564
	a. Sales Conference			-
	b. Training-Sangini			-
	c. Local/Retailers			-
VI	Other Training	1,386,759	-	1,386,759
VII	Commodities (Vehicles)	4,932,681	508,197	5,440,878
VIII	Administration	19,163,891	844,595	20,008,485
	Salary & Other Staff Cost	9,238,374	1,800	9,240,174
	Travel/Perdiem			-
	Perdiem - Sales	1,576,847	125,660	1,702,507
	Perdiem - Non Sales	105,284		105,284
	Insurance			-
	Insurance Personnel			-
	Insurance Vehicle	445,179	18,784	463,963
	Vehicle Running Cost	2,760,479	90,537	2,851,016
	Capital expenditure	840,548	311,650	1,152,198
	Office & Computer Supply	500,558	6,285	506,843
	Utilities & Office rental	2,531,153	26,433	2,557,586
	Commodity Distribution/Porte	55,317	10,870	66,187
	Board Meetings Expenses	93,005		93,005
	Other Costs	1,017,147	252,577	1,269,724
	<b>TOTAL EXPENSES</b>	<b>47,870,425</b>	<b>15,816,985</b>	<b>63,687,411</b>

**Nepal CRS Company**  
**DETAILS OF EXPENDITURES FOR THE FISCAL YEAR 1999/2000**

S.No.	Line Items	USAID	KfW	Total Expenditures
I	Promotion	8,155,598	7,165,766	15,321,363
II	Repackaging	2,426,998	349,230	2,776,228
III	Market Research		1,569,488	1,569,488
IV	Sales Incentives	695,890	164,888	860,778
V	Sales Training	376,003	28,540	404,543
	a.Sales Conference			-
	b.Training-Sangini			-
	c.Local/Retailers			-
VI	Other Training			-
VII	Commodities (Vehicles)	3,609,117	1,897,336	5,506,453
VIII	Administration	20,141,692	789,334	20,931,025
	Salary & Other Staff Cost	11,606,832		11,606,832
	Travel/Perdiem			-
	Perdiem - Sales	1,152,389	109,412	1,261,800
	Perdiem - Non Sales	71,818	80,263	152,080
	Insurance			-
	Insurance Personnel			-
	Insurance Vehicle	858,605	75,152	933,757
	Vehicle Running Cost	2,758,975	253,954	3,012,929
	Capital expenditure	264,245	26,500	290,745
	Office & Computer Supply	446,161	5,692	451,853
	Utilities & Office rental	2,554,017	23,614	2,577,630
	Commodity Distribution/Porte	112,227	32,216	144,443
	Board Meetings Expenses	85,248	-	85,248
	Other Costs	231,177	182,532	413,709
	<b>TOTAL EXPENSES</b>	<b>35,405,298</b>	<b>11,964,581</b>	<b>47,369,879</b>

## ANNEXURE I.(e)

**Nepal CRS Company**  
**DETAILS OF EXPENDITURES FOR THE FISCAL YEAR 2000/2001**

S.No.	Line Items	USAID	KfW	Total Expenditures
I	Promotion	1,857,786	1,321,584	3,179,370
II	Repackaging	3,809,222	390,933	4,200,155
III	Market Research	501,719	236,104	737,823
IV	Sales Incentives	652,170	169,279	821,449
V	Sales Training	87,538		87,538
	a. Sales Conference			-
	b. Training-Sangini			-
	c. Local/Retailers			-
VI	Other Training	192,371		192,371
VII	Commodities (Vehicles)			-
VIII	Administration	21,698,207	2,039,760	23,737,967
	Salary & Other Staff Cost	14,112,680		14,112,680
	Travel/Perdiem			-
	Perdiem - Sales	813,300	382,730	1,196,030
	Perdiem - Non Sales	45,232	2,833	48,065
	Insurance			-
	Insurance Personnel			-
	Insurance Vehicle	567,502	71,598	639,100
	Vehicle Running Cost	1,797,595	273,613	2,071,208
	Capital expenditure	1,059,165		1,059,165
	Office & Computer Supply	439,541	2,902	442,443
	Utilities & Office rental	1,887,389	918,220	2,805,609
	Commodity Distribution/Porte	129,221	71,737	200,958
	Board Meetings Expenses	102,496		102,496
	Other Costs	744,086	316,127	1,060,213
	<b>TOTAL EXPENSES</b>	<b>28,799,013</b>	<b>4,157,660</b>	<b>32,956,673</b>

## ANNEXURE I.(f)

**Nepal CRS Company**  
**DETAILS OF EXPENDITURES FOR THE FISCAL YEAR 2001/2002**

S.No.	Line Items	USAID	KfW	Total Expenditures
I	Promotion	5,935,350	2,149,713	8,085,063
II	Repackaging	3,318,239	193,211	3,511,450
III	Market Research	289,400	275,852	565,252
IV	Sales Incentives	597,285	280,865	878,149
V	Sales Training	666,527	25,875	692,402
	a. Sales Conference			-
	b. Training-Sangini			-
	c. Local/Retailers			-
VI	Other Training	25,870		25,870
VII	Commodities (Vehicles)			-
VIII	Administration	29,249,570	1,196,326	30,445,896
	Salary & Other Staff Cost	20,129,975	335,630	20,465,605
	Travel/Perdiem			-
	Perdiem - Sales	1,598,445	11,330	1,609,775
	Perdiem - Non Sales	149,784		149,784
	Insurance			-
	Insurance Personnel	176,972		176,972
	Insurance Vehicle	228,266	42,988	271,254
	Vehicle Running Cost	1,833,329	361,559	2,194,887
	Capital expenditure	237,715	27,400	265,115
	Office & Computer Supply	314,375	4,978	319,353
	Commodity Distribution/Porte	176,800	89,641	266,441
	Utilities & Office rental	3,088,214	30,031	3,118,245
	Board Meetings Expenses	71,655		71,655
	Other Costs	1,244,040	292,770	1,536,810
	<b>TOTAL EXPENSES</b>	<b>40,082,240</b>	<b>4,121,842</b>	<b>44,204,082</b>

**Nepal CRS Company**  
**DETAILS OF EXPENDITURES FOR THE PERIOD OF JULY 17 TO OCTOBER 15, 2002**

S.No.	Line Items	USAID	KfW	Total Expenditures
I	Promotion	2,819,632	746,867	3,566,499
II	Repackaging	2,068,038	178,140	2,246,178
III	Market Research	361,064	127,418	488,482
IV	Sales Incentives	222,573	-	222,573
V	Sales Training	(386)	-	(386)
	a.Sales Conference	-	-	-
	b.Training-Sangini	-	-	-
	c.Local/Retailers	-	-	-
VI	Other Training	9,000	-	9,000
VII	Commodities (Vehicles)	-	-	-
VIII	Administration	9,662,317	139,751	9,802,068
	Salary & Other Staff Cost	6,810,164	-	6,810,164
	Travel/Perdiem	-	-	-
	Perdiem - Sales	337,737	-	337,737
	Perdiem - Non Sales	37,161	-	37,161
	Insurance	-	-	-
	Insurance Personnel	-	-	-
	Insurance Vehicle	249,449	21,971	271,420
	Vehicle Running Cost	625,551	26,629	652,180
	Capital expenditure	114,579	-	114,579
	Office & Computer Supply	288,030	-	288,030
	Utilities & Office rental	790,243	15,781	806,024
	Commodity Distribution/Porte	33,065	30,596	63,661
	Board Meetings Expenses	31,644	-	31,644
	Other Costs	344,694	44,774	389,468
		-	-	-
	<b>TOTAL EXPENSES</b>	<b>15,142,238</b>	<b>1,192,176</b>	<b>16,334,414</b>

Nepal CRS Company  
 DETAILS OF EXPENDITURES FOR THE PERIOD OF JULY 16, 1997 TO OCTOBER 18, 2002

S No	Line Items	USAID	KW	USAID	KW	USAID	KW	USAID	KW	USAID	KW	USAID	KW	Total	Total
		1997/1998	1997/1998	1998/1999	1998/1999	1999/2000	1999/2000	2000/2001	2000/2001	2001/2002	2001/2002	3 Months	3 Months	USAID	KW
I	Promotion	10,328,868	-	13,191,076	10,827,189	8,168,898	7,188,788	1,887,798	1,321,884	8,838,380	2,148,713	2,819,432	748,887	42,284,007	21,911,119
II	Repackaging	3,178,031	-	4,418,327	848,823	2,428,996	348,230	3,809,222	390,833	3,318,238	183,211	2,088,038	178,140	19,218,888	1,888,138
III	Market Research	813,708	-	8,788	873,038	-	1,989,888	801,719	236,104	289,400	274,882	361,984	127,418	1,872,883	3,081,900
IV	Sales Incentives	896,424	-	4,287,480	1,818,228	898,890	184,888	882,170	189,279	887,288	280,888	223,873	-	7,131,781	2,433,288
V	Sales Training	488,982	-	803,447	699,117	378,003	28,840	87,838	-	686,627	28,878	(386)	-	2,103,120	783,632
	a Sales Conference	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	b Training-Sangini	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	c Local/Retailers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI	Other Training	3,416,848	-	1,388,788	-	-	-	182,371	-	28,870	-	8,000	-	8,030,840	-
VII	Commodities (Vehicles)	-	-	4,832,881	608,187	3,808,117	1,897,338	-	-	-	-	-	-	8,841,798	2,408,833
VIII	Administration	18,284,287	78,878	19,183,881	844,888	20,141,882	788,334	21,888,207	2,038,780	28,248,870	1,188,328	8,882,317	139,781	118,308,833	8,088,843
	Salary & Other Staff Cost	8,847,270	-	9,238,374	1,800	11,808,832	-	14,112,880	-	20,128,975	338,830	8,810,184	-	70,545,295	337,430
	Travel/Perdiem	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Perdiem - Sales	1,284,112	7,385	1,578,847	128,880	1,152,389	108,412	813,300	382,730	1,588,445	11,330	337,737	-	8,772,830	836,527
	Perdiem - Non Sales	77,002	-	105,284	-	71,818	-	45,232	-	148,784	-	37,181	-	486,280	83,086
	Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Insurance Personnel	-	-	-	-	-	-	-	-	178,972	-	-	-	178,972	-
	Insurance Vehicle	835,827	-	445,179	18,784	858,805	75,152	587,502	71,598	228,280	42,988	249,449	21,871	2,984,827	230,483
	Vehicle Running Cost	2,810,851	15,841	2,780,479	90,537	2,758,975	253,954	1,787,585	273,813	1,833,328	381,559	825,551	28,829	12,388,780	1,021,832
	Capital expenditure	1,024,245	1,025	840,548	311,850	284,245	28,500	1,058,185	-	237,715	27,400	114,578	-	3,540,497	368,575
	Office & Computer Supply	701,507	5,880	500,558	8,285	448,181	8,882	438,541	2,802	314,375	4,978	288,030	-	2,890,171	25,747
	Utilities & Office rental	2,234,804	35,512	2,531,153	28,433	2,554,017	23,814	1,887,388	818,220	178,800	88,841	780,243	15,781	10,174,505	1,109,200
	Commodity Distributor/Porte	84,788	5,700	58,317	10,870	112,221	32,218	129,221	71,737	3,088,214	30,031	33,085	30,588	3,512,838	181,150
	Board Meetings Expenses	115,475	4,715	83,005	-	85,248	-	102,488	-	71,855	-	31,844	-	498,523	4,715
	Other Costs	958,170	-	1,017,147	252,577	231,177	182,532	744,088	318,127	1,244,040	292,770	344,884	44,774	4,539,313	1,088,780
	<b>TOTAL EXPENSES</b>	<b>38,981,914</b>	<b>78,878</b>	<b>47,870,428</b>	<b>18,818,888</b>	<b>38,408,298</b>	<b>11,884,881</b>	<b>28,798,013</b>	<b>4,187,880</b>	<b>40,082,240</b>	<b>4,121,842</b>	<b>18,142,238</b>	<b>1,182,178</b>	<b>284,281,128</b>	<b>37,328,122</b>

**SUMMARY OF EXPENSES**

	USAID	KW	Total
1997/1998	38,981,914	78,878	37,087,792
1998/1999	47,870,428	18,818,888	63,887,411
1999/2000	38,408,298	11,884,881	47,389,879
2000/2001	28,798,013	4,157,880	32,956,873
2001/2002	40,082,240	4,121,842	44,204,082
3 months	18,142,238	1,182,178	16,334,414
	<b>284,281,128</b>	<b>37,328,122</b>	<b>341,828,280</b>

NEPAL CRS COMPANY (P) LTD.

Annual Sales in CYP 1996/97- 2001/02

Annexure II

Year	Dhaal (Units)	Panther (Units)	Condom (Units)	Condom CYP	Gulat/S.Gulat (Cycles)	Nilocon (Cycles)	Pills (Cycles)	Pills CYP	Kamal (Tabs)	Foaming (Tabs)	Foam.Tab CYP	TOTAL CYP	Sangini (Vials)	IUD (Pcs.)	Norplant (Pcs.)	CYP	TOTAL CYP	Total New CYP	CHDK (Pkts.)	Virex (Pkts.)	Navar Jeevan (Pkts)
1997/98	7,223,016	2,208,200	9,431,216	94,312	121,896	219,156	341,052	26,235	468,936	468,936	4,689	125,236	51,190	2,511	213	33,951	159,187	127,570	19,406	20,530	
1998/99	7,008,292	2,995,900	10,004,192	100,042	208,368	238,068	446,436	34,341	530,784	530,784	5,308	139,691	94,435	3,677	555	55,800	195,491	155,975	37,396	37,536	2,384,750
1999/00	4,758,785	2,863,100	7,621,885	76,219	214,812	254,206	469,018	36,078	465,696	465,696	4,657	116,954	116,514	1,673	1,096	47,993	164,947	137,484	30,328	38,359	1,985,267
2000/01	4,802,592	3,726,800	8,529,392	85,294	274,681	323,257	597,938	45,995	221,904	221,904	2,219	133,508	127,829	864	167	39,704	173,212	148,356	43,291	32,520	1,896,000
2001/02	6,005,525	4,644,390	10,649,915	106,499	320,665	394,059	714,724	54,979	17,415	17,415	174	161,652	160,664	1,137	522	51,872	213,524	182,515	49,641	45,445	2,391,309
2002/03	1,946,952	1,329,100	3,276,052	32,761	87,282	103,580	190,862	14,682	0	0	0	47,442	40,469	303	71	12,896	60,338	51,451	14,686	19,330	390,459
<b>Total</b>	<b>31,745,142</b>	<b>17,767,490</b>	<b>49,512,652</b>	<b>495,127</b>	<b>1,227,704</b>	<b>1,532,326</b>	<b>2,740,030</b>	<b>212,310</b>	<b>1,704,735</b>	<b>1,704,735</b>	<b>17,047</b>	<b>724,483</b>	<b>591,101</b>	<b>10,165</b>	<b>2,624</b>	<b>242,215</b>	<b>944,698</b>	<b>803,350</b>	<b>194,748</b>	<b>193,720</b>	<b>9,047,785</b>

2002/03 contains 3 months data (July 16, 2002 to October 15, 2002)

Foaming Tablets have been discontinued from 2002/03.

**NEPAL CRS COMPANY**

**Pipe Line Analysis**

**Period Covered: July 15, 1997 to October 15, 2002**

ANNEXURE III

(Amount In NRs.)

Line Items	Total LOP Budget (7/16/97-10/15/02) A	Actual Expenditures upto Apr 11, 2,000 B	Actual Expenditures Mar 14-Aug 16 2,001 C	Actual Expenditures Aug 17-Nov 15 2001/2002 D	Actual Expenditures Nov 17-Feb 12 2002 E	Actual Expenditures Feb 13-May 14 2002 F	Actual Expenditures May 15-July 16 2002 G	Total Actual Expenditures 2001/2002 H=B+C+D+E+F+G	Total Actual Expenditures July 17-Oct 15 I	Total Expenditures for the contract Period 1997/2002 J=H+I	Budget Balance K=A-J
Promotion	43,668,384	30,192,828	905,375	67,632	1,082,076	2,274,437	2,808,605	37,330,953	2,819,632	40,150,585	3,517,799
Repackaging	11,160,166	7,864,914	2,122,047	109,237	569,608	163,626	319,033	11,148,465	2,068,038	13,216,503	(2,066,337)
Market Research	692,500	692,500	-	-	-	-	-	692,500	361,065	1,053,565	(361,065)
Sales Incentive	6,873,975	5,045,996	326,085	-	(41,387)	-	1,107,554	6,438,248	222,573	6,660,821	213,164
Sales Training	2,017,969	1,369,365	121,832	96,629	59,004	81,134	123,260	1,851,224	(386)	1,850,838	167,131
Other Training	4,682,088	4,024,858	85,620	3,000	21,870	1,000	-	4,136,348	9,000	4,145,348	536,740
Vehicles	8,630,062	8,630,062	-	-	-	-	-	8,630,062	-	8,630,062	-
Administration	92,586,258	49,603,569	5,535,699	7,318,677	7,644,715	5,350,044	5,580,177	81,012,881	9,662,315	90,675,196	1,911,062
<b>TOTAL</b>	<b>170,311,402</b>	<b>107,424,082</b>	<b>9,096,657</b>	<b>7,595,175</b>	<b>9,336,886</b>	<b>7,870,241</b>	<b>9,918,629</b>	<b>151,240,680</b>	<b>15,142,237</b>	<b>166,382,917</b>	<b>3,928,485</b>

ANNEXURE III.(a)

Total Program Expenditures	204,283,602
Less: Fund received from USAID	151,240,680
	<b>53,042,922</b>
Less: Disb will be submitted	15,142,237
Expenses from CRS Fund	<b>37,900,685</b>

<b>Revenue Fund</b>	
1997/1998	1,179,716
1998/1999	1,829,528
1999/2000	9,866,178
2000/2001	22,625,263
2001/2002	2,400,000
<b>Exps.from Revenue fund</b>	<b>37,900,685</b>

**NEPAL CRS COMPANY**

**ANNEXURE IV**

**Details of Fixed Costs and Revenue**  
**For the period of 18 July 1997 to October 15, 2002**

	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002
<b>Fixed Costs</b>					
Salaries and Staff Costs	8,647,270	9,238,374	11,606,832	14,112,680	20,129,975
Insurance	635,927	445,179	858,605	567,502	405,238
Administration Overheads	2,936,410	3,031,711	3,000,177	2,326,930	3,088,214
Board Meeting Expenses	115,475	93,005	85,248	102,496	71,655
Other Fixed costs	958,170	1,017,147	231,177	744,086	1,244,040
<b>Total</b>	<b>13,293,252</b>	<b>13,825,415</b>	<b>15,782,038</b>	<b>17,853,694</b>	<b>24,939,122</b>
<b>Revenue</b>					
Dhaal	2,884,998	3,075,906	2,397,432	2,507,278	2,924,701
Panther	2,485,389	3,359,964	3,259,824	4,577,979	5,976,344
Gulaf	471,419	20,999	-	-	-
Nilocon White	1,552,282	1,749,396	1,893,203	2,475,012	2,820,845
Kamal	210,352	236,520	213,897	107,520	7,860
Sangini	1,111,628	1,265,800	1,653,785	1,982,910	2,829,156
IUD	173,600	215,000	133,400	82,200	113,700
Norplant	64,750	50,550	264,350	47,075	180,950
	<b>8,954,418</b>	<b>9,974,135</b>	<b>9,815,891</b>	<b>11,779,974</b>	<b>14,853,555</b>
<b>Recovery of Fixed Cost</b>	<b>67%</b>	<b>72%</b>	<b>62%</b>	<b>64%</b>	<b>60%</b>