

KASU CHARTS NEW FINANCIAL FRONTIER WITH PLANS FOR UNIVERSITY-OWNED BANK



By: *Mujahid Umar Balarabe*

As public universities across Nigeria grapple with shrinking government allocations and increasing operational demands, Kaduna State University (KASU) is taking a bold and innovative step toward financial sustainability. The institution has commenced the process of establishing its own microfinance bank, a landmark initiative designed not only to strengthen its revenue base but also to create new opportunities for students, staff, alumni, and the wider community.

Driven by the university's consultancy arm, KASU Consult, the initiative reflects a growing trend among higher education institutions seeking alternative sources of funding beyond traditional government support and students' fees. Having successfully met the regulatory requirements stipulated by the Central Bank of Nigeria (CBN) for the establishment of a microfinance bank, the university has now entered a crucial phase - raising the capital required to commence operations.

In what has been described as a community-driven investment model, the university has opened a rights issue to members of the KASU community, offering them the opportunity to become shareholders in the proposed financial institution. The initial rights offer is priced at ₦1,000 per share, with a minimum allocation of 500 shares for interested investors.

This approach is expected to foster a sense of ownership among stakeholders while laying the foundation for a financially robust institution before additional capital is sourced from the wider investment market.

The proposed microfinance bank represents more than a financial venture; it is part of a broader vision to position Kaduna State University as an entrepreneurial and self-sustaining institution capable of generating value beyond the classroom. According to Dr. Jamila Muhammad, Director of the Entrepreneurship and Research Development Centre and one of the key champions of the initiative, the establishment of the bank is a strategic investment in the university's future. Speaking on the vision behind the project, Dr. Muhammad noted that the microfinance bank is expected to serve as a catalyst for financial growth while simultaneously creating wealth-building opportunities for members of the university community. She explained that by allowing staff, alumni, and other stakeholders to invest in the institution from its inception, the university is creating a platform through which members can participate directly in its economic expansion and future success.

Beyond its commercial potential, the microfinance bank is expected to generate far-reaching benefits for the institution and the wider society.

It will diversify the university's revenue streams, reducing reliance on conventional funding sources and providing a sustainable financial platform for future growth.

The bank will also support entrepreneurship and innovation by providing accessible financial services to small businesses, start-ups, and enterprising members of the university community.

For students, the bank promises to become a living laboratory where theoretical knowledge can be transformed into practical experience. Students in fields such as Banking and Finance, Accounting, Economics, Business Administration, Entrepreneurship, and Information Technology will have opportunities to gain hands-on exposure to modern financial operations, strengthening their employability and professional competence.

The initiative is also expected to enhance staff welfare through tailored financial products and services while deepening engagement with alumni by creating investment and savings opportunities that strengthen their connection to the university. At the same time, the bank is poised to contribute meaningfully to local and regional economic development by expanding access to financial services and supporting small-scale enterprises within and around Kaduna State.

As KASU continues its journey toward becoming a more entrepreneurial, innovative, and financially resilient institution, the proposed microfinance bank stands out as one of the most ambitious initiatives in its recent history. More than a banking venture, it is a strategic investment in the university's future - one that seeks to transform financial sustainability into a shared opportunity for growth, prosperity, and development.