

CHAPTER I

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Microfinance involves the provision of financial services such as savings, loans and insurance to poor people living in both urban and rural settings who are unable to obtain such services from the formal financial sector.

Microfinance has a very important role to play in development according to proponents of microfinance. UNCDF (2004) states that studies have shown that microfinance plays three key roles in development.

- ❖ Helps very poor households meet basic needs and protects against risks,
- ❖ It is associated with improvements in household economic welfare,
- ❖ Helps to empower women by supporting women's economic participation and so promotes gender equity.

The Centre for Microfinance (CMF) Nepal was established in July 2000 to strengthen the capacity of microfinance institutions and enable them to provide savings, credit, and other financial services to the poor, with women as a focal point. CMF runs a wide range of programs designed to meet the emerging needs of microfinance institutions and its members. CMF engages in training, technical assistance, advisory services, research, knowledge management, policy advocacy, publication and documentation, dissemination of best practices, and networking among its shareholding, strategic, and associate members in partnership with national and international development organizations to promote and strengthen the microfinance sector. CMF's Articles of Association 13 (f) states that the surplus earned by the organization shall not be distributed as dividends to the shareholding members. Rather, such profits shall be deployed for the development of the microfinance sector and poverty alleviation programs and CMF shall remain a not-for-profit organization. Originally, CMF was a project implemented by the Canadian Centre for International Studies and Cooperation (CECI) funded by USAID and the Ford Foundation in 1998-2000. CMF has transformed from the project to an autonomous, privately owned national network organization that works to strengthen the microfinance sector and its member associations, institutions and individuals with a vision of "sustainable access to microfinance services for the poor".

Microfinance creates access to productive capital for the poor, which together with human capital, addressed through education and training, and social capital, achieved through local organization building, enables people to move out of poverty. By providing material capital to a poor person, their sense of dignity is strengthened and this can help to empower the person to participate in the economy and society.

The aim of microfinance according to Otero (1999) is not just about providing capital to the poor to combat poverty on an individual level, it also has a role at an institutional level. It seeks to create institutions that deliver financial services to the poor, who are continuously ignored by the formal banking sector. Little field and Rosenberg (2004) state that the poor are generally excluded from the financial services sector of the economy so MFIs have emerged to address this market failure. By addressing this gap in the market in a financially sustainable manner, an MFI can become part of the formal financial system of a country and so can access capital markets to fund their lending portfolios, allowing them to dramatically increase the number of poor people they can reach (Otero, 1999).

The educated as well as energetic women do not want to limit their lives in the four walls of the house. They demand equal respect from their partners. However, Likhu areas' women have to go a long way to achieve equal rights and position because traditions are deep rooted in Nepalese society where the sociological set up has been a male dominated one. Women are considered as weaker sex and always made to depend on men folk in their family and outside, throughout their life. The Nepalese culture made them only subordinates and executors of the decisions made by other male members, in the basic family structure. While at least half the brainpower on earth belongs to women, women remain perhaps the world's most underutilized resource. Despite all the social hurdles, Nepal is brimming with the success stories of women. They stand tall from the rest of the crowd and are applauded for their achievements in their respective field.

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The Government of Nepal has defined women entrepreneurs as an enterprise owned and controlled by women having a minimum financial interest employment generated in the enterprise to women . Women entrepreneurs engaged in business due to push and pull factors

which encourage women to have an independent occupation and stands on their own legs. A sense towards independent decision-making on their life and career is the motivational factor behind this urge. Saddled with household chores and domestic responsibilities women want to get independence. Under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do something new. Such a situation is described as pull factors.

Likhu Rural Municipality -4 of Nuwakot is underdeveloped village in Kathmandu having a large number of co-operatives and women saving groups. These women groups are created by women themselves under various government non government organizations. They collect money from all members & deposit the money in finance companies or banks. They use the collected money as lending with low interest rate without service charge in between the group members once at one member.. They are facilitated by the various programs held by the government and non government organization as well. Such as bakery, handicraft, anchoring, personality development, interaction programs, account keeping etc. those programs benefits to women financially not they are more capable to take decision in household sector specially in financial sector as well as their personal life too. They are able fulfill their own needs and their children's small needs without taking financial support of their family specially their husbands. Due to this situation of micro-finance, this research will try to analyze its impact on female empowerment, which affect on economic status of family and status of women in society. So, this topic and area was important to analyze impact of micro finance on social development of Likhu Rural Municipality-4 of Nuwakot District.

1.2 STATEMENT OF THE PROBLEM

Role of microfinance on women entrepreneurship development: A study Municipality -4 of Nuwakot District is a type of study that is long overdue. To the best knowledge of the present researcher no on study has done regarding saving and its mobilization pattern of women and role of microfinance on the poorest of the poor women's financial condition.

Microfinance allow women to take a greater role in household decision making, to have greater access to financial and economic resources, to have greater social networks and more bargaining power vis-à-vis their husbands; and to have greater freedom of mobility (Linda Mayoux 1997)

To date, Nepal about three decades of experience in Micro-Finance, which has been exclusively recognized as a poverty-reduction program focused towards raising the Income level and social standard of the people living in poverty, particularly women.

This research is to examine the impact of the microfinance on livelihood improvement of the people living in Likhu Rural municipality through employee opportunity, income level, consumption expenditure, capital expenditure and social information.

The main attempt of this study is to answer the following statement.

- ❖ What is the role of microfinance in women empowerment?
- ❖ What are the benefits of the microfinance?

1.3 OBJECTIVES OF THE STUDY

The general objective of the study is to understand and analyze the impact of micro finance & role of financial institution on women empowerment. To achieve this basic objective the following specific objectives was considered in this study:

- ❖ To analyze the role of micro finance in women empowerment in terms of employment opportunity, livelihood standard, income level, consumption expenditure, capital expenditure.
- ❖ To identify the benefits of microfinance.

1.4 SIGNIFICANT OF THE STUDY

Through the help of this research study, it can be helpful to the microfinance, saving groups created by women to understand what could be done to empower women effectively. Similarly, it can be helpful to reveal the condition of the society. The study could help to analyze the women participation in financial decision making. The study can helps to determine the role of microfinance in society, living standard of the people, their expenditure behaviors’.

1.5 LIMITATION OF THE STUDY

Present study was tried to include various aspects of the micro finance. Furthermore, this study was attempted to contribute to a fuller picture of the micro-finance sector and its impact. Followings are major limitation of the study

- ❖ This study was only concentrated to the small area. So it does not cover the real scenario of Nepal.
- ❖ The small part of the data in this study was secondary; therefore the comprehensibility and accuracy of the figure and information published in this document may be bias.
- ❖ Research was conducted in very short period of time.
- ❖ This study is done for the partial fulfillment of the degree. Therefore it is not a comprehensive study.
- ❖ The sample size of this study is too small which may not represent the whole population.

CHAPTER II

LITERATURE REVIEW

“Microcredit, or microfinance, is banking the un-bankable, bringing credit, savings and other essential financial services within the reach of millions of people who are too poor to be served by regular banks, in most cases because they are unable to offer sufficient collateral. In general, banks are for people with money, not for people without” (Maanen, 2004). Microfinance has emerged as an effective poverty alleviation tool because it is based on the fundamental principle that human beings are motivated to do whatever it takes to make themselves as well as possible.

INAFI SAP-Nepal (2004) conducted a thematic research study on the “Impact of Microfinance Services on Poverty Reduction in Nepal”. The main objective of the study was to find out the overall impact of microfinance services on poverty reduction in the country. The study focused on (i) outreach of microfinance, (ii) access, use and contribution of microfinance, (iii) micro-enterprise development, (iv) managing risks and vulnerabilities by clients, (v) empowerment of women, and (vi) poverty reduction.

2.1 CONCEPTUAL FRAMEWORK:

Finance can be regard as effective tool in spreading economic opportunity and fighting poverty giving poor people the freedom to earn and fulfilling livelihood. Like all economic agents, low-income households are micro enterprise can benefit from credit, savings and insurance services. For this microfinance has evolved as an economic development approach intended to benefit low-income women and man. Mostly women of rural areas are illiterate and are not access to sufficient financial benefits. The access to financial services, such as savings, remittance service, and insurance can help poor women from the fear of future long term factors such as inadequate consumption, education, health, and other indicators of human welfare. The overwhelming majority of people in Nepal are concentrated in rural areas where the incidence of poverty is 34.6 percent as compared with 9.6 percent in the urban areas. So the government of Nepal since its early national plans gave emphasis to reduce poverty through improving financial access to rural people (*Bashyal, 2008*).

More women are in paid and self-employment than ever before. According to official measurement, 41% of the world's women aged fifteen and over are economically active through using different criteria and 1990. Women's share in the labor force increased in many but not all regions. It remained constant at fairly high levels in southeast and East Asia, and actually declined in sub-Saharan Africa. The increase was greatest in North America from 38-41% - and high in the other OECD countries (*Bullock, 1994: 26*).

Concepts of 3Ss for Poverty Alleviation:

S₁ = Samuha means groups or organization or community.

S₂ = Seep means skills or empowerment.

S₃ = Sano punji means microfinance.

2.1.1 CONCEPT AND DEFINITION OF MICROFINANCE:

Microfinance has proved itself a powerful tool for economic development of low-income women and man. It is an effective approach for alleviating poverty through access to the poor for operating their small enterprises. The term microfinance refers to the provision of financial services to low-income clients, including the self-employed, financial services generally including savings and credit; however, some microfinance organizations also provide insurance and payment services.

Microfinance means providing very poor families with very small loans (micro credit) to help them engage in productive activities or grow their tiny business. Over the time, microfinance has come to include a broader range of services (credit, savings, insurance etc) as we have come to realize that the poor and the very poor who lack access to traditional formal financial institutions require a variety of financial products (<http://www.microfinacegateway.org/section/faq.html>.2008).

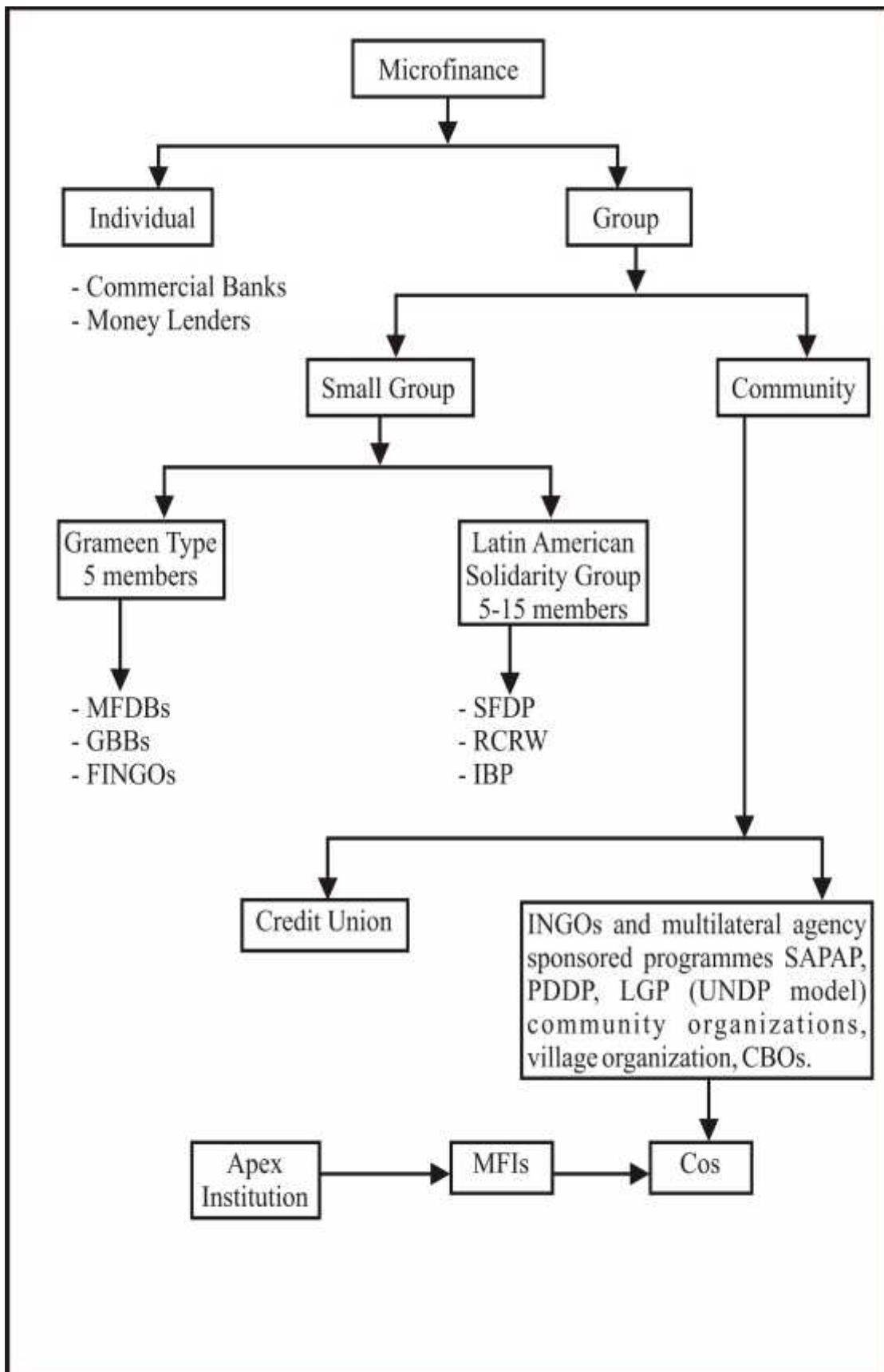
Micro finance activities usually involve:

- Small loans, typically for working capital.
- Informal appraisal of borrowers and investments.
- Collateral substitutes, such as group guarantees or compulsory saving.
- Access to repeat and larger loans, based on repayment performance.
- Streamlined loan disbursement and monitoring.
- Secure saving products.

Since microfinance is targeted to poor people of rural areas, it assists the poor in many ways. Such as; providing poor people to invest in assets, organizing and facilitating difficult activities to earn their livelihood, protecting against income shocks in case of emergency needs and smooth consumption, improving quality of life by building social capital.

Some MFIs provide enterprise development services, such as skills training and marketing, and social services, such as literacy training and health care; these are not generally included in the definition of microfinance. MFIs can be non-governmental organizations (NGOs), saving and loan cooperatives, credit unions, non-banks financial institutions. Microfinance clients are self-employed as well as street vendors, small farmers, service providers (hairdressers, rickshaw drivers) and artisans and small producer, such as blacksmiths and seamstresses.

Fig 2.1
Microfinance model is as follows:



Source: (Bashyal, 2008).

“Micro-credit” remained as important tool to focus the rural poverty. The poverty situation in Nepal is alarming and to reduce this situation to a reasonable level is also a major concern of the govt. plans and programs. The current 10th plan (2002-2007) has also incorporated micro credit as a major financial tool to overcome its single objective; i.e. poverty reduction. To attain the objective, the 10th plan has set out a number of policies and strategies along with various credit programs. For this, the plan has set a target of Rs. 101 billion rural credits to be disbursed during the plan-period of which the MFIs alone will disburse 50 percent” (*Pardhan, 200:25*).

2.1.2 Microfinance and Women:

In our context, generally women are dependent on man. So women are mostly poor access to finance. In village areas, they are involved in household and agricultural activities. To collect and raise small fund, they can involve in different groups and community. For this, microfinance is an effective tool. The main objective is to investigate the impact of microfinance in particular the Self Help Group Bank linkage program on women empowerment. Traditionally, about 90% or more of micro finance clients are women. Hence microfinance is increasingly seen as an important tool in achieving the millennium development goals there to promote gender equality and empower women. For microfinance to show an impact on women’s empowerment, it needs to be supplemented by microfinance plus or other non-financial services, like training, awareness creation programs, education etc. (*Sida, 2006: .5*).

2.1.3 Importance of Microfinance for Women:

Since 1970s, tens of thousands of poor women have started their own business-often with sewing machine-using loans of as little as \$100 from organizations like Grameen Bank in Bangladesh and the Washington, D.C. - based Foundation for International Community Assistance (FINCA), which has been active in Latin America. The results have been eye-opening: Women turned out to be reliable debtors, and since many who received micro loans squirreled away their earnings to send their children to school and buy more food for their families, the positive impact has rippled through communities (<http://web.ebscohost.com/ehost/detail> : 2008).

There is greater importance of microfinance in Nepal. It is mostly important for women because they are inhabitant in rural areas. There is lack of financial assess in rural areas. To engage women in small fund raising program and making them self-dependent, microfinance is an effective tool.

Nepal's gender empowerment measure is only half of the global average and after Pakistan, the second lowest in south Asia. Agricultural feminization in Nepal is caused by de facto rather than de jury reason as the number of female-headed households in rural areas is increasing mainly because of male out-migration and male employed in other sectors (*Bashyal, 2008: 74-75*). The important impact of microfinance for women is:

- Microfinance has increased the women's role on making decisions on purchasing of both the small amount of household consumption items.
- Increases income of clients has empowered them on running their daily household needs.
- Microfinance empowered them on deciding the marriage of their daughters.

In social sector, awareness development is found one of the major outcomes of this program. In this respect, many MFIs members started to join in literacy center, schooling to their children including daughters, participating in the village level election so far they are daughters, participating in the village level elections so far they are elected in ward members, VDC chairman and vice chairman. In addition, they are actively involved in community development activities such as construction of village community hall, road, and bridge and drinking water system. By this, MFIs have been imputing the momentum for poverty reduction endeavor.

Majorities of women are not accessing the credit easily as due to lack of the collateral. In this respect, MFIs have been providing credit on the basis of group liabilities to such downtrodden people in income generating activities such as vegetable production, livestock raising, tea and daily uses shop, marketing of goods (better rice, vegetables and fruits) as per their experience an market potentialities.

According to Sharma (2007), 'The journal of Nepalese Business Studies' there is different important approaches to women from microfinance. They are:

- i. Women's involvement in decision-making will be improved and affects their lives and their future.

- ii. Self-confidence for women will increase.
- iii. Women's participation in income generating activities is assumed to strengthen women's bargaining position.
- iv. It will help women to earn independent and contributes the household economy and social and political participation.
- v. Women are more likely than man to invest increased income in the household and family well-being.
- vi. Microfinance program seems to be highly effective in uplifting the women's economic and social condition.
- vii. It will help to reduce domestic violence and family relationships appeared to have improved.

Microfinance has the provision of saving, credit and other financial services and product of very small amounts to the poor in rural, semi-urban or urban areas for enabling them to raise income levels and improve living standards. The objective of microfinancial services is to ensure the availability of these services to the doorsteps of the poor and low-income households. Microfinance framework, if properly designed and implemented, can thus attain the objectives of poverty alleviation in the developing countries like Nepal.

2.1.4 Historical Background of Microfinance in Nepal:

According to ADB (2000), country studies, the earliest initiatives for establishing micro finance services in Nepal can be dated back to the 1950s when the first credit cooperatives were established. These were primarily intended to provide credit to the agricultural sector. A well-structured and specialized program to cater to the financial needs of the poor was provided further impetus with the launching of the Small Farmer Development Program (SFDP) in 1975 within ADB/N. Over the past few years, a process of institutionalizing the Small Farmer Groups into the Small Farmer Cooperatives Limited (SFCL) has been under way. In 1974, NRB directed commercial banks. In 1981, to strengthen the priority sector program, NRB introduced the Intensive Banking program (IBP).

The next main step in the development of microfinance in Nepal came in the form of the first gender-focused program, the Production Credit for Rural Women (PCRW). In 1992, the first two RRDBs – one for the eastern region and one for the far western

were established with govt and NRB funds as replications of the Grameen Bank of Bangladesh. Focusing on extremely poor women, RRDBs use a group lending approach and a weekly repayment system. By mid. 1997, five RRDBs had been established.

Besides these, NGOs and cooperatives have also had an increasing role in microfinance. Center for Microfinance in Nepal (CMF) was established in July 21, 2000 with main activities of providing trainings, technical assistance consultancy services and undertaking studies, research, documentation and publications etc.

2.1.5 Trends of Microfinance in Nepal:

Microfinance is growing for several reasons.

- Microfinance has promise of reaching the poor. Its activities can support income generation for enterprises operated by low-income households.
- It has promise of financial sustainability. Its activities can help to make financially self sufficient, subsidy free, often locally managed institutions.
- It has potential build on traditional system such as rotating saving and credit associations. They provide the same service in similar ways, but with greater flexibility at more affordable price to microfinance enterprises and on more sustainable basis.
- The contribution of microfinance to strengthening and expanding existing formal financial system such as saving and loan cooperatives, credit union networks, commercial banks etc.
- There is increasing number of well-documented innovative success stories in setting savers as rural microfinance in women.
- The availability of better financial products as a result of experimentation and innovation. These experimentation and innovation have shown that living standard of women is growing at range.

2.1.7 Major Principles of Microfinance:

The conditions and procedures of microfinance are more flexible and easy to understand by local community. The principles of microfinance are as follow (*Bashyal. 2008: 17*).

1. MFIs are able to know their markets that the major services needed by the poor are savings and credit for liquidity and working capital with one-year loan terms.
2. The successful MFIs keep administrative cost as low as possible.
3. They are able to ensure high portfolio quality.

Three major principles are considered in microfinance. Those are:

- i. Buying of money means collection of domestic saving.
- ii. Selling of money means investment of the collected domestic financial resources
- iii. Earning of money means receiving the interest and other income from borrowers and other.

2.1.8 Microfinance Interms of Saving, Investment and Loan Distribution:

Microfinance is targeted to poor and low-income people. It includes loans, savings, insurance, transfer services and other financial services. Providers of microfinance include non-government organizations (NGOs), self-help groups, cooperatives, credit union, and commercial bank. Insurance and credit card companies and other points of sale (*Sharma, 2005:87*). The poor already save in ways that we may not consider as “normal” saving-investing in assets, for example, that can be easily exchanged to cash in the future. After all, they face the same series of sudden demands for cash we all face: illness, school fees, needs to expand the dwelling, burial, and weddings. It is hard to cutoff one leg of a goat that represents a family’s savings mechanism when the sudden need for a small amount of cash arises, or, if poor women has loaned her “saved” funds to a family member in order to keep them safe from theft, there may not be already available when the women need them. The poor need savings services that are both safe and liquid. These savings services must be adapted to meet the Poor's particular demand and their cash flow cycle. Thus to maximize the savings propensity of the poor, institutions must provide flexible opportunities- both interms of amounts deposited and the frequency of pay ins and pay outs. This represents important challenges for the microfinance industry that has not yet made a concerted attempt to profitably capture tiny deposits

Saving and investment are two parts of same coin. If people save they are encourage investing also. Women in the rural village area are interested to invest in gold and other small profitable sector. They cannot invest in large area because their saving is

low. The main objective to save is that either to invest or to provide service to poor people. So from the microfinance activities some women are saving and other poor women are getting benefit from loan services at low rate.

From newsletter of RMDC (2006), prof. Yunus's long-term vision is to make the world free of poverty. He argued that loans to the poor without physical collateral had once appeared to be an impossible idea. He also showed that micro credit is a strong instrument to alleviate poverty in the developing countries. Loan clients are the most valuable agents in MFI operation. Income of MFI depends on loan client's willingness to receive financial services on continuous basis. For efficiency MFI requires that their entire client borrow and make disciplined transaction (Sharma, 2006: p.46). Mobilization and recovery of loan should be impartial. Loan can be in the form of individual loan, group loan etc. Individual loan should be mobilized on the collateral of real assets where as in group loan also more emphasis is given on group guarantee (*Baral, 2004: 54*).

2.1.9 Microfinance Emphasis on Poorest of Poor Women:

Women are behind man in Nepalese society. They are lacking access to financial services. They should depend on man for financial services. Most of women are staying in rural areas. They are poor and illiterate also. It is necessary to uplift their livelihood. So microfinance is such an effective tool, which will bring change in their life, and they will be easily access to financial services. In Nepal, there are micro credit programs for poor women both in the public sector and in the non-governmental sector. The majority credit programs in the public sector are the Women Development Program of the Small Farmers Development Program (WDP/SFDP), Production Credit for Rural Women (PCRW) Program and Regional Rural Development Banks (RRDBs). Apart from numerous non-registered NGOs, there are a lot of registered NGOs, which primarily operate as welfare organizations but may include saving-credit activities for poor women (*Improving Access of Women to Formal Credit Facilities in Nepal, 1997: 15*).

2.1.10 Role of Different Models in Women Microfinance:

The government along with all the public and private sector financial institutions contributes to the development of microfinance industry (MFI), each playing a significant role in its development. However their roles have to respond to emerging requirements.

According to *Bashyal* (2008), following models are effective in saving, credit and investment mobilization of women as well as rural people.

a. Rural Credit Union Model:

Credit union is a cooperative financial institution owned and run by its members, who agree to save their money together and extend loans to each other a reasonable rate of interest. The early Raiffeisen's Rural Credit Union and Herman Schulze-Delitzsch's Urban Credit Union model that provided microfinance services to the German farmers in the last century are the example of credit union model. Today this model is playing greater role to encourage village women for their saving and credit activities and maintaining standard livelihood.

b. Cooperative Model:

Cooperative provides microfinance in the form of credit to individual and groups with limited resources. Saving are the strong bases of cooperative model, which fulfill both the economic and social needs of rural people. In Nepal, cooperative department was established in 1953. The true philosophy and principles of cooperative is that it should be mutually owned, controlled and managed by people themselves. So this model is effective for rural women to uplift their financial access.

c. Individual and Peer Lending Model:

According to the study of CMF, lending modalities are divided into (I) Individual lending and (ii) Peer lending. Individual lending are village moneylenders. Specialized development banks and commercial banks where as in peer lending a gradual modification is operated from different countries in the form of informal source of finance.

d. Formal and Informal type

There are different organized and legally operated MFIs, which are based on legal rules, and regulations are formal type. But transaction with individual and which are not legally registered are informal type.

e. Grameen Bank Model

Grameen which comes from the word village, provides credit to poor women to acquire assets for self-empowerment, Muhammad Yunus propounded this model as a simple act of trust in lending with collateral with minimal conditions. The very poor clients often don't have the capacity to manage fund and to repay the loan resulting negative impact but these days, most of the Grameen type institutions have changed the weekly meeting arrangements into fortnightly transactions.

f. Village Banking Model

This model can be described as an informal bank for non –collateral loan to members in a community and the community will be responsible in handling the credit directly to individuals.

g. Self-reliant Village Banking Model:

Self-reliant Village Banking model was developed in Africa, where population density is low, similar to hills of Nepal; Self-reliant Village Banks are established managed by a rural village community. This model differs from village banks only on one ground that it meets the needs of village as a whole and not just a group of 25 to 50 people.

h. Association:

In association type, the target community such as youth or women from an association regarding political, religious, or cultural issues through which, microfinance activities are initiated. Associations, the community-based organizations are also informal systems:

- Bank Guarantees.
- Self-Help Group Model.

i. Banking with the Poor Model:

Banking with the Poor (BWTP) model, which came into existence at the first regional workshop in Manila in 1991. This model gives emphasis on domestic financial development by linking between self-help groups of the poor and commercial financial institutions with NGOs performing a range of intermediary functions.

The role of other different players in the field of Microfinance is as follows:

a. Role of the Government:

It is necessary to have a perspective plan on microfinance-the plan well integrated with the nations economic development perspective plan with the clear out objectives, targets and policies and strategies. The perspective plan considers expending

outreach to the poor and providing quality services as the two most important elements of the overall microfinance policy, apart from strengthening microfinance institutions.

b. Role of NRB:

Nepal Rastra Bank would have to regulate, monitor and supervise the operation of the RMDC and MFIs to make these competent, professional, result-oriented microfinance organizations. The role of NRB is to ensure that the MFIs operate autonomously in the professional manner.

c. Role of RMDC:

RMDC was established as an apex microfinance organization, which became operational since 2000 only. It started with the objective of contributing “To improve socioeconomic condition of the poor, their access to resources for productive undertaking and employment.”

d. ADB

ADB is also playing an important role in the field of microfinance. On the other hand World Bank and CMF are also playing an important role in the field of microfinance.

2.1.11 Micro Credit Programs in Nepal:

The unit describes the historical background of Nepalese financial system, microfinance systems. It also includes different programs which are working in the field of microfinance. These microfinance programs are playing a great role from their side to uplift livelihood of poor Nepalese women as well as other people in remote areas of Nepal.

The history of modern financial system in Nepal was begun in 1937 with the establishment of the Nepal Bank Ltd. (NBL) as the first commercial bank of Nepal. Before the establishment of NRB, there were only 12 branches of NBL. With the establishment of NRB in 1956, the development of the financial system took a momentum. NIDC (Nepal Industrial Development Corporation) was established in 1959, which helped for industrial development. With the equity participation of NRB, the Agricultural Development Bank (ADB/N) was set in 1968 by incorporating the assets and liabilities of the cooperative bank.

The Rastriya Banijya Bank (RBB) was established in 1968 as the second commercial bank of Nepal. From 1962 to 1982, a large number of non-banks financial institutions were setup such as the provident fund, insurance corporation, stock exchange etc the move towards financial liberalization encouraged the entry of joint venture commercial banks and finance companies. Even the non-governmental organizations (NGOs) and the savings and cooperative societies (SCCs) have been licensed by NRB for limited banking activities.

2.2 REVIEW OF RELATED STUDIES

2.2.1 Review of Journals/ Articles

Mayoux (1998) published an article on '*Women's Empowerment and Micro-Finance Programmes: Strategies for Increasing Impact*', under the currently fall into four main (not necessarily mutually exclusive) camps: Those who stress the positive evidence and are essentially optimistic about the possibility of sustainable micro-finance programmes world-wide that empower women. Those who recognize limitations to empowerment but see the question as one of programme design and seek to identify models and strategies that minimize negative impacts and to enhance their contribution to empowerment. Those who recognize limitations in the potential to promote empowerment but see cost-effective micro-finance programmes as important in themselves within a strategy to alleviate poverty, and see empowerment as an issue to be addressed by other means;

Those who see the limitations as inherent, and the current emphasis on micro-finance programmes as a misplaced diversion of resources.

Senayake, (2002) published an article on '*An Overview of the Micro Finance Sector in Sri Lanka. Saving and Development*', in his study found most of the small farmers, landless, fishermen, self-employed and unemployed still depend largely on informal sources for their credit needs. There are signs of improvement in this situation due to the expansion of existing formal, cooperative and semi-formal institutions to the rural areas and the emergence of a large number of alternative financial intermediaries such as NGO's. The economic growth experiencing in the country has brought down the number of people who are absolutely poor. However, the micro finance sector in Sri Lanka suffers from inadequate capacity of the MFI's, lack of proper financial

infrastructure, and defects in the regulatory framework among other things. Support from various donors is needed in improving the performance of this sector on a market based (or commercial) approach. The critical areas of support could be in the areas of training and technical assistance support for regulatory and supervisory systems development, support for changing legal framework, financial infrastructure development and Management Information systems development and policy support, rather than providing funds for on-lending purposes.

Singh & Dara (2007) published an article on '*Developing Rural Poor Through Micro Finance : Problems and Prospects*'. Finance has come to include a broaden range of service-credit, saving and insurance. Lack of democratic functioning, delays in operational aspects, lack of appropriate legislation to regulate the credit flow to the poor, social exploitations by the private money lenders charging high rate of interest and by-passing the needy persons, weak banking system unable to access the poor, officials indulging in corrupt practices are the main problems faced by the beneficiaries. For improving the Micro Finance the suggestions include generation of awareness, encouraging Fis, expediting services, making policy changes and modification in NABARD Act, removing monopoly of government and making provision of social audit.

Nepal, et. al (2013) published an article on '*On Micro finance*' best Practices. Separate regulating and supervising departments exist in NRB as well as competent and experienced staffs are assigned in these departments. New and qualified staffs are being recruited in a regular basis by NRB. Frequent trainings, seminars and knowledge sharing programs and similar activities take place for NRB staffs regarding regulation and supervision of FIs. Adequate legal provisions with international standards are already there and time to time revisions and amendments are undertaking for effective regulation and supervision.

Priorities and incentives are being provided for MFIs going to remote areas. Microfinance has been accepted as an 'effective tool' of poverty reduction by the government in its official documents and government time to time unveils different policies for the development of this sector. NRB and government are working together for the promotion of microfinancing in Nepal. Establishment of Rural Self-reliance Fund, conduct of different projects, strengthening of the legal provisions and structural developments are some of the major activities where NRB and government are working together.

'Deprived Sector Lending Provisions' has been reinstated for BFIs by the NRB. It was phased-out some years back. MFIs are also involved in socio-economic activities under credit-plus program, which includes basic education, entrepreneurship trainings, sanitation, women empowerment, etc.

MFIs are mostly concentrated in urban and accessible areas and less presence in hilly and remote areas. We find multiple financing of MFIs and duplication of lending in most of the accessible/pro-urban areas. Due to this, high drop-out rates are being observed in those areas. There is duplication among the donors even in rendering microfinance services. Comparatively high interest rates are charged by MFIs mainly due to their higher operational costs.

Chakraborty and Jayamani (2013) published an article on '*Impact of Micro Finance on Women Empowerment*'. Microfinance, a poverty alleviation tool to mitigate the vulnerability of the people of the weaker section in the society, has widely been implementing all over the world by engaging especially, the women in the main stream economic development. From the conducted study suggests that microfinance has been able to make poor women psychologically empowered and has raised their consciousness level high. It is also found that now they are equally capable of executing their decision- making power in the family matters. From the table of consciousness level of the beneficiaries, it is evident that the consciousness level regarding exercising voting right, preparing oral saline and drinking tube well water is satisfactory while the habit of using contraceptive is little bit low. Thus for the overall development of the country including rural sector, the weaker section women must be included as the key force with the existing male dominated financial sectors and all the development program must be addressed to the financially backward women.

Sharma(2015) published an article on '*Microfinance Against Poverty: The Nepalese Scenario*' reveals that Microfinance institutions, both formal and informal, provide financial services which help in creating self-employment and income opportunities among the poor. NRB has made a number of innovative attempts for developing microfinance framework in the country. The article attempts to analyze the extent of the access provided, and the generation of employment opportunities, by the formal and semi-formal microfinance institutions/ programs in addition to identifying the problems faced in attaining financial sustainability by them. In view of the increasing

need for microfinance services in terms of both the amount and coverage, NRB needs to enhance its capabilities to regulate, supervise and monitor large number of MFIs and also come up with innovative and suitable credit policies/regulations that would create an enabling environment for MFIs to grow and attain sound financial health. Some of the desired roles for HMG are demonstrating firm commitment towards poverty alleviation through action, stopping direct involvement in running and managing MFIs, stopping owning MFIs, and handing over presently owned shares of such institutions to the private sector through appropriate and transparent mechanism. Sharma argue that Microfinance is not simply banking for the poor; it is a development approach with a social mission and a private sector-based financial bottom line that uses tested and continually adjusted sets of principles, practices and technologies. The key to successful microfinance lies in the ability of the provider to cost-effectively reach a critical mass of clients with systems of delivery, market responsiveness, risk management and control that can generate a profit to the institution. Typically, this profit is ploughed back to ensure the long-term survival of the institution, i.e. the continuous provision of services demanded by its clients. The two long-term goals of microfinance are thus substantial outreach and sustainability. This article focus on microfinance services practices in Nepal on the basis of opinion survey.

Kayastha(2016) published an articles on “*Current Issue of Microfinance in Nepal*” describe the analytical picture of Microfinance in Nepal by explaining the development process, modalities of microfinance institution and various microfinance regulations. Furthermore, this paper explores the current issues of microfinance emerging in Nepal, and claims that institutional governance is the effective method to overcome most of these obstacles. Institutional governance is probably a new concept for microfinance in Nepal. It simply mean the exercise of managing the political, social, and economic matters and human interactions. Institutional governance help to interact between different institutions- public and private/ and contributes to put values on formal and informal rules which can finally contribute in order to address the current issue that this research has identified. With a point of view of institutional governance, Nepalese microfinance sectors needs clear vision and policy according to the heterogeneous modalities of microfinance institutions, and coordination between the Government of Nepal and microfinance institutions to

create the healthy environment of microfinance in order to contribute in poverty reduction in Nepal.

2.2.2 Review of Thesis:

Ojha (2002), conducted a study on '*Microfinance in Practice: Loan Recovery Approach to the Program Assessment of Microcredit Product for Women in Pokhara*'. The basic objective of this study is to examine the performance in terms of loan recovery of microcredit financial projects. The other objectives are; to overview the state of outreach, training activities, savings and its mobilization; to examine the state of loan disbursement, repayment outstanding and overdue; to access the overall performance of participating women; to analyze the state of loan recovery in terms of loan repayment. to show the relationship between investment and income; to recommend appropriate suggestions. From this study he found that the loan disbursement and outstanding is related to its repayment in due time. The performance of participating women is quite satisfactory. The sampled women have repaid in time, create savings and disbursed loan from the savings. Investment caused to increase in income and hence the capability of loan recovery and repayment becomes higher. Some of the group members were found of less difference and equal income status, but some of them were found a highly effective aspect of the program and there by loan disbursement and training program were considered to be less effective aspects than savings. NGO's program help to identify targeted women training program is an essentially required to participant women more skilled. He concluded that the MCPW, if managed effectively, reaches to the targeted women, educated and trained the women entrepreneur and also if made regular supervision and initiated them the agricultural production. Productive and business activities, self-employment, income earnings, savings and investment could be raised. This becomes the cause of uplifting vulnerable and poor women to higher social and economic status.

Lekhak (2004), conducted a study on '*Microfinance in Nepal and The Case Study of SFCL Anandavan, Rupendahi, ADB/N*'. The main objective of this study is to do case study of SFCL Anandavan, Rupendahi, ADB/N. The other specific objectives are; to study the financial sustainability and viability of SFCL; to know the facing change of society after SFCL; to know the major problem of SFCL Anandavan. From the research study following results finds out women empowerment participation in

SFCL increased. After SFCL people participation in literacy program helped to improve the literacy position of village. SFCL also success to convince the people about the importance of group saving and impact of forest conservation. SFCL also gives the different types of training to small farmers which help to make more efficiency to small farmers. There was politicization and financial undisciplined in some cases. There was lack of inspection from government side. The position of share capital is not so bad. SFCL also able to get profit from its activities. The position of saving is increasing ways every year. Borrowed loan position of SFCL is decreasing ways.

Bashyal (2005) studied and evaluated the impact of microfinance program on poverty reduction in her Ph.D. dissertation entitled *'Impact of Microcredit Programs on Poverty Alleviation in Nepal: A case study of Rupandehi district'*. She gave more emphasis on her study that women will not be empowered until and unless they get benefited both qualitatively and quantitatively with the promotion of gender equality. Overall objectives of the study were to evaluate the socio-economic impact and implications of microfinance on poverty alleviation through empowering women.

Pathak (2006), conducted a study on *'Microfinance in Nepal and its Effect in ADB/N under Small Farmers Cooperative Limited (SFCL), Shankarnagar Rupendehi'*. The objectives of study are; to find out the advantages, limitations, and conclusions of microfinancing; to know the changes in society brought by SFCL after its implementation; to know how development of the country is positive through microfinance activities; to study the financial sustainability and viability of SFCL; to know about the role of SFCL shankarnagar in women empowerment; to know about the major problems of SFCL/Shankarnagar Rupendehi. From the study he found that the small Farmer's participation in SFCL after handover is increasing. The position of share increasing positively. So it is good sign for SFCL. It helps to increase internal sources. Profit of SFCL increases every year. Position of deposits through members in increasing way. It is also seen that borrowed bank loan is decreasing. Loan and advance to total deposit ratio is flexible during study period. Loan loss ration is normal just to meet legal provision. Toilet facility, drinking water facility, use of store, bank saving, group saving and forest conservation all are in increased ratio. Women education rate is increase by 96.55% after SFCL activities. Women are aware

on their rights and capacity to women empowerment in increase in the Shankarnagar VDC Rupendehi.

Poudel, (2007) has done a research on '*Microcredit in Leknath Municipality : A Case Study of Paschimanchal Grameen Bikas Bank (PGBB)*'. The main objective of this study is to assess microcredit phenomenon of Paschimanchal Grameen Bikas Bank in Leknath Municipality. Other specific objectives of this study were; to identify the sectors and types of investment on microcredit; to study the role of microcredit in employment generation; to study the state of microcredit in terms of distribution, repayment and investment sustainability; to study the fruitfulness of microcredit in terms of income generation pursuing poverty alleviation; to study the bank's performance on target group identification and accessibility of microcredit to the target group. From the study he found that the investments were mainly of three types i.e. investment of loan to support existing business/ occupation, expenditure. Out of 97 new employment, the highest contribution in new employment generation was from small business and lowest was from animal keeping sector. The highest amount of loan was borrowed for the purpose of small business. It is also seemed that investment of the bank loan to the members who have existing business/ occupation is not fruitful for poverty alleviation. It is also proved that the performance of bank to identify target group is also poor.

Poudel (2007) has conducted thesis on '*Impact of Micro Finance on Women Empowerment (Case Study of Micro Finance Project of Dhaulagiri Zone)*' The thesis has focused on the socio-economic impact of micro finance project on rural women in operational areas of NESDO, political impact of micro finance project on rural women in operational areas of NESDO and perception of women about MFIs.

The thesis finds that MFPs of NESDO are poor and target group oriented. MFSs are provided to eleven different castes which include mostly illiterate and married women. In average NESDO has distributed Rs.13232 to its clients. Average age of clients is 35 years. So it has focused mature and household women of different different parts of Parbat district. Rural women are realizing their weakness so; they have started to behave their daughter as their son which is the strong foundation of women empowerment.

Acharya (2007), conducted a study on '*Impact of Microfinance: A Case Study of Microcredit program for Women in Bahadaure Tamagi VDC, Kaski*'. The main objective of the study is to explore the role of microcredit program for women of

Bhadaure Tamagi VDC Kaski. Other specific objectives of this study are; to analyze the position of existing credit; to analyze the relationship in between investment and income; to measure the perception of users group towards the program; to assess the effect of microcredit program on living standard of the people; to assess the financial sustainability of the program. From this research study she found that the overall impact of microcredit program for women's earning beneficiaries and living standard is positive. It has positive impact on clothing and sheltering facility after the intervention of the program. The condition of loan recovery have a positive impact up on the regularity of loan payment. Among the sample women, 4% could not repay both the principal and interest, 28% could repay only interest and not principal and 18% could repay only principal and not interest regular. Since all the respondents of the program have taken loan at least one time from the program. Out of the total investment of microcredit program, the highest proportion of investment is made on poultry farming (35.95%), and the lowest is made on goat keeping (18.21%). The main sectors of taking loan were poultry farming, buffalo keeping, retail business and goat keeping

Aryal (2007), conducted a study on '*Microfinance Under Rural Development Program: A case Study of Khilung Deurali VDC Syangja*'. The basic objective of the study is to examine the effective activities and effectiveness or rural development program and is to carry out the detail study of rural development program in khilung Deurali VDC o Syangaja. The other specific objectivities are; to know the activities operated under rural development program; to analyze the mode of loan disbursement, repayment, outstanding and overdue; to analyze the state of saving, deposit and its mobilization interms of loan disbursement; to find out the problems faced by the women in obtaining the loan. From this study he found and concludes that the program has made positive impact of the women living standard by generating employment and increasing productivity. Most of the women's income is sufficient for one year living or less. The performance of the project interms of achievement of loan disbursement and recovery has been found very well in study period. So the repayment of loan was very satisfactory in the following years. It was 100 percent successful. The identification encouragement and training of local leadership saving and its mobilization, loan disbursement and its recovery should be a basic objective in any program.

In this way different papers which are related to this research paper gives the conclusion that only microfinance success to reduce the poverty alleviation of country especially for women.

Kharel (2008) has conducted thesis on '*Financial Performance of Micro Finance Institutions and the Women Economic Empowerment in Nepal (A case study of Mahila Prayash Bachat Tatha Rindh Sahakari Sanstha Limited and Panchakanya Mahila Bikash Bachat Tatha Rindh Sahakari Sanstha limited)*' The thesis has focused on the role of micro finance is also helping to fulfill some portion of the main objective of the Tenth Plan. This social and economical status of the members. It also shows that MFLs are making contribution to develop their communication skills which is an important attribute of the empowerment.

The thesis finds that PMBRS provide incense making sticks training to their members and other interested women for free. Both organizations' board members regulate their organization's activities. MPBRS provide Rs. 25 each member who brought one new member for such organization which helps more to increase the membership of such organization. Majority of members were unknown about the voting system of such organization. 59 percent Microfinance institution is a powerful tool for poverty alleviation and empowerment of women and both organization moves towards it.

Dulal (2010) has conducted thesis on '*Impact of Microfinance Program in Socio-Economic Empowerment of Women in Nepal (A Case Study of DEPROSC Nepal in Thaiba VDC of Lalitpur)*'. The thesis has focused on the economic impact of the microfinance program in women empowerment, social impact of the microfinance program in women empowerment, constraints faced by the women clients because of the competitive microfinance services.

The thesis finds that the survey revealed that the micro-finance program has not shown a significant effect on the client's landholding position. Home to live poses higher value to the sample clients thus prefer to improve the quality by changing roof, making ground cemented, plastering the walls etc. Number of livestock holding households has also improved. Prior joining the program, only 15 per cent clients have any small scale livestock where 18 per cent clients used to have medium livestock but after joining the microfinance program it has changed to 28 per cent and 24 per cent respectively.

Food security situation has significantly changed. Prior joining the program, 55 per cent clients had food for only less than 3 months among which around half of them have increased food sufficiency at present. Increased awareness and knowledge on education, health, sanitation, family harmony enterprises handling; enhanced skills of financial transactions and trade; being more responsible and disciplined; realization of disadvantages of social evils and bad habits are some of the major achievements gained by sample clients.

Dhital (2015) has conducted thesis on '*Socio Economic Impact of Micro Finance (With Reference to Sange V.D.C. of Kathmandu District, Nepal)*'. The thesis has focused on the impact of microfinance to develop the socio economic condition of the people, role of microfinance for the rural poor people in income generating activities, effect of microfinance program on the economic status of beneficiaries.

The thesis finds that the age of majority of women is between 20-40 years. So that, MFP has involved only earning aged members and female. Majority members of the MFP can be found illiterate in the study area. Literate members also are hardly able to write their own name. The most of the households have the medium family size. Medium family size consists of between 4 to 7 family members. Living standard of respondent is increased after the MFP in the study area. Similarly economic to send their children to private school after than before MFP. Not only their sons but also daughters sent to the private school. There is positive effect of MFP on source of fuel consumptions. Except small parts of the respondents, most parts of the respondents use gas as a fuel after MFP.

2.3 Research Gap

Research is searching something new again and again. So it is never ending process. Different scholars and researcher has given their different findings and conclusion in the field of microfinance and women microfinance. From the above review of articles and dissertations it seems that this research paper is trying to find out something new in the field of women microfinance. This research paper is different from others in the case that is trying to find out the impact of microfinance on women of Likhu Rural Municipality-4, Nuwakot. This research is trying to discuss about impact in case of saving activities, loan activities, loan disbursement and its recovery as well as

investment and income. It is also trying to discuss about different profile of respondents. This paper is trying to discuss on the poorest of the poor women's financial condition.

2.4 Conceptual Framework

The preliminary survey of literature and information provides a solid foundation for developing a theoretical framework. Microfinance affect directly as well as indirectly towards society. Due to its effect there will occur changes in various indicator of social development. The impact of microfinance on various factor of societies are shown below.

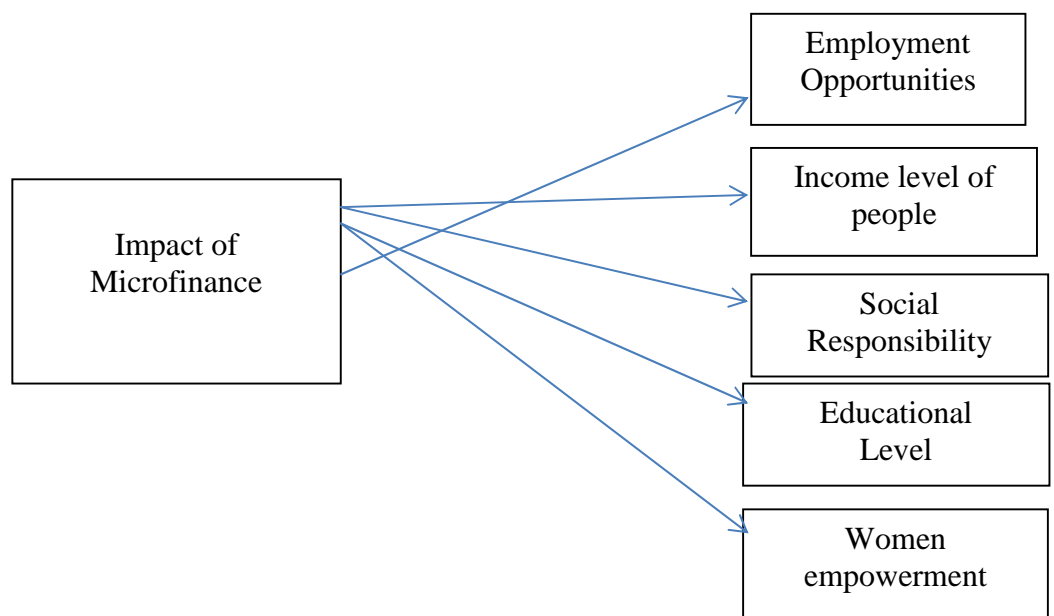


Figure: Impact of microfinance on various parameter of social development

CHAPTER III

RESEARCH METHODOLOGY

3.1 Research Design

To conduct these studies analytical and descriptive approach was adopted. Analytical approach was utilized mainly to analyze the relationship between income, investment and other variables. Descriptive research design was used mainly for conceptualization of the research objectives and research problem of the study.

3.2 Study Area

The sample was selected from groups of Women. The study was covered only five years of data. The study was analyzed on the basis of the performance of participating people from micro enterprise groups.

3.3 Population and Sample

Population refers to the entire group of peoples, events or things of interest that the researcher wishes to investigate. A sample was collected of items or elements from a population. Hence, a sample is only a portion of subset of the population. It comprises some observation selected from the population. The Global IME Microfinance's women members were considered as the size of the population. This study covers some sample women members for the purpose of study because of the limitation of area, budget and time. Only 101 women were selected as sample for this study using convenience sampling method.

3.4 Nature and Source of Data

This study was mainly based on primary data. These primary data was both qualitative as well as quantitative. Secondary data was used in this study was collected from different sources such as:

- Various research studies, dissertation and article related to the study.
- Annual reports from municipality.
-

3.5 Data Collection Techniques

This study was basically based on primary data. Primary data was collected from the different primary data collection techniques. Primary data was collected from actual field using: Questionnaire was used to get qualitative information. But some important quantitative information was collected the respondents of questionnaire survey are the sample numbers and group managers of the program. This was also called direct interview. It was used to collect the information related to investment, credit, saving interest collection, repayment rate and so on. Secondary data was collected from reports of municipality, Journals of microfinance, published books, unpublished books, thesis, and newspaper and other related published journals and article.

3.6 Data Processing and Analysis

The available data was edited, classified and tabulated in appropriate form. Processing of data was done by the computer using Microsoft excel.

Analysis is the careful study of available facts so that one can understand and draw conclusion.

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CHAPTER IV

PRESENTATION AND ANALYSIS OF DATA

This chapter attempts to analyze the information received from the questionnaires, observations, case study, field survey and informal discussions with women. Especially analysis process and contents are determined as per set of objectives for the study. It consists of savings, investments, repayment pattern of loan, income from loan, impact on income, consumption, health, education, changes in custom and society.

4.1 Data Analysis and Presentation

Saving is store for future consumption. Now a days every people are involve in saving activities. Considering Likhu's organize women in three kinds of saving. They are group fund saving, individual saving and centre fund saving. In group fund saving, there are group saving and weekly saving. Women should collect Rs 1 per month per week in weekly saving and 5% of loan in first year, 4% of loan on second year and 3% of loan in over three year in group saving. In case of individual saving they should collect more than Rs100 exceptionally.

4.1.1SAVING BY GROUP MEMBERS IN DIFFERENT SAVING PROGRAMS:

The state of saving by women in different saving programs is shown in table 4.1.

Table 4.1
Saving by Group Members in Different Saving Programs

(In Rs.)

S. N	Fiscal Year	Group Saving		Centre Fund Saving		Individual Saving		Total	
		Amount	%	Amount	%	Amount	%	Amount	%
1	2012/13	2332575	15.5	143512	16.3	182218	24.2	2658305	15.9
			2		2		5		5
2	2013/14	2441839	16.2	157724	17.9	194892	25.9	2794455	16.7
			4		3		3		7
3	2014/15	3220645	21.4	164013	18.6	171344	22.8	3556002	21.3
			3		5		0		4
4	2015/16	3758378	25.0	189234	21.5	107623	14.3	4055235	24.3
			0		1		2		4
5	2016/17	3277974	21.8	225126	25.5	95421	12.7	3598521	21.6
			1		9		0		0
Total		1503141	100	879609	100	751498	100	1666251	100
		1						8	
% in total		90.21		5.28		4.51		100	

Source: Microfinance

The above table shows the saving of members of in different saving programs in last five fiscal years. There were different saving amounts in different headings. The overall saving from different saving programs was Rs 1,662,518. The total saving of group saving was Rs 15,031,411, centre fund saving was Rs. 879,609, and individual saving was Rs 751,498. Overall percentage in group saving was 90.21%, in centre fund saving was 5.28% and in individual saving was 4.51%. So there was greatest percentage of saving in group saving. The total saving in last five fiscal years were Rs 2,658,305 in 2013/14, Rs 2,794,455 in 2014/15, Rs 3,556,002 in 2015/16, Rs 4,055,235 in 2015/16 and Rs 3,598,521 in 2016/17. There was greatest pc of saving in fiscal year 2014/15 which was 24.34% and smallest percentage of saving was in 2012/13 which was 15.95%. The greatest percentage and amount of group saving was in 2014/15, centre fund saving was in 2016/17 and Individual saving was in 2013/14

which were 25%, 25.59%, 24.34% and Rs 3,758,378, Rs 225,126, Rs 194,892 respectively. The smallest percentage and amount of group saving was 15.52% and Rs 2,332,575 in fiscal year 2012/13, centre fund saving was 16.32% and Rs 143,512 in fiscal year 2012/13 and in individual saving was 12.70% and Rs 95,421 in fiscal year 2016/17.

The above saving programs can be shown in the following table also.

4.2.2 REGULAR SAVING OF SAMPLE WOMEN:

The regular saving of sample women is shown in following table 4.2.

Table 4.2
Monthly Regular Saving of Sample Women

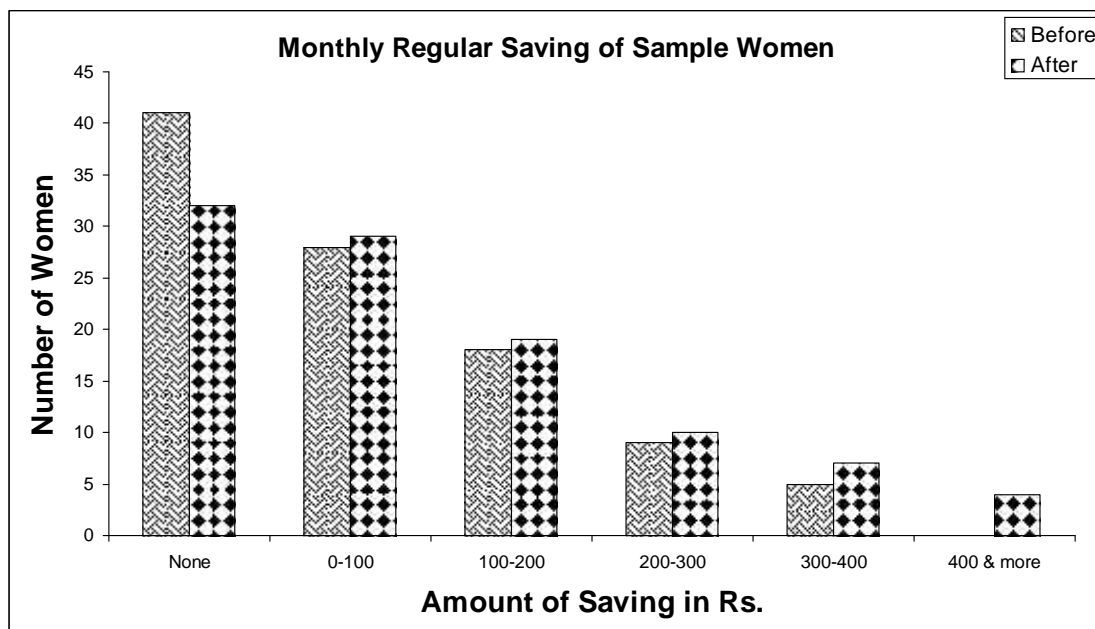
S.N	Amount in Rs.	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	None	41	40.59	32	31.68	(8.91)
2	0-100	28	27.72	29	28.72	1.00
3	100-200	18	17.82	19	18.81	.99
4	200-300	9	8.91	10	9.90	.99
5	300-400	5	4.96	7	6.93	1.97
6	400 & more	-	-	4	3.96	3.96
Total		101	100.00	101	100.00	

Source: Field Survey, 2019.

The above table shows the regular saving of sample women in both number and amounts. It also shows the saving of sample women before and after involvement in programs and percentage change in saving. 41 women were not saving regularly before involvement in this programs but after the number is 32 with 8.91% decrease. There were no women who are saving Rs 400 and more before involvement in microfinance programs but after the number are 4 with 3.96% increase. The number of women falling in saving amount class Rs 0 to 100, Rs 100 to 200, Rs 200 to 300, Rs 300 to 400 were 28, 18, 9, 5 and 29, 19, 10, 7, 4 were before and after respectively. Similarly the percentage change in saving amount class Rs 0 to 100, , Rs 100 to 200, Rs 200 to 300, Rs 300 to 400 were 1.00, 0.99. 0.99, and 1.77 percentage respectively.

The above table 4.2 can be shown in graphical figure which makes us clear, meaningful and understandable of above data. The graphical presentation of above table is below.

Figure 4.2



4.1.3 OPTIONAL SAVING OF SAMPLE WOMEN:

Not all women were regular saving and not all women were optional saving in microfinance Programs. There was no compulsory saving in their programs. So some women were in optional saving programs. The optional saving of sample is shown in table 4.3.

Table 4.3
Monthly Optional Saving of Sample Women

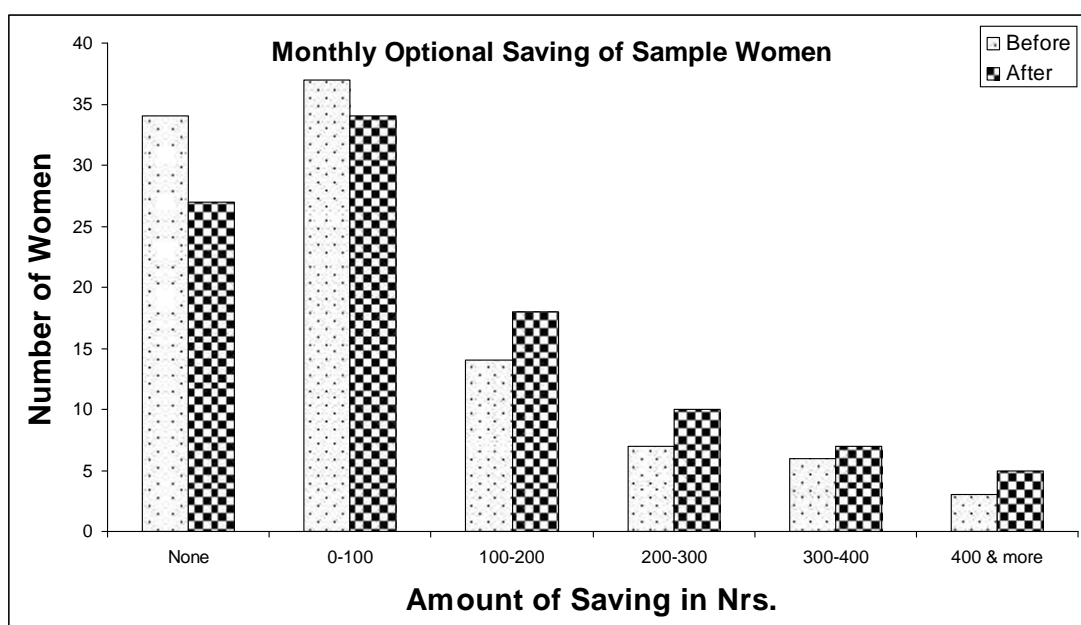
S.N	Amount in Rs.	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	None	34	33.66	27	26.74	(6.92)
2	0-100	37	36.64	34	33.66	(2.98)
3	100-200	14	13.86	18	17.82	3.96
4	200-300	7	6.93	10	9.90	2.97
5	300-400	6	5.94	7	6.93	0.99
6	400 & more	3	2.97	5	4.95	4.90
Total		101	100.00	101	100.00	

Source: Field Survey, 2019.

The above table shows the optional saving of sample women in both number and amounts. It also shows the saving of sample women before and after involvement in programs and percentage change in saving. 34 women were not saving optionally before involvement in programs but after the number was 27 with 6.92% decreased. The number of women falling in saving amount class of Rs 0 to 100, Rs 100 to 200, Rs 200 to 300, Rs 300 to 400, Rs 400 and more were 37, 14, 7, 6, 3 and 34, 18, 10, 7, 5 were before and after respectively. Similarly the percentage change in saving amount interval class of Rs 0 to 100, Rs 100 to 200, Rs 200 to 300, Rs 300 to 400, Rs 400 and more were (2.98), 3.96, 2.97, 0.99, 4.90 percentage respectively.

The above table 4.3 can be shown in graphical figure to make clear, meaningful, and understandable of above data. The graphical presentation of above table is given below.

Figure 4.3



4.1.4 SECTORS OF WOMEN SAVING

Most of the Women were saving small amount of money from agriculture, buffalo keeping, goat keeping, poultry farming, retail business, bio gas, pig keeping etc. The status of women saving is shown in following table 4.4.

Table 4.4
Sectors of Women Saving

S.N	Sectors	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	Agriculture	27	26.74	29	28.72	1.98
2	Buffalo Keeping	16	15.84	16	15.84	-
3	Goat Keeping	18	17.82	16	15.84	(1.98)
4	Poultry Farming	14	13.86	12	11.88	(1.98)
5	Retail Business	15	14.85	17	16.83	1.98
6	Beauty parlor	4	3.96	5	4.95	0.99
7	Pig Keeping	7	6.93	6	5.94	(0.99)
Total		101	100.0	101	100.0	

Source: Field Survey, 2019.

The above table shows that the sample women involved in different types of economic activities to save money before and after entering this programs. Out of total savers of sample survey, about one-fourth was involved in agriculture and rest in others.

Before entering the program, 27 women were saving from agriculture but after the number reached to 29. Only 4 women were saving from bio gas before and after they were 5. The sectors of women saving were taken from only microfinance activities. Similarly the number of women saving from goat keeping, poultry farming and pig keeping were reducing in number from 18, 14 and 7 to 16, 12 and 6 before and after entering the programs respectively. There was 1.98% increase in women's saving from agriculture and retail business both. Also there was no change in buffalo keeping.

4.1.5 MOBILIZATION OF COLLECTED SAVING FUND:

Saving and investment are two alternative parts. If people save they will be motivate to invest that money to earn more. So the women involving in programs and saving small money are lending that money to other people in community. Doing this both people are benefited. Investor can get interest and borrower can utilize that money in appropriate area.

Following table shows the lending activities of women who are involved in this programs.

Table 4.5
Mobilization of Collected Saving Fund

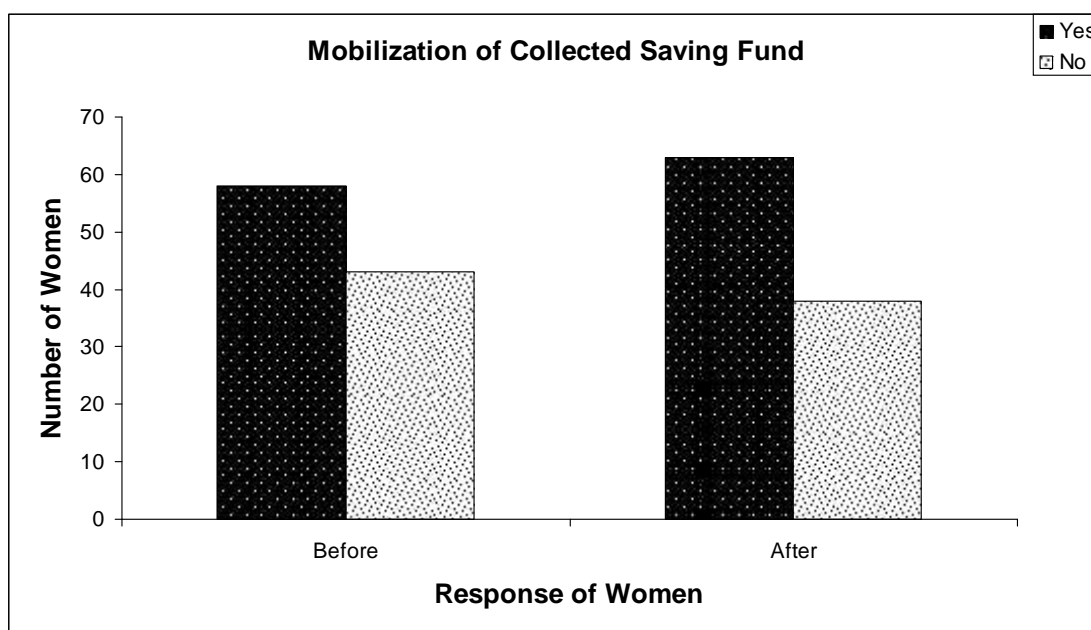
S.N	Description	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	Yes	58	57.43	63	62.38	4.95
2	No	43	42.75	38	37.62	(5.13)
Total		101	100.00	101	100.00	

Source: Field Survey, 2019.

Above table shows that the sample women involved in mobilization of saving. Before involvement in this programs, 58 women were mobilizing their money and 43 women were not mobilizing their small save money. But after involvement in this program, number of mobilizing women increased to 63 and the number of women who were not mobilizing decrease to 38. Hence there was 4.95% increase in women who mobilize money and the number of women who were not mobilizing was decrease by 5.13%.

The following figure also shows the change in women who were lending and which were not lending.

Figure 4.5



4.1.6 RECOVERY STATUS OF LENDING FUND:

Recovery is necessary for lending amount. But sometimes due to some reasons it can be difficult to recover lend amount. The following table shows the status of recovery of lending amount.

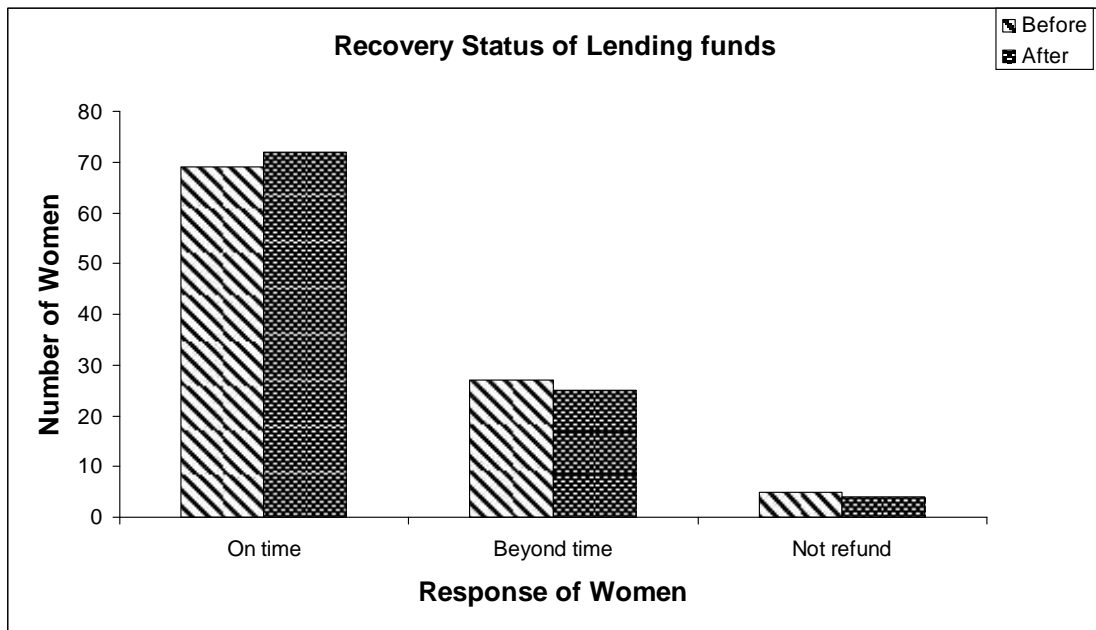
Table 4.6
Recovery Status of Lending Fund

S.N	Description	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	On time	69	68.32	72	71.29	2.97
2	Beyond time	27	26.73	25	24.75	(1.98)
3	Not refund	5	4.95	4	3.96	(0.99)
Total		101	100.00	101	100.00	

Source: Field Survey, 2019.

From the above table it is shown that recovery of money which was mobilized by women. The survey shows the satisfactory result of recovery of women's lending amount after entering into programs. Before involvement in this program, 69, 27 and 5 women's lending money was recovered on time, beyond time and not refund respectively. But after entering into programs 72, 25, and 4 women's lending money was not recovered on time, beyond time, and not refund respectively. Similarly percentage increase in recovery of money beyond time was 2.97% and decrease in recovery of money beyond time and not refund was 1.98%, and 0.99% respectively. Following figure also makes us clear about the recovery of lending amount of women's.

Figure 4.6



4.1.7 INTEREST EXPENSES ON SAVINGS:

When there is saving there is investment. After investment, saved money is charge by interest. Microfinance Collect some small money from women. For this they will get interest. The interest is expenses for.

The state of interest expenses in different saving programs is shown in table 4.7.

Table 4.7
Interest Expenses on Different Saving Programs

(In Rs.)

S.N	Fiscal Year	Group Saving		Centre Fund Saving		Individual Saving		Total	
		Amount	%	Amount	%	Amount	%	Amount	%
1	2012/13	77892	17.86	4750	18.44	3520	21.00	86162	18.00
2	2013/14	73461	16.85	4344	16.86	3277	19.55	81082	16.94
3	2014/15	87527	20.07	4806	18.66	4131	24.65	96464	20.15
4	2015/16	104882	24.05	5464	21.21	3321	19.82	113667	23.75
5	2016/17	92345	21.17	6397	24.83	2511	14.98	101253	21.16
Total		436107	100	25761	100	16760	100	478628	100

Source: Microfinance, Likhu.

The above table shows the interest expenses on saving of group members of this in last five fiscal years. The overall total interest expenses on different saving programs were Rs 478,628. The total interest expenses on group saving was Rs 436,107, centre fund saving was Rs 25,761 and in individual saving was Rs 16,760. There was greatest interest expenses on group saving. The total interest expenses on different saving programs in last five fiscal years were Rs 86,162 in 2012/13, Rs 81,082 in 2013/14, Rs 96,464 in 2014/15, Rs 113,667 in 2014/15 and Rs 101,253 in 2016/17. The overall greatest percent of interest expenses was on fiscal year 2014/15. The greatest percentage of interest expenses on group saving was 24.05%, on centre fund saving was 24.83% and on individual saving was 24.65. The smallest percentage of interest expenses on group saving was 16.85%, on centre fund saving was 16.86% and on individual saving was 14.98%.

4.1.8 LENDING ACTIVITIES:

Loan disbursement repayment, outstanding etc are related to lending activities of women's. Loan disbursement to the targeted women is significant for reaching aspect of the livelihood upliftment. The implementing selects an appropriate enterprise to the targeted women according to their choice and recommend them for loan on the basis of group decision. The responsibility of operating business and repayment of loan with interest lies on the borrowers of finance. However the capacity of loan

repayment depends on the performance of women and the income earning from the programs of.

The main loan activities of microfinance are micro business and micro enterprise. Micro business loan is for small business activities which don't need collateral. But in micro enterprise loan collateral is needed sometimes. Both of these activities consist of retail business, agriculture, industry, foreign employment, bio-gas, buffalo keeping, goat keeping, poultry farming etc. According to survey of Likhu, 90% of loan is recovery on time but 10% is difficult to recover on time due to different problems. From the report of microfinance Likhu, there are 102 number of weak loan, 46 number of doubtful loan and 237 number of bad loan. There are altogether 1021 loan numbers. Bad loan is such a loan which is not paid by members in groups of microfinance.

4.1.9 LOAN DISBURSEMENT IN DIFFERENT PROGRAMS:

Microfinance Likhu distributes loan on different programs. The state of loan disbursement by microfinance Likhu in last five fiscal years is shown in table 4.8.

Table 4.8

Loan Disbursement by Microfinance in Last Five Fiscal Years

(In Rs.)

S. N	Fiscal Years	Micro Business Loan		Micro Enterprise Loan 'Ka'		Micro Enterprise Loan 'Kha'		Total	
		Amt.	%	Amt.	%	Amt.	%	Amt.	%
1	2012/13	12327890	16.43	282350	15.03	-	-	12610240	15.00
2	2013/14	14215230	18.94	301220	16.04	-	-	14516450	17.26
3	2014/15	18208810	24.26	411450	21.91	2291593	32.01	20911853	24.87
4	2015/16	16811180	22.40	566875	30.18	2553273	35.66	19931328	23.70
5	2016/17	13490310	17.97	316250	16.84	2314465	32.33	16121025	19.17
Total		75053420	100	1878145	100	7159331	100	84090896	100

Source: Microfinance, Likhu.

The upper table shows the distribution of loan to the women of microfinance in fiscal years from 2012/13 to 2016/17. There are three kinds of loan. They are micro business loan, micro enterprise loan 'ka' and micro enterprise loan 'kha'. Micro enterprise loan 'ka' is distributed without collateral but collateral is needed for micro enterprise loan 'kha'. The overall total loan distribution in last five fiscal years was Rs

84,090,896. Out of this Rs 75,053,420 was distributed in micro enterprise loan 'ka' and Rs 7,159,331 was distributed in micro enterprise loan 'kha'. In fiscal years 2012/13 and 2013/14 there was no micro enterprise loan 'kha'. The highest percentage of loan distribution in micro business loan was 24.26% in fiscal year 2014/15 amounting Rs 18,208,810 in micro enterprise loan 'ka' was 30.18% in 2014/15 amounting to Rs 566,875 and in micro enterprise loan 'kha' was 35.66% in fiscal year 2014/15 amounting Rs 2,553,273. In overall the highest percentage of loan distribution was 24.87% in fiscal year 2014/15 and smallest percentage of loan distribution was 15% in fiscal year 2012/13 amounting Rs 20,911,853 and Rs 12,610,240 respectively.

Following figure 4.8 also clear about loan disbursement by microfinance Likhu in different fiscal years in different programs.

4.1.10 LOAN RECOVERY AND OUTSTANDING:

Since loan is distributed in different programs and recovery is also from different programs. But according to microfinance report overall recovery is shown. So the state of loan recovery and outstanding is shown in table 4.9.

Table 4.9
Loan Recovery and Outstanding

(In Rs.)

S.N	Fiscal Years	Recovery		Outstanding	
		Amount	%	Amount	%
1	2012/13	13033015	16.06	322445	11.82
2	2013/14	14669675	18.07	169220	6.21
3	2014/15	20665828	24.72	1015245	37.22
4	2015/16	20105853	24.77	840720	30.82
5	2016/17	13289919	16.38	379930	13.93
Total		81164290	100.00	2727560	100.00

Source: Microfinance, Likhu.

The above table shows the amount and percentage of loan recovered by microfinance from groups of women in different fiscal years. It also shows the outstanding loan of microfinance in different fiscal years. The total loan recovery on last five fiscal year was Rs 81,164,290 and loan to be outstanding was Rs 2,727,560. The highest amount and percentage of loan recovery was in fiscal year 2014/15 amounting to Rs

20,105,853 and 24.77%. The smallest percentage and amount of loan recovery was in fiscal year 2012/13 which is 16.06% and Rs.13, 033,015. Where as the highest pc of loan outstanding was in fiscal year 2014/15 which is 37.22% and Rs 1,015,245. The smallest pc of loan outstanding was in fiscal year 2013/14 which was 6.21% and Rs 169,220.

4.1.11 NUMBER OF WOMEN TAKING LOAN:

Most of the women were not financially sufficient. So they were taking loan to run their livelihood and also to earn some money. Following table shows the numbers of women taking loan before and after involvement in microfinance activities.

Table 4.10
Number of Women Taking Loan

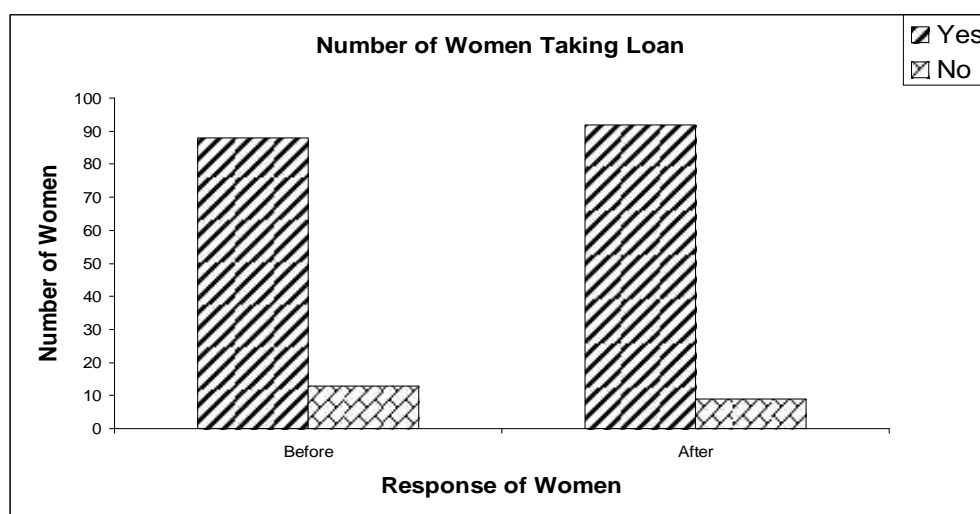
S.N.	Description	Before		After		% Increase/ Decrease
		Number	%	Number	%	
1	Yes	88	87.13	92	91.10	3.97
2	No	13	12.87	9	8.90	(3.97)
Total		101	100.00	101	100.00	

Source: Field Survey, 2019.

Table 4.10 shows that before involvement of microfinance program. Out of 101 sample women, 88 women were taking loan but after entering of the microfinance 92 women were taking loan. Women who were not using loan facility were 13 before involvement of program and after involvement of program the number decrease to 9. In overall there was 3.97% increase in women's number of taking loan and 3.97% decrease in women's number of not taking loan.

The above table 4.10 can be shown in graphical figure which makes us clear, meaningful, understandable of above data. The graphical presentation of above data is given below.

Figure 4.10



4.1.12 SECTORS OF LOAN MOBILIZATION:

There are various sectors of taking loan by women from microfinance programs. The following table shows the number and percent of women involved in various sectors of microfinance while taking loan.

Table 4.11
Sectors of Loan Mobilization

S.N	Sectors	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	Agriculture	23	26.14	23	25.00	(1.14)
2	Buffalo Keeping	15	17.05	17	18.48	1.43
3	Goat Keeping	16	18.18	16	17.39	(0.79)
4	Retail Business	14	15.91	18	19.57	3.66
5	Beauty parlor	5	5.68	6	6.52	0.84
6	Poultry Farming	11	12.50	7	7.61	(4.89)
7	Pig Keeping	4	4.54	5	5.43	0.89
Total		101	100.0	101	100.00	

Source: Field Survey, 2019.

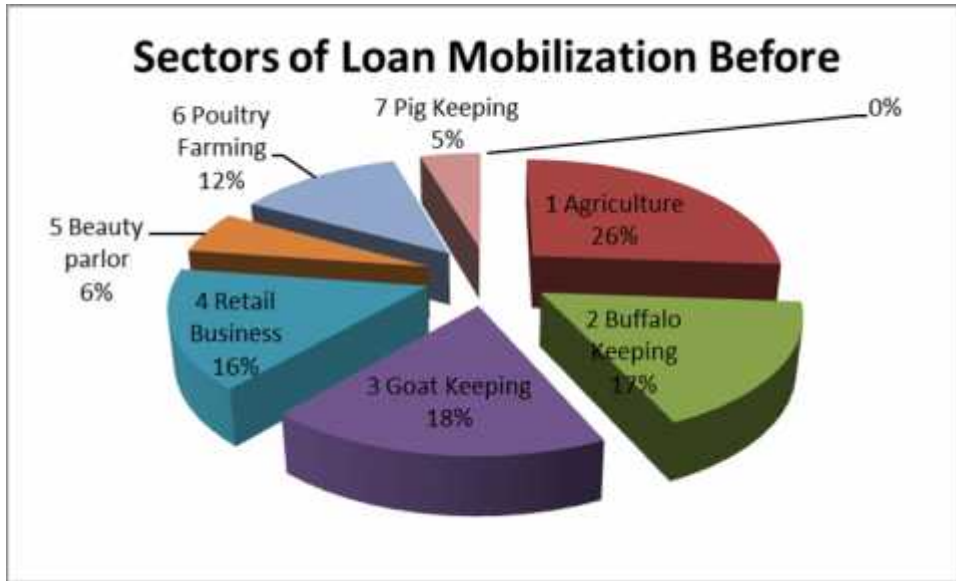
Above table shows that the sample women involved in different types of economic activities before and after entering into microfinance programs. Out of total borrowers of sample survey, about one-fourth were involve in agriculture and rest in other different programs.

After implementation of program women did not left their old business but they motivate to make that business success. Before entering microfinance, 23 women were involved in agriculture and 4 women were involved in pig keeping which was highest and lowest number of women borrowers. But after involvement in

microfinance programs 25 women were in agriculture and 5 in pig keeping. In overall there was 3.66% increase in retail business borrowers and 4.89% decrease in poultry farming.

Table 4.11 can be presented by figure to make clear about women's borrowing in different sectors.

Figure 4.11



4.1.13 WOMEN'S RESPONSE ON REPAYMENT OF TAKEN LOAN:

Sample of women were taken who are involved in borrowing of loan for repayment pattern. The following table 4.12 shows the women's response on repayment pattern. The following table 4.12 shows the women's response on repayment of loan which was taken by women before and after entering into microfinance programs.

Table 4.12
Response on Repayment of Loan

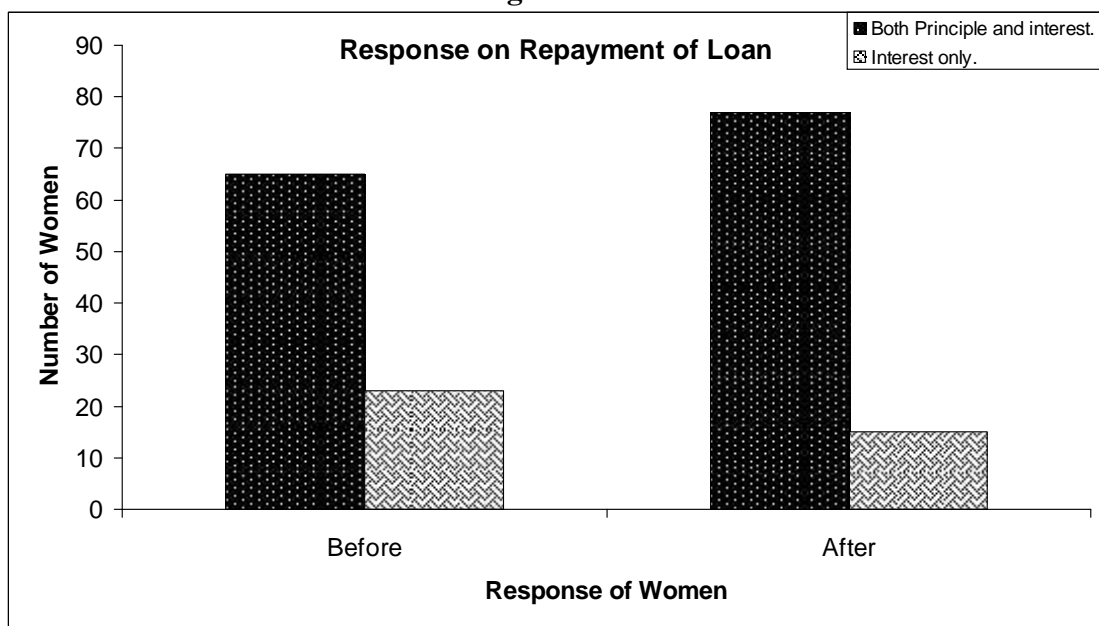
S.N.	Description	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	Both Principle and interest.	65	73.86	77	83.70	9.84
2	Interest only.	23	26.14	15	16.30	(9.84)
Total		88	100.00	92	100.00	

Source: Field Survey, 2019.

Table 4.12 shows that the response of women on repayment of taken loan before and after entering in to microfinance programs. No women were found that they were not paying both principle and interest. So it is not shown in table. Before entering in to microfinance programs 65 women were paying both principle and interest and 23 women were paying interest only. But after involvement in to microfinance programs 77 women were paying both principle and interest and 15 women were paying interest only. In over all there was 9.84% of women increase in paying both principle and interest after entering in to microfinance programs whereas 9.84% decrease in paying interest only.

The graphical presentation of table 4.12 is given below to make clear, meaningful and understandable of above data.

Figure 4.12



4.1.14 CONDITION OF BUSINESS WHICH IS RUNNING FROM LOAN:

Women are doing business from the loan which was taken form microfinance. They were also doing business from loan prior to entering microfinance. So following table 4.13 shows the condition of business which was running by them from loan.

Table 4.13
Condition of Business which is Running from Loan

S.N.	Description	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	Running well.	72	81.82	78	84.78	2.96
2	Running not well	16	18.18	14	15.22	(2.96)
Total		88	100.00	92	100.00	

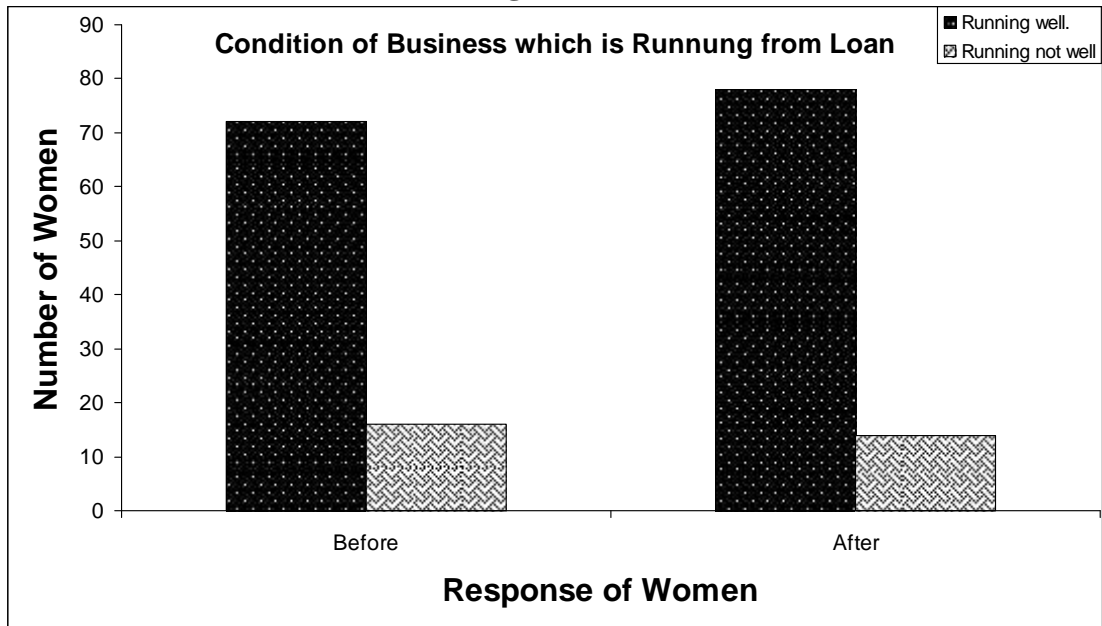
Source: Field Survey, 2019.

The above table 4.13 shows the condition of business which is running well or not before and after entering in to microfinance and doing by taking loan. Out of 88 women borrowers prior entering to microfinance, 72 said that their business was running well but 16 said that their business is not running well. After entering in to microfinance, 92 women have taken loan, out of them 78 said that their business from loan was running well but 14 said that their business was not running well.

In overall, there was 2.96% change in number of women who said that their business was running well after entering into microfinance. But there was 2.96% decrease in number of women who said that their business is not running well after entering in to microfinance.

The above table 4.13 can be shown in graphical figure which makes us clear, meaningful and understandable of above data. The graphical presentation of above table is below.

Figure 4.13



4.1.15 INVESTMENT AND INCOME:

Investment is using fund to raise more funds. The fund which is generated from investment is income. So money is invested in the form of loan at certain percentage of interest. Loan is recovered with interest after certain period of time. Fund without investment is useless. This fund investment is playing greater role to increase the livelihood of microfinance women.

4.1.15 INCOME FROM INVESTMENT:

Income and investment are interrelated. Without investment there is no income and without income there is no investment. Following table shows the response of women getting income from loan investment of microfinance and before microfinance programs. Description is divided in to maximum, minimum and no income. Table 4.14 also makes clear about number of women and percentage of women getting income from investment.

Table 4.14
Income from Investment

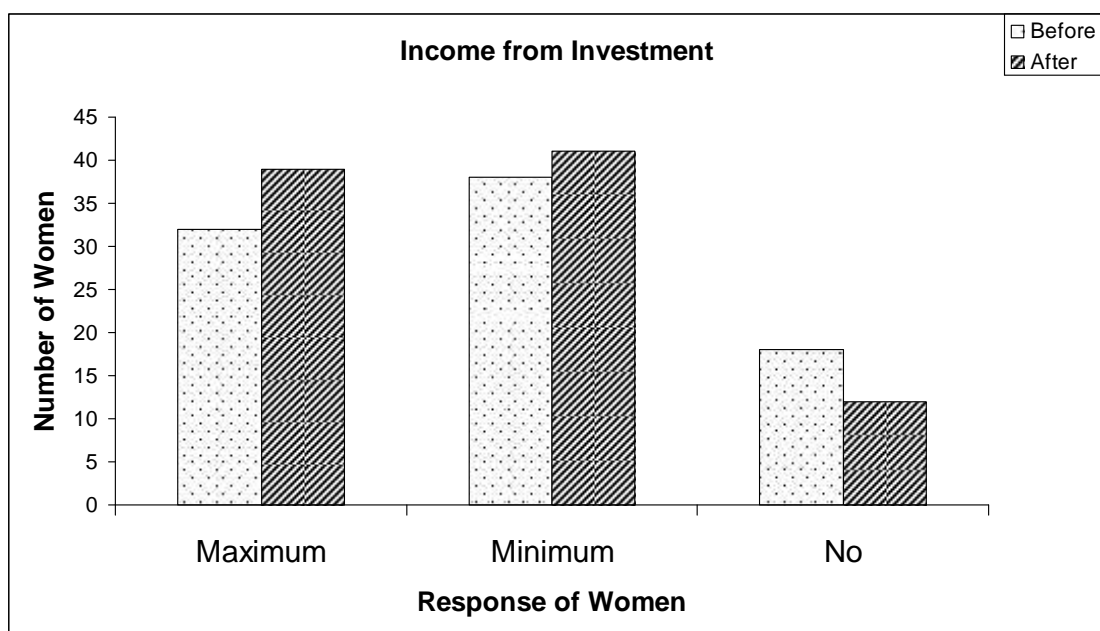
S.N	Description	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	Maximum	32	36.36	39	42.39	6.03
2	Minimum	38	43.18	41	44.57	1.39
3	No	18	20.46	12	13.04	(7.42)
Total		88	100.00	92	100.00	

Source: Field Survey, 2019.

Above table 4.14 shows the number of women and percent of women getting income from investment. Response of women was maximum income benefit, minimum income benefit and no income. Before entering in to microfinance programs 32, 38, and 18 women were getting maximum, minimum and no income respectively. Prior to microfinance programs, 88 women were investing loan from different sectors. But after involvement in microfinance programs 39, 41, and 12 women were getting maximum, minimum and no income from investment respectively. After entering microfinance programs 92 women were investing loan from different sectors. So there was 6.03% and 1.39% increase in number of women who said that they were getting maximum and minimum benefits from investment. But number of women who said there is no income decrease by 7.42%.

The above table 4.14 can be presented in graphical figure which is given below.

Figure 4.14



4.1.16 INTEREST RECOVERY SITUATION OF LOAN DISBURSEMENT:

The state of interest recovery situation of loan disbursement is shown in table 4.15.

Table 4.15

Interest Recovery Situation of Loan Disbursement

S.N	Fiscal Years	Micro Business Loan		Micro Enterprise Loan 'ka' & 'kha'	
		Amount	%	Amount	%
1	2012/13	1082361	17.93	18320	3.91
2	2013/14	1105858	18.32	20221	4.31
3	2014/15	1123762	18.62	90930	19.40
4	2015/16	1518069	25.15	218940	46.71
5	2016/17	1205857	19.98	120314	25.67
Total		6035907	100.00	468725	100.00

Source: Microfinance, Likhu.

The above table shows the interest recovery in different fiscal years from micro business loan and from micro enterprise loan 'ka' and 'kha' both. Total interest recovery situation from micro business loan is Rs 6,035,907 and from micro enterprise loan 'ka' and 'kha' is Rs 468,725 in last five fiscal years. The interest recovery from micro business loan was Rs 1,082,361, Rs 1,105,858, Rs 1,123,762, Rs 1,518,069 and Rs 1,205,857 in fiscal years 2012/13, 2013/14, 2014/15, 2014/15 and 2016/17 respectively. The interest recovery from micro enterprise loan 'ka' and 'kha' was Rs 18,320, Rs 20,221, Rs 90,930, Rs 218,940, and Rs 120,314 in fiscal years 2012/13, 2013/14, 2014/15, 2015/16 and 2016/17 respectively. The highest percentage of loan recovery from micro business loan was 25.15% in FY 2014/15 and from micro enterprise loan was 46.71% in fiscal year 2014/15. Interest recovery situation was relatively favorable.

4.1.17 AMOUNT INVESTED BY WOMEN IN DIFFERENT SECTORS:

Loan taken by women was invested in different sectors before and after entering in to microfinance programs. The following table shows the response of sample women who invest different amounts in different sectors.

Table 4.16
Amount Invested by Women in Different Sectors

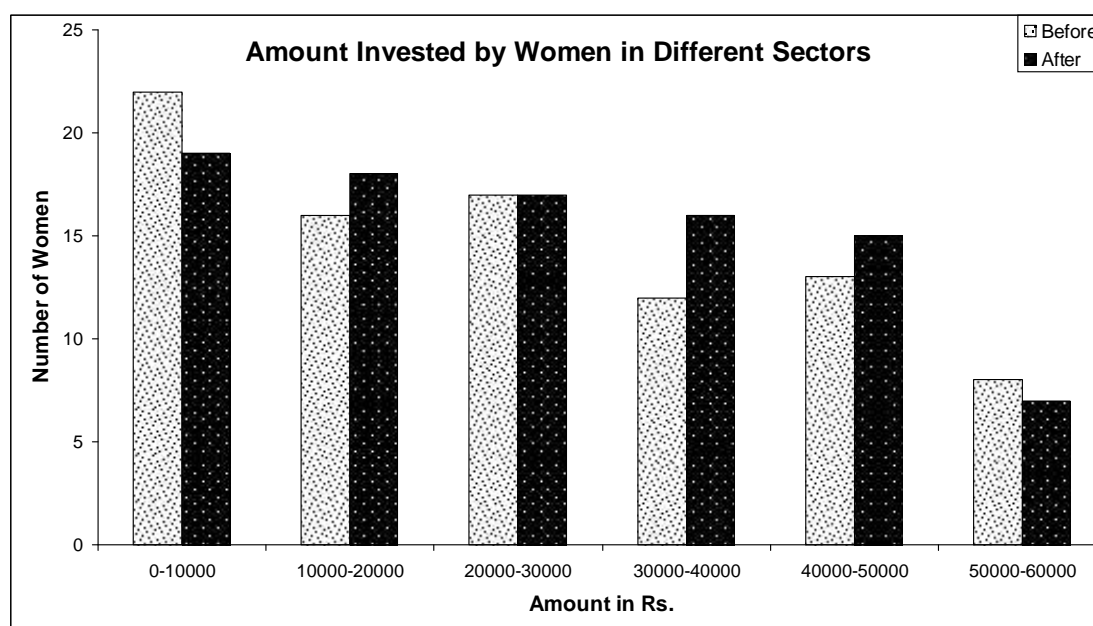
S.N	Amount in Rs.	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	0-10000	22	25.00	19	20.65	(4.35)
2	10000-20000	16	18.18	18	19.57	1.39
3	20000-30000	17	19.32	17	18.48	(0.84)
4	30000-40000	12	13.64	16	17.39	3.75
5	40000-50000	13	14.77	15	16.30	1.53
6	50000-60000	8	9.09	7	7.61	(1.48)
Total		88	100.00	92	100.00	

Source: Field Survey, 2019.

The above table 4.16 shows the amount invested by sample women in different sectors before and after involvement in microfinance programs. The highest number of women ie 22 were investing amount between Rs 0 to 10,000 before entering into microfinance programs and 19 women were investing same amount after involving in microfinance program. The lowest number of women ie 8 were investing amount between Rs 50,000 to 60,000 before entering into microfinance programs and 7 women were investing same amount after entering in microfinance programs. The number of women investing Rs 0 to 10000 was decrease by 4.35% after involving in microfinance programs. But incase of investing amount of Rs 10,000 to 20,000, Rs 30,000 to 40,000, Rs 40,000 to 50,000, there was increase in percentage and number of women after involvement in this program. While there was decrease in percentage and number of women investing amount of Rs 20,000 to 30,000 and Rs 50,000 and more.

The above table 4.16 can be shown in graphical figure which makes us clear, meaningful and understandable of above data. The graphical presentation of above table is below.

Figure 4.16



4.1.18 MONTHLY INCOME OF THE WOMEN:

Income of women was varying in microfinance Likhu. Some women were rich and some were poor. The following table shows the monthly income of the women before and after involvement in microfinance programs.

Table 4.17
Monthly Income of Women

S.N	Income Range in Rs.	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	0-5000	36	35.65	32	31.69	(3.96)
2	5000-10000	28	27.72	26	25.74	(1.98)
3	10000-15000	17	16.83	21	20.79	3.96
4	15000-20000	12	11.88	13	12.87	0.99
5	20000 & more	8	7.92	9	8.91	0.99
Total		101	100.00	101	100.00	

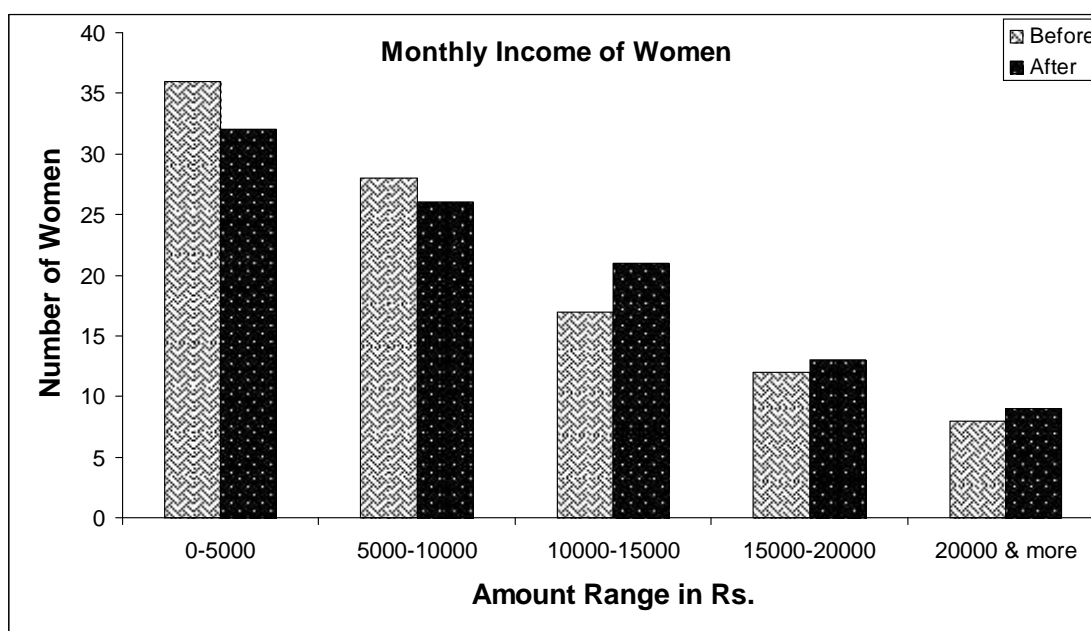
Source: Field Survey, 2019.

Above table 4.17 shows the monthly income of women in different range before and after entering microfinance programs. Around one-third women were earning between

Rs 0 to 5000 before and after the program. The highest income ie Rs 20,000 & more were earning by 8 & 9 women before and after the program respectively. There was decrease in number and percentage of women which were earning low income after entering the program but increase in numbers and percentage of women which were earning high income after entering the program. In overall the earning range of women was not so high in this program women's.

The above table can be presented in graphical figure which is as follows.

Figure 4.17



4.1.19 RESPONSE OF POOREST WOMEN:

Poverty is deep-rooted in Nepalese society. Especially women are always doing household activities and far from out door fund raising activities. So these activities of microfinance are benefited for the women to raise and save small money. Poor women who are lack of food, shelter and money will be benefited if they join microfinance programs. Because collateral is not necessary to take loan from microfinance. They should be in group members and can take loan. After investing that money they will be benefited.

4.1.20 CATEGORY OF WOMEN:

There is different level of Women in every society. Some are very rich, some are very poor and some are medium range. In this research study the category of women are

categorized on the basis of women's' response, field observation, asking questionnaire, observing their economic condition etc. Women who have few source of income and few monthly are categorized as very poor women. Women who have little land to cultivate crops and monthly income of around Rs 1,000 are categorized as poor women. Women which have monthly income around Rs 5,000 are categorized as rich women. Women who have sufficient land, more sources of income, monthly income of more than Rs 15000 are categorized as very rich women. The field survey shows the following level of microfinance women in Likhu. But from survey the numbers of women which are very rich were not found. Following table shows the status of women in field survey.

Table 4.18
Category of Women

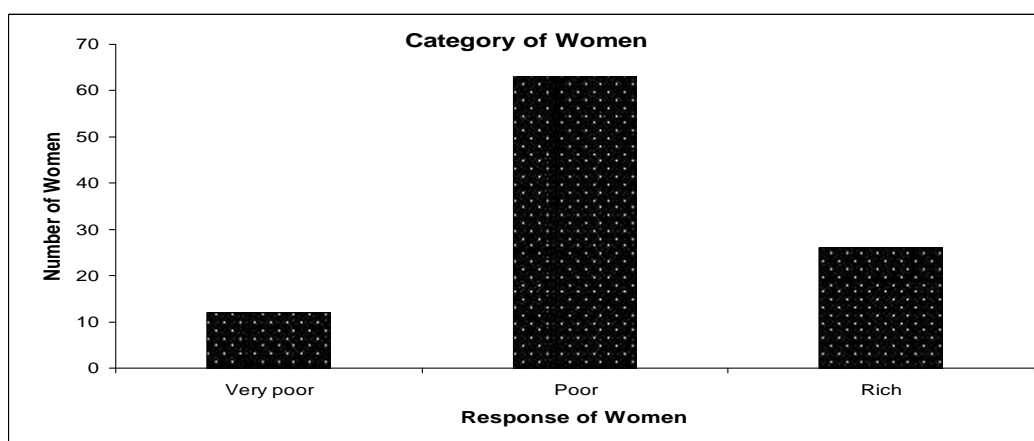
S.N	Description	Number of Women	Percentage
1	Very poor	12	11.88
2	Poor	63	62.38
3	Rich	26	25.74
Total		101	100.00

Source: Field Survey, 2019.

Table 4.18 shows the number of women which have different economic status. Out of 101 sample women there were 12 women very poor, 63 women poor and 26 women rich. But no women were found who said that they are very rich in sample survey. Similarly the percentage of women who were very poor was 11.88%, poor was 62.38% and very poor was 25.74%. So the category of women which were poor is higher.

Table 4.18 can be shown in the figure

Figure 4.18



4.1.21 FUTURE PROGRAM NEEDED TO UPLIFT THE LIVELIHOOD OF POOR WOMEN:

There are some programs which are needed to uplift the livelihood of poor women. There are different perceptions of women about different programs which are needed for them. Following table 4.19 shows the different facilities needed for poor women

Table 4.19

Future Programs for Poor Women

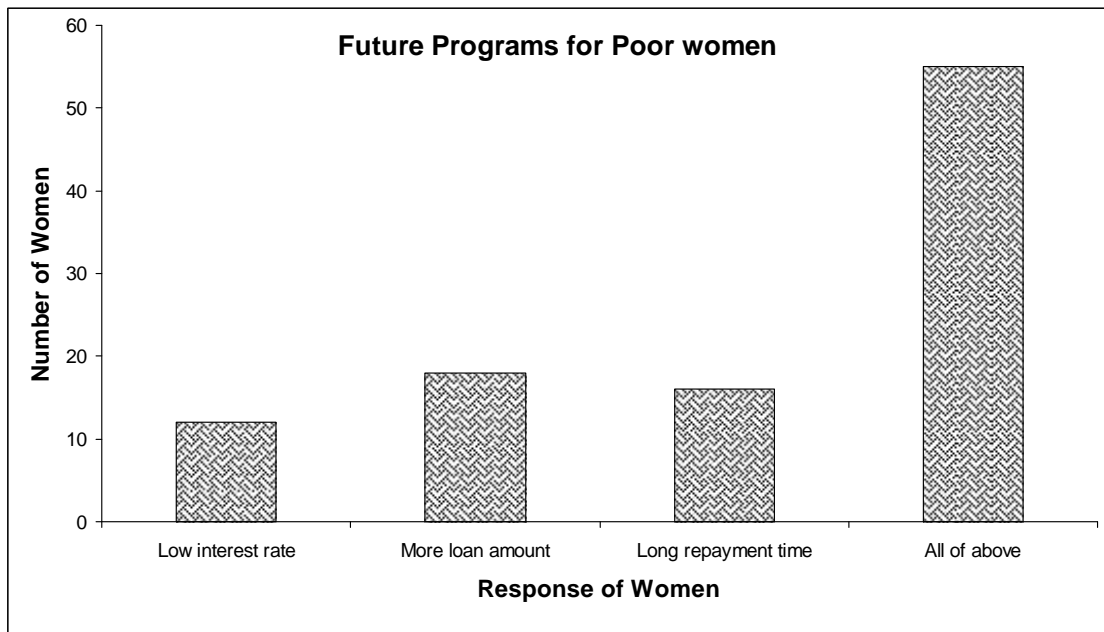
S.N	Description	Number of Women	Percentage
1	Low interest rate	12	11.88
2	More loan amount	18	17.82
3	Long repayment time	16	15.84
4	All of above	55	54.46
Total		101	100.00

Source: Field Survey, 2019.

Table 4.19 shows the number and percentage of women which have needed different facilities from microfinance to run their livelihood. Out of 101 sample women there were 12 women who prefer low interest rate, 18 women prefer more loan amount, 16 women prefer long repayment time and 55 women prefer all of above. Similarly the percentage of women who prefer low interest rate was 11.88% more loan amount was 17.82%, long repayment time was 15.84% and all of above was 54.46%. So the women who prefer all the above programs were more than fifty percent.

The above table 4.19 can be shown in graphical figure which makes us clear, meaningful and understandable of above data. The graphical presentation of above table is below.

Figure 4.19



4.1.22 PROFILE OF THE RESPONDENT:

From the profile of respondent it has been found that the program has benefited to all the borrowers. For the purpose of study, perception of the sample women towards the program with respect to education level, age structure, ethnic group, priority sector, confidence of women etc are shown:

4.1. 23 EDUCATION LEVEL:

Education is most important thing all over the world. Therefore it is lamp of the world. Following table shows the education level and their perception of sample women.

Table 4.20

Response on the Education Level of Sample Women

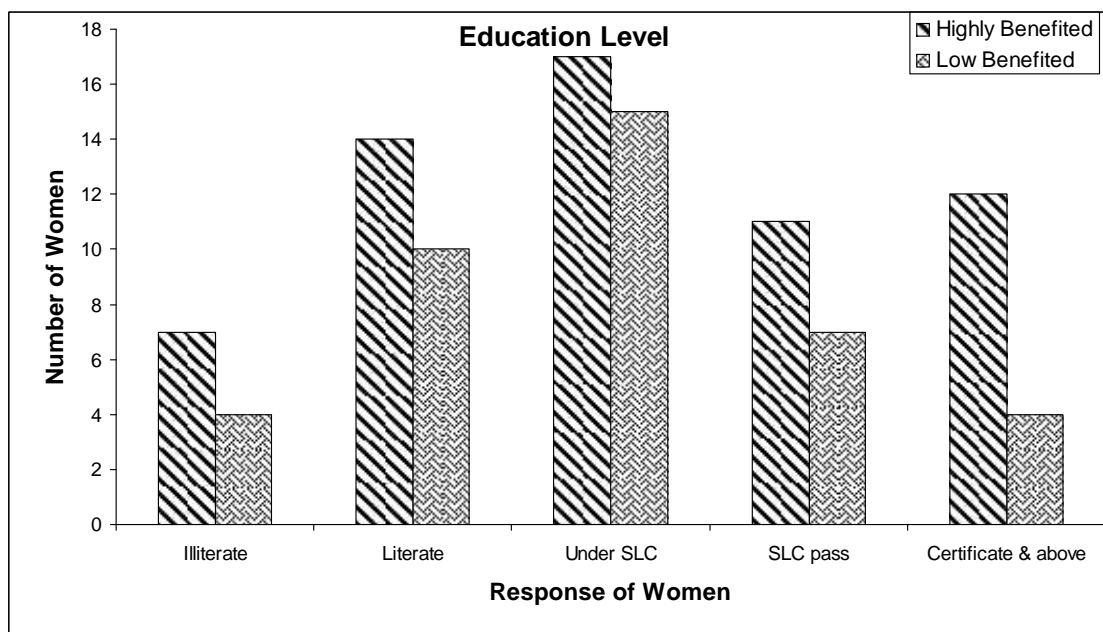
S.N	Education Level	Perception toward the Program		Total
		Highly Benefited	Low Benefited	
1	Illiterate	7	4	11
2	Literate	14	10	24
3	Under SLC	17	15	32
4	SLC pass	11	7	18
5	Certificate & above	12	4	16
Total		61	40	101

Source: Field Survey, 2019.

In the above table, out of 101 respondents 11 were illiterate, 24 respondents were literate, 32 were under SLC, 18 SLC pass and 16 were certificate level and above. In totally, more respondents were literate. On the other hand 61 respondents were highly benefited and 40 were low benefited. Hence from the above table we can say that illiterate, literate, Under SLC, SLC pass, Certificate level and above all are getting high benefit from the microfinance program.

Above table 4.20 can be presented in the following figure.

Figure 4.20



4.1.24 AGE STRUCTURE:

In the research study it has been found that the age structure of women was in between 20 to 60 above years and all were married. It has been shown in the following table.

Table 4.21
Response on the Age Structure of Sample Women

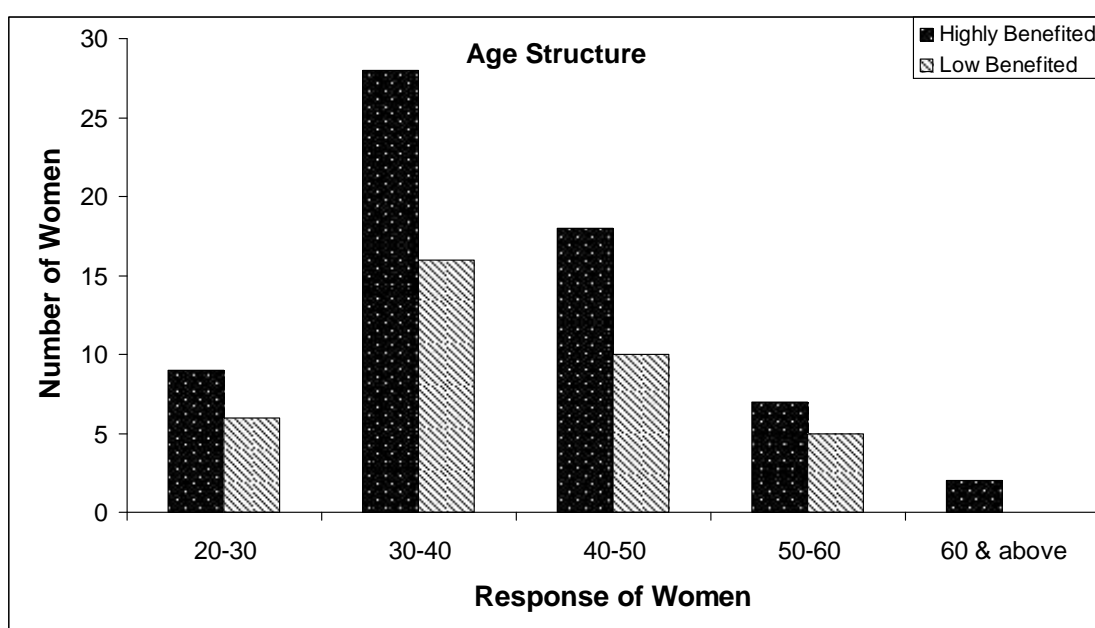
S.N	Age Structure	Perception toward the Program		Total
		Highly Benefited	Low Benefited	
1	20-30	9	6	15
2	30-40	28	16	44
3	40-50	18	10	28
4	50-60	7	5	12
5	60 & above	2	-	2
Total		64	37	101

Source: Field Survey, 2019.

From the above table 15, 44, 28, 12, 2 are in age class of 20-30, 30-40, 40-50, 50-60, and 60 above years respectively. Highly benefited women were more than low benefited.

The above table 4.21 can be shown in the following figure also.

Figure 4.21



4.1. 25 ETHNIC GROUP:

Generally high class, middle class and low class of women were found on field survey according to their cast status. The following table shows the class of women and their perception toward benefit.

Table 4.22
Response on the Ethnic Group of Sample Women

S.N	Ethnic	Perception toward the Program		Total
		Highly Benefited	Low Benefited	
1	Higher class	31	24	55
2	Middle class	15	14	29
3	Lower class	9	8	17
Total		55	46	101

Source: Field Survey, 2019.

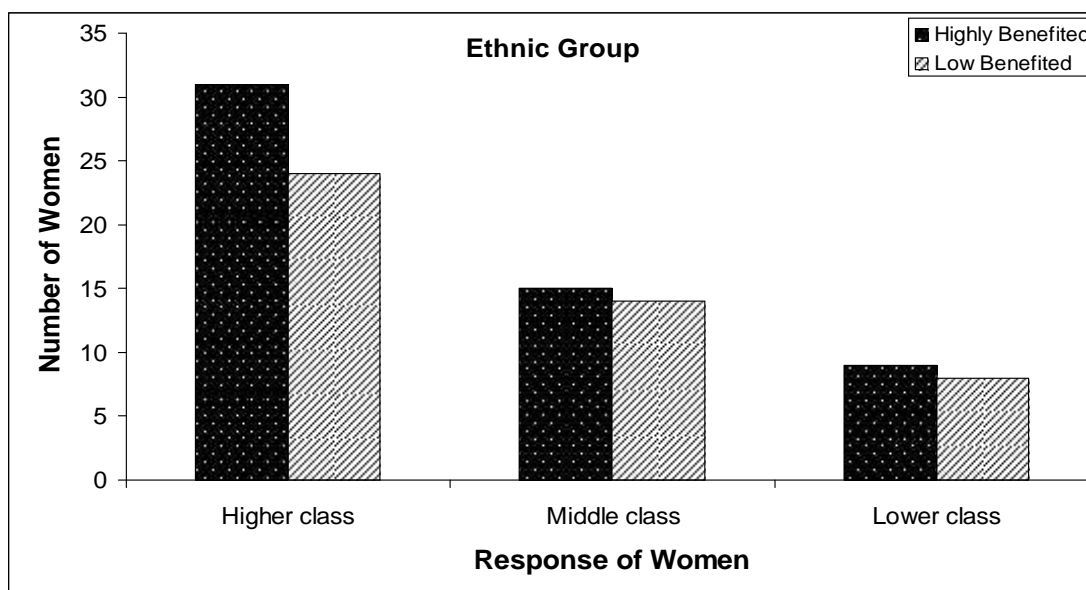
Higher Class : Brahmin and Chetry.

Middle Class : Magar and Newar.

Lower Class : Sarki, Damai and Gaiene.

Table 4.22 shows that 55 participating women were involved from higher class, 29 from middle class and 17 from lower class. So that we can easily say that microfinance program is able to convince lower class women too successfully. It reveals that higher class women were getting high benefit from the program. The data is presented in following figure 4.22 also.

Figure 4.22



4.1.26 PRIORITY SECTOR AFTER IMPROVEMENT IN ECONOMIC CONDITION:

Every people have their own interests and future plan. Like this, these microfinance women also have their own future plan to give priority in different sectors after improvement in their economic condition which is shown in the following table 4.23.

Table 4.23
Priority Sector Areas

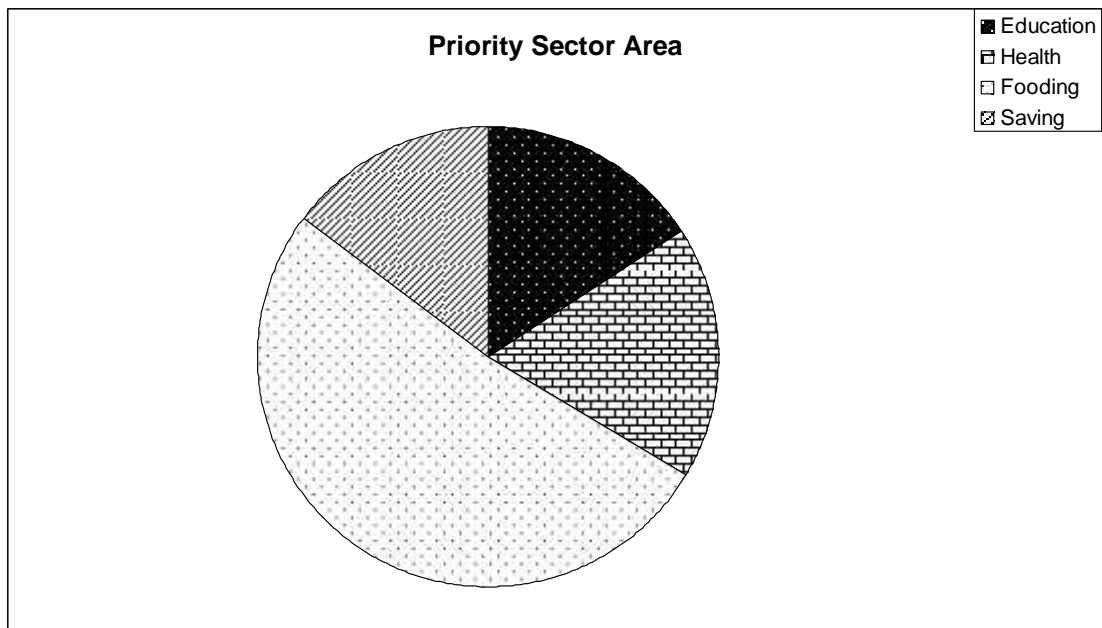
S.N	Sector	Number of Women	Percentage
1	Education	16	15.84
2	Health	18	17.82
3	Fooding	52	51.49
4	Saving	15	14.85
Total		101	100.00

Source: Field Survey, 2019.

Table 4.23 shows the priority sector of participatory women. Main priority sector of women were education, health, fooding, saving. Out of 101 respondents 16 prefer education, 18 prefer health, 52 prefer fooding, 15 prefer saving after improvement in their economic condition. In percentage, higher pc of women prefers fooding i.e. 51.49% and lower pc of women prefer saving i.e. 14.85%.

Above table can be shown in following figure 4.23 also.

Figure 4.23



4.1.27 CONFIDENTIALITY OF PARTICIPATING WOMEN:

In the research study it has been found that some participating women have maximum confidentiality, some has minimum and some has no confidentiality of becoming successful entrepreneur in future. This status is shown in the following table 4.24.

Table 4.24

Response on the Confidentiality of the participants to stand themselves as successful entrepreneur in future.

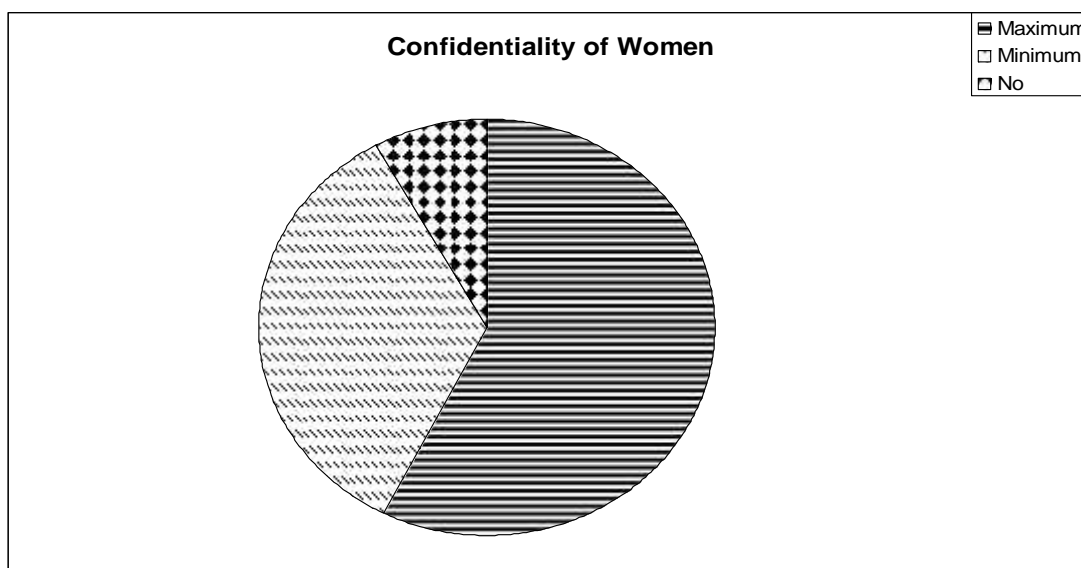
S.N	Description	Number of Women	Percentage
1	Maximum	58	57.43
2	Minimum	35	34.65
3	No	8	7.92
Total		101	100.00

Source: Field Survey, 2019.

The above table 4.24 reveals that in totality 57.43% respondent women have maximum confidentiality and 34.65% and 7.92% respondent have minimum and low confidentiality of becoming successful women entrepreneur in future. Likewise on the basis of number of women 58, 35, and 8 women have maximum, minimum and no confidentiality of becoming successful women entrepreneur in future respectively. So more than 50% of women have maximum confidentiality of becoming successful women entrepreneur in future.

The above table 4.24 can be shown in following figure 6.24.

Figure 4.24



4.1.28 IMPROVEMENT IN LIVING STANDARD OF WOMEN AFTER JOINING MICROFINANCE:

Following table 4.25 shows the improvement in living standard of women after participating microfinance program activities.

Table 4.25

Response on Improvement in Living Standard of Women

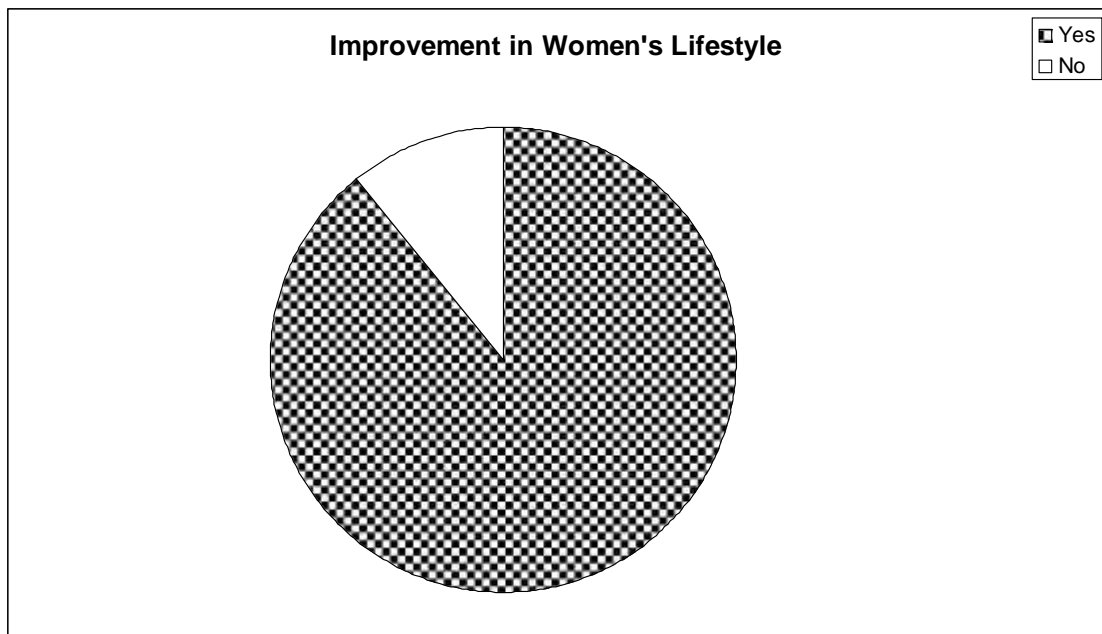
S.N	Description	Number of Women	Percentage
1	Yes	90	89.11
2	No	11	10.89
Total		101	100.00

Source: Field Survey, 2019.

The above table reveals that the response of participating women about their life standard after participating in microfinance program. In totality, 89.11% of women said that their life standard has change after entering in to microfinance program and 10.89% of women said that there is no change in their life style. In number also, out of 101 sample women, 90 women said that their life standard has change after joining microfinance program and 11 women said that there is no change in their life style.

The above table 4.25 can be shown in the following figure also.

Figure 4.25



4.1.29 RESPONSE AS CONTINUING THEIR BUSINESS IN FUTURE:

If people see more profit in future, then he/she will be motivated to continue their business in coming future. Like this some sample women of microfinance program were motivated to continue their business in future and some are not interested in those activities. Following table 4.27 shows the women's response in continuing their business in future.

Table 4.26

Response of Women as Continuing their Business in future

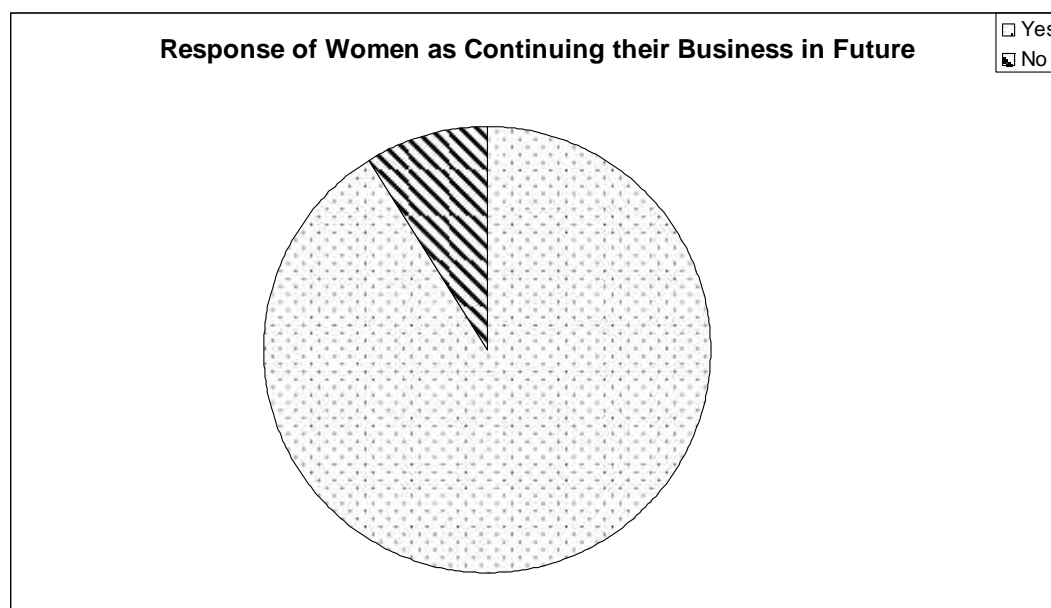
S.N	Description	Number of Women	Percentage
1	Yes	92	91.10
2	No	9	8.90
Total		101	100.00

Source: Field Survey, 2019.

Above table 4.26 reveals about the women's response of continuing their present business in future. In this research survey, out of 101 sample women, 92 women have intension of continuing their business in future also which was 91.10%. But 9 sample women have no intension of continuing their business in future which was 8.90 %. So this field survey shows that maximum number of women was interested to continue their business in future also.

The above table 4.26 can be presented in the following figure 4.26.

Figure 4.26



4.2 FINDINGS OF THE STUDY:

The major findings of the study are addressed in two types i.e. overall and the study of sample women.

The major findings of the overall study could be addressed as follows:

- Micro finance has been facilitating the women in areas of agriculture, buffalo keeping, goat keeping, retail business, bio-gas, poultry farming, pig keeping etc.
- The total saving of fiscal year 2012/13 was Rs 2,658,305 and in last fiscal year 2016/17 the total saving increased to Rs 3,598,521. The total saving of all fiscal years was Rs 16,662,518. In different saving programs, the highest saving was in group saving with amounting Rs 15,031,411.
- The saving money was not idle. It was invested in different areas. But microfinance have to pay some interest expenses to women who save money. The total interest expenses on different saving programs were Rs 478,628. The interest expenses were increasing trend up to FY 2016/17 and slightly decrease in FY 2016/17. The reason behind decreasing trend is increasing in numbers of institutions which are working in microfinance.
- Loan disbursement headings are micro business, micro enterprise ka and kha. The overall loan disbursement in micro business loan was Rs 75,053,420 in last five fiscal years which was around 90% of total loan disbursed. Loan was

not disbursed in micro enterprise loan kha in FY 2012/13 and 2013/14. Loan disbursed rate was increased upto FY 2014/15 and after that it was decreasing. Highest loan disbursed was in FY 2014/15 and lowest was in FY 2012/13.

- Loan recovery trend was in increasing status up to FY 2014/15 then it was decrease in FY 2016/17. The loan outstanding was not similar. It was highest up to FY 2016/17. In overall loan recovery was similar than loan outstanding. The lowest loan outstanding was in FY 2013/14 was amounting Rs 169,220.
- Interest recovery situation of loan disbursed was in increasing up to FY 2014/15 in both micro business loan and micro enterprise loan ka and kha. Interest recovery was decrease in FY 2016/17. The highest interest recovery was in FY 2014/15 which was Rs 1,518,069 and Rs 218,940 in micro business loan and micro enterprise loan respectively. The lowest interest recovery in loan disbursed were Rs 1,082,361 and Rs 18,320 in FY 2012/13 in micro business loan and micro enterprise loan respectively.
- Highest number of women were taking loan for agriculture and lowest number for pig keeping. Like this more women were taking loan ranging between Rs 0 to 10,000. Similarly, maximum number of women had monthly income ranging Rs 0 to 5,000.
- Almost the entire implementing program has initiated the groups of women for saving as on initial creation. Saving is the source of capital, investment and supply of credit. Similarly rise in productive activities and income causes to create saving. The saving is the most effective component in the process of supplying credit for investment. In an overall situation the saving deposit was significant.
- The overall performance of implementing this program signify that the record of household survey, target group identification, group formulation, women participation, loan disbursement, repayment, outstanding and saving and its mobilization shows a good achievement of women development program.
- The women's status of increasing income from investment is higher after entering microfinance program. Also repayment pattern of disbursed loan shows a significant increase after microfinance program.

The major findings of the study of sample women could be addressed as follows:

- Most of the sample women were involved in different kinds of saving program such as regular and optional saving. The number of women which are saving more amounts is increased after entering into microfinance program resulting decrease in women which are saving fewer amounts.
- More women were involved in agriculture to save small money. Other sectors to generate saving were buffalo keeping, goat keeping, poultry farming, retail business, bio-gas, pig keeping etc. Lower percentage of women was saving from pig keeping. The number of sample women and percentage of saving from agriculture, retail business and bio-gas was in increase after entering microfinance program.
- More women were paying the lending amount on time. It was increased by 2.97% after entering microfinance program. But it was in decreasing trend in women which weren't paying in time and paying beyond time.
- The percentage of sample women who have taken loan after entering this program was 91.10 but before the percentage were 87.13. Also there was decrease in number and percentage of women who have-not taken loan after entering microfinance programs.
- There was no big change in sectors of taking loan before and after entering microfinance program. More women were taking loan for agriculture purpose and fewer women for pig keeping.
- Loan repayment rate of women is satisfactory. Both interest and principle repayment rate was increased by 9.84% after entering microfinance program whereas the number of women were decrease in case of interest only payment.
- The condition of business which was running by taking loan was found running well before and after microfinance programs. It was increased by 2.96% after microfinance programs. But the percentage and number of women who said business is not running well was decreased by 2.96%.
- The percentage of women who were earning maximum income was 42.39 from investment after entering microfinance programs but before the percentage was 36.36%. So there was 6.03% and 1.39% increase in women who earned maximum and minimum income after entering microfinance but the percentage of women who were not earning decreased by 7.42%. So women are earning well after entering microfinance.

- More women were invested loan between Rs 0 to 10,000. There was increase in number of women who were investing big loan amount after entering this programs except in Rs 50,000 to Rs 60,000.
- Women were earning more after entering microfinance program. The number and percentage of women who are earning high amount were in increase after entering microfinance programs but incase of low amount earning, women were in decrease.
- Twelve numbers i.e. 11.88% of women found very poor and 26 sample women i.e. 25.74% found rich. But no women found who are very rich.
- More women i.e. 55 sample women said that they prefer low interest rate, more loan amount and long repayment time to uplift their livelihood from poor women where as 12, 18 and 16 sample women prefer low interest rate, more loan amount and long repayment time respectively.
- Most of the participating women were married and the age structure of sample women were in range of 20 to 70 years.
- After improving their economic condition, more than 50% of women prefer fooding as priority sector then other sector were health, education and saving.
- The percentage of women have maximum confidentiality of standing themselves as successful entrepreneur in future was 57.43 and only 7.92% of women have no any plan.
- Ninety sample women i.e. 89.11% of women said that there is improvement in their living standard after joining microfinance. Also 91.10% of women said that they will continue their present business in future also.

CHAPTER V

SUMMARY, CONCLUSION AND RECOMMENDATION

Nepal is least developed country and most of the people live under poverty which can also be extended to the study area. The extreme level of poverty, and different geographic circumstances made the delivery of financial services to the poor particularly challenging. Limited income generating opportunities result in low incomes and reduced saving capacity. Women in Nepal are significantly poorer than male, have little access to education and have less control over economic decision. This is due to male dominated society. They are predominately confined to domestic and agricultural activities and have few economic opportunities. Access to microfinance services has proven to contribute towards poverty alleviation and the empowerment of women. However this must be in a sustainable and efficient manner, ensuring continued access to financial services over the long term.

In Nepal, there exist two quite different sources of microfinance services, the informal or the non-institutional sources, and the formal or the institutional sources. The informal sources consists mainly of money lenders, landlords, traders and friends and relatives while the formal source consists mainly of banks such as CBs, ADB/N, Small Farmer Development Bank Ltd, Chhimek Development Bank Ltd.; targeted credit programs such as IBP, SFDP, Small Farmer Cooperative Limited, PCRW, MCPW; Credit Cooperatives and NGOs. Microfinance programs initiated by the government of Nepal are generally inefficient and financially unsustainable, with the exception of microfinance. This study confined contribution to microfinance's impact to women in case of microfinance of Likhu Rural Municipality-4, Nuwakot.

5.1 SUMMARY:

Since rural poverty is one of the burning problems of underdeveloped country like Nepal. Likhu is hilly area of Nuwakot district. There are 9 wards within this municipality-4. Women of this Municipality-4 are unprivileged and low socio-economically background and poverty among the women population is high. To reduce this poverty and make women self-dependent, economically strong different microfinance institutions are working here.

The general objective of the study is to analyze the impact of microfinance on Women in case of PMS. This study is important for the researchers, microfinance projects, investors, scholars, government and other parties. This study focuses only activities of saving (deposit), loan disbursement and its recovery as well as impact on poor women etc.

Under the literature reviews, the theoretical and research reviews have been done. In theoretical reviews the origin and activities has been lunch by the NGOs and INGOs which are still working in rural areas. The other programs lunched by that organization and several books related to poverty reduction, rural development and microfinance is shown. Another part of the chapter is research review. The study is related to several article, newspapers and dissertations.

Analytical research design has been used in this study. This study is based on primary and secondary data. Most of the data are collected from field survey.

On the basis of discussions stated in chapter four presentations and analysis of data, the summary of findings of the study is presented in the following points.

- The highest amount of saving is in group saving and lowest amount is in individual saving in last five fiscal years. The total saving amount is increasing up to FY 2014/15 and decrease in FY 2016/17.
- The interest expenses on saving are increasing up to FY 2014/15 and slightly decrease in FY 2016/17. This shows positive impact.
- The main sectors of saving by women are agriculture, buffalo keeping, goat keeping, retail business, bio-gas, poultry farming, pig keeping etc.
- Mainly women are involved in regular and optional saving. The percentage of women who are saving more amounts in regular and optional basis is in increasing trend after entering microfinance programs. But there is decrease in percentage of women who are not saving more. This shows women's saving power is increasing.
- Majority of the women are saving from agriculture and retail business so emphasis should be given to these sectors.
- Mobilization of save money by women is in increasing trend while the percentage of women who are not mobilized saved money is in slightly decreasing. Mobilized of save money is effective way to raise livelihood of village women.

- Repayment of loan on time is in increasing trend after entering microfinance programs but there is decrease in women who are not paying on time.
- The loan disbursement rate of microfinance to women is increasing slowly up to FY 2014/15 and 2014/15. But it is decrease in FY 2016/17. The highest amount of loan disbursement is in micro business loan and lowest amount in micro enterprise loan 'ka'. The increasing loan disbursement rate shows that women are interested to take loan and invest that money to earn more.
- Loan recovery rate is also increasing up to FY 2014/15 but decrease in FY 2016/17 where as loan outstanding is increase up to FY 2014/15 rapidly but after that it is decreasing. In some years recovery is more than outstanding and in some years outstanding is more. So there is random fluctuation among these. In overall recovery are many more than outstanding in every fiscal year.
- Maximum number of sample women is taking loan. The percentage of women who are taking loan is ninety two. The percentage of women taking loan is increasing after entering microfinance program resulting decrease in case of not taking loan. So now more women believe in loan.
- Women are not changing more in sectors of lending area. More women are taking loan for agriculture purpose. It is also seen that the number of women taking loan increase to ninety two after entering microfinance from eighty eight.
- Majority of women are interested to pay loan on time. The numbers of women who are paying more increase to seventy seven from sixty five. So more loan repayment rate is satisfactory after entering microfinance.
- Women are running their business well after entering this. So program of this program is more effective than in the previous period.
- Majority of women's income from investment is maximum. Women who are earning more are increase after entering microfinance. So the percentage of women who are earning maximum from investment is increasing comparing to women who are earning less. It shows microfinance programs are effective and satisfactory to make their life better.
- Interest recovery on loan is satisfactory in every year. Women are paying interest on time. This regular interest payment is due to improvement in lifestyle after entering microfinance.

- Monthly income of women is increasing after entering microfinance programs. So they are earning sound from their investment. Due to this microfinance is improving their life standard.
- The category of poor women is substantially higher. So emphasis on poor women is still necessary.
- Most of the poor women prefer low interest rate, more loan amount and long repayment time to improve their living standard.
- Most of the women are educated and they are highly benefited from microfinance program.
- Most of the women are found in middle age. They all are highly benefited from microfinance programs.
- The sample women are mixed in ethnic class i.e. higher class, middle class and low class. Majority of the women in this ethnic class are benefited from microfinance programs.
- More than half of women prefer fooding facilities after improving their economic condition. So fooding program is necessary for women.
- Fifty eight percentages of women have maximum confidentiality of being successful entrepreneur among participating women. So it is find out that they are more benefited from microfinance programs.
- Living standard of women increased more from microfinance programs. Ninety percentages of women have high living standard.
- Ninety two percentages of women will continue their business in future also. This shows microfinance programs are effective for them.

5.2 CONCLUSION:

Microfinance is a practical model to microfinance program. The programs is aim to raise socio-economic status of women, to empower them and uplift them from vulnerable status to the prestigious entrepreneur and self-sufficient member of the society. From the discussions of all reported data and information, a sharp conclusion appears as following.

Microfinance, Likhu is a women participating microfinance institution. So it is organizing different fund rising programs such as saving, loan disbursement etc with in participating women. In the Microfinance program saving and its mobilization and

skill enhancement are the main instruments to raise the economic growth and human resource development.

Saving is the basis of investment and loan disbursement. Microfinance is actively involved in saving programs of women. Women are also interested and motivated to save more with Microfinance programs. With saving they are encouraged to mobilize that save interms of loan. This will help to solve the financial problem of women in society to some extent.

Loan disbursement and on time payment is an essential part of the program. Microfinance can slowly meet the required criterion of loan repayment with increasing trend in recovery and still the amount of outstanding remained to the required criterion. Loan is disbursed in different sectors and Microfinance is still focusing more on loan disbursement to poor women.

Interest recovery from loan investment is satisfactory and it is in increasing trend with certain fall in FY 2016/17. It shows that women believe in loan and interested to invest that loan in profitable sector.

Majority of the women are involved in agriculture. The status of loan investment and income of women is found satisfactory and they are earning slowly higher with involvement of this program. Instead of this, business which is running by taking loan is found as running satisfactory. Poor women are found more and some of them have high confidentiality of standing themselves as a successful entrepreneur in future. Majority of women believe that involvement in Microfinance program initiates to increase their living standard.

Participants in Microfinance programs are from different ethnic groups. Some of women prefer low interest rate, long repayment time, and more loan amount to increase their living standard more. Women prefer more fooding program after improving their economic condition.

The overall study shows that the program has made positive impact on the women living standard by generating employment and increasing productivity. The most important and effective program is to the basis to uplift the economic condition of rural women. Most of the sampled women are under farmer's category and the major source of income of women is agriculture.

5.3 RECOMMENDATION:

The study has been found that Microfinance is an effective measure of empowering women, raising their social and economic status, developing micro enterprises and alleviating poverty. On the basis of findings of the study and conclusion, the following recommendations are put forwarded.

- Microfinance should regularly supervise the saving activities of groups and give them essential directions and suggestions.
- The participating women should be educated about the proper utilization and mobilization of saving so that it can reach to the poorest of the poor women also.
- The priority order to the participating women should be found out. So that it might be helpful to tackle the problem of major requirements and assist to resolve it. It may help to raise business activities and profitability.
- Loan disbursement should be made on targeted women and activities of awareness program is needed them for raising saving and repay the due loan in right time.
- The lending should be made on the basis of the requirement of the stated project and not on the basis of achieving target.
- The lending sectors should be supervised regularly and suggested to address the problem as soon as possible.
- The participating women should be educated about the proper utilization and mobilization of loan disbursement.
- If the borrowers did not repay the loan in due time, they should be motivated to repay on time by adopting different mechanism.
- The implementing organization should encourage the participating women to maintain the record of income and expenditure. For this necessary trainings should be provided to the entrepreneur themselves.
- Productive investment should be emphasized, which may promote the capability of loan recovery and repayment.
- Priority to poorer women's demand should be given while mobilizing saving lending.
- Health and education facilities should be widely extended to the poor people.

- Arrangement should be made for the participating women to visit similar other successful projects. So that they might be able to gain practical experience.
- More NGOs and INGOs should be launched with in this area so that living standard of poor women will be raised soon.
- microfinance program should be reach to the poorest of poor women.

At last the stage of loan repayment is associate with the stage of loan recovery. So it is highly essential to raise the loan disbursement in more productive and profitable sectors. The efficiency of this organization and participating women themselves, decidedly exert the impact up on the efficient execution and management of programs.

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Questionnaire for Individual

Name:.....

Caste/ Ethnic group:

Religion:

Ward No:

Occupation:

House No:

Education:

Institutaion

1. Please write your family structure by age, sex education and occupation .

S.N.	Age	Sex	Education	Occupation
1				
2				
3				
4				
5				
6				

2. How old are you?

- a) 20-30
- b) 30-40
- c) 40-50
- d) 50-60
- e) above 60

3. Are you involved any saving and credit institution

- a) Yes
- b) No

If not, causes of not involvement

3) Is there meeting regularly?

- a) Yes
- b) No

4) Is there minuting of the meeting?

5) Is there any types of conflict in the mass meeting?

- a) Yes
- b) No

If there conflict, what is your role?

6) What is the economic condition of the members?

- a) Same
- b) Normally different
- c) More different

7) Do you regularly saving?

- a) Yes
- b) No

If no what is the cause?

8) Do you feel that you are doing better saving after involvement of saving and credit?

- a) Yes
- b) No

9) What types of saving programme you are involving?

- a) Group saving
- b) Individual saving
- c) Other

10) How much do you saving per month?

- a) Before involvement in group.
- b) After the involvement in group.

11) What are the sources of saving?

Before

Purpose	Amount
Agriculture	
Buffalo keeping	
Goat keeping	
Fish farming	
Bee keeping	
Poultry	
Pig farming	
Retail business	
Bio gas	
Industry.....	

Current

After	Amount
Agriculture.....	
Buffalo keeping.....	
Goat keeping	
Fish farming	
Bee keeping	
Poultry	
Pig farming.....	
Retail business.....	
Bio gas	
Industry.....	

Other

Other

12) Do you have taken loan from cooperative?

a) Yes

b) No

13) How much time does you taken loan of saving?

14) When do you return your loan?

15) Do you return borrow?

a) Yes

b) No

16) If taking loan, what is your purpose of taking loan?

Before

Current

Purpose Amount

After Amount

Agriculture

Agriculture.....

Buffalo keeping

Buffalo keeping.....

Goat keeping

Goat keeping

Fish farming

Fish farming

Bee keeping

Bee keeping

Poultry

Poultry

Pig farming

Pig farming.....

Retail business

Retail business.....

Bio gas

Bio gas

Industry.....

Industry.....

Other

Other

17) Do you invest the loan according to the purpose?

a) Yes

b) No

18) Do you pay the loan at fixed time?

.....

19) Do you feel any difficulties to take loan? If yes specify.

20) Have your entrepreneurship increasing which are running after taking loan?

a) Yes

b) No

21) Do you feel difficulties to pay interest of loan?

- a) If yes, what is the case
 - b) No
- 22) How much getting profit from your investment?
- a) More
 - b) Less
 - c) No
- 23) Briefing of investment and return.
- Investment Rs.....
- Annual profit.....
- 24) Do you continue your investment in future?
- a) Yes
 - b) No
- 25) Is there any economic improvement after involvement in cooperative?
- a) Yes
 - b) No
- 26) What is your propriety after the improvement in economic condition?
- a) Education
 - b) Health
 - c) Food pattern
 - d) Saving
 - e) Investment
 - f) Others
- 27) How much do you have income before and after the involvement of the cooperative?
- a) Before (Appromaxitally)
 - b) After (Appromaxitally)
- 28) Do you satisfied with the performance of the institution?
- a) More
 - b) Less
 - c) No
- 29) How much do you confidence that you are established as a entrepreneurship?
- a) More
 - b) Less

c) No

30) Do you feel that microfinance help to improve your life style?

a) Yes

b) No

31) What is your class?

a) Absolute poverty

b) Poor

c) Rich

d) Very rich

32) What should be done by microfinance for improvement poverty?

a) Low interest

b) To provide more loan.

c) Provide loan for long time

d) Above all.