

**WOMEN EMPOWERMENT THROUGH MICROFINANCE:
A CASE STUDY OF KAHUN VDC, KASKI**

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ABBREVIATIONS AND ACRONYMS

ADB/N	Agricultural Development Bank, Nepal
ADB/M	Asian Development Bank, Manila
CBB	Chhimek Bikas Bank
CECI	Centre for International Studies and Cooperation
CGAP	Consultative Groups to Assist the Poorest
CGISP	Community Ground Water Irrigation Sector Project
DDB	Deprosc Development Bank
DEPROSC	Development Project Service Centre
FINGO	Financial Intermediary Non Government Organization
FY	Fiscal Year
GBB	Grameen Bikash Bank
GTZ	Gessellschaft Fur Technische zussamenarbeit
IBP	Intensive Banking Program
IFAD	International Fund for Agricultural Development
IGA	Income Generating Activities
INGOs	International Non Government Organization
MBS	Master of Business Studies
MCPW	Microcredit Project for Women
MFDBs	Microfinance Development Banks
MFI	Microfinance Institutes
MFP	Microfinance Program
MLD	Ministry of Local Development
NBL	Nepal Bank Ltd.
NCDB	National Co operative Development Bank
NGO	Non- governmental Organization
NRB	Nepal Rastra Bank
NUBL	Nirdhan Utthan Bank Ltd SCOs
PAPWT	Poverty Alleviation Project in Western Terai
PCRW	Production Credit for Rural Women

PGBB	Paschimanchal Grameen Bikas Bank
RBB	Rastriya Banijya Bank
RMDC	Rural Microfinance Development Centre
RMP	Rural Microfinance Program
RRDBs	Regional Rural Development Banks
RSRF	Rural Self Reliance Fund
SACCOS	Saving and Credit Co-operatives
SB Bank	Swabalamban Bikas Bank Ltd
SCC	Savings and Credit Cooperatives
SCOs	Savings and Credit Organization
SDR	Special Drawing Rights
SFCL	Small Farmers Cooperative Ltd.
SFDB	Small Farmer Development Bank
SFDP	Small Farmers Development Program
SHG	Self Help Group
SKBBL	Sana Kisan Development Bank Ltd
TLDP	Third Livestock Development Project
UN	United Nation
UNICEF	United Nations Children Fund
UNIFEM	United Nations Development Fund for Women
VDC	Village Development Committee
WOCCU	World Council of Credit Unio

CHAPTER - I

INTRODUCTION

1.1 Background of the study

Nepal measures about 800 kilometers (497 mi) along its himalayan axis by 150 to 250 kilometers (93 to 155 mi) across. With 147181 square kilometers (56827 sq mi). Nepal is landlocked by India on three sides and China (Tibet) to the north. Nepal depends on India for transit facilities and access to the sea—the Bay of Bengal—even for most goods imported from China.

Nepal is one of the poorest and least developed countries in the world. Out of Population of 26494504, 25.16% live below poverty line with lack of food, clothing and shelter (Central Bureau of Statistics, 2012). The per capita income is \$ 540 (<http://data.worldbank.org/country/nepal>). Its rank is 144 out of 174 countries. Most indicators reflect a measurable performance on gender aspect of human development. Nepal is one among the only three countries over the world where female life expectancy is lower than that of male. Nepalese woman are extensively involved on agricultural activities. They are involved in the triple work responsibilities i.e., reproduction, household chores and employment. However, household chores and family care are not considered productive jobs. Self-employed in manual agricultural activities in rural areas.

Women play vital roles in family institutions over the last 30 years in our society. Women's legal status has changed with new laws moving towards participation in political and economic sector. A large number of women are working as doctors, engineers, pilots and scientists. But the other reality is that most of educational skill and few formal opportunities are primarily involved in self employed activities as a means of supporting their families. Most of these activities do not provide them sufficient income to reduce their poverty. Women, lack of technical knowledge and managerial skills are out of access to

credit market and resources. In this way, they are less able to make significant improvement in their economic condition.

Microfinance has been successfully used as development tool to reduce poverty in many countries. Microfinance program is basically expanding for support economic activities of the poor and deprived encompassing a range of financial services such as loans, savings and insurance to help these people. At present, microfinance is being increasingly used in the form of development strategy for achieving the development goals (Mathema, 2008).

Microfinance is coined as the financial service rendered to the deprived group of the people and small entrepreneurs to help them in developing self employment opportunities and various income generating activities. The small size of the loan, regular savings, small scale entrepreneurs, diversified utilization, simple and flexible terms and conditions are the determining characteristics of its definition. Usually, micro finance is a program that serves a large number of clients with reference to women and deprived people and works at a grassroots level with financial sustainability. The main objective of a microfinance program is to provide quality service to the largest number of the deprived population (Nepal Rastra Bank [NRB], 2008).

1.2 Statement of the Problem

Poor women are generally unable to access the formal financial sector due to the lack of tangible collateral with them. Poverty in the country is mainly caused by slow growth and productivity in the agricultural sector that has been the mainstay of the rural economy. The development of rural financial markets in this country is a complex task. Therefore, the government, private sector and international development agencies have focus on microfinance strategy for poverty alleviation, the Nepalese financial system has achieved rapid change in expansion and diversification of institutional network and volume of operations

during the past three decades. More than this, a potential value of microfinance for poverty reduction was recognized, and hence it was incorporated within the formal financial system of the country (Bashyal, 2008).

The women of Kahun VDC of Kaski district like those living elsewhere in the rural areas of Nepal are involved in agriculture and manual labors. Women have greater household responsibilities than men. The ownership right over the family properties, rest with the males not the females. In a community with a low income, low saving and low capital formation, there is always a vicious circle of poverty, therefore no single action would be sufficient to change women's status and achieve overall poverty reduction.

Some common problems related to women such as not owning land and low level of education, limited scope to generate income and low social status are interconnect and circular in nature. PDDP and MCPW are oriented to reduce some deprivations in Nepal. Loan is provided to group of ten to thirty women. The group members are from the same geographical area with similar socio-economic background. It is very important to get the feedback from the people who are involved and affected by that program. If the loans are not utilized in proposed work it will become a burden in future. It can be further enhanced by involving more participants and resources. The research focuses effectiveness of microcredit for women development and improvement of women's status and the methods of implementation of the program. This study has tried to solve the following research problems.

- i) What is the position of existing microcredit?
- ii) What is the socio-demographic profile of the microcredit users?
- iii) What type of relationship in between loan, investment and income?
- iv) What is the economic empowerment condition of women?
- v) What is the social empowerment condition of women through microfinance?
- vi) What is the perception of users group towards microcredit program?

1.3 Objectives of the study

The broad objective of the study is to make assessment of the women empowerment through microfinance in Kahun VDC, Kaski. However, the specific objectives are:

- i) To identify the position of microcredit in Kahun VDC.
- ii) To find out the socio-demographic characteristics of microcredit users.
- iii) To explore the relationship between loan investment and income.
- iv) To measure the economic empowerment of women through microfinance.
- v) To analyse the social empowerment of women through microfinance.
- vi) To find out the perception of users group towards microcredit program?

1.4 Significance of the study

Every research has its own importance. This study is focused towards the impact of microfinance program on women in Kahun VDC, Kaski. Women occupy the half sky of the world but in every step of development, they are considered as backward. Women participation is essential in each stage of development for which economic progress count the most important.

Microfinance became one of the major actions for poverty reduction which mobilizes money and also saving mobilization. Women in micro finance gets success in poverty alleviation and also empower the economic development of women. Poverty alleviation helps rural development increase the life standard of the people and gives social economic status of people in society. Women empowerment motivates women to speak in their house for their self and duties, increase their life style and make them independent from their family. Therefore the result derived from the study can be more useful for evaluation of the microfinance program.

1.5 Limitation of the study

This study is only focused with the information gathered from respondents of microcredit users within Kahun VDC. The study covers few wards of Kahun VDC and may not represent the exact figure of women in other areas of the country and result may not be suitable for generalization.

1.6 Organization of the Study

The study is divided into five chapters: introduction, review of literature, research methodology, data presentation and analysis, and summary, conclusion and recommendations.

Introduction chapter includes general background of the study, statement of the problem, objective of the study, significance of the study and limitation of the study. Chapter 2, review of literature deals with review of the different related literature. Therefore, it includes conceptual framework, microfinance in Nepal, review of related studies and research gap. Research methodology includes research methodology and it includes research design, population and sample, nature and sources of data, sampling procedures, data collection techniques and data analysis method.

Data presentation and analysis consists presentation, interpretation and analysis of data which consists overview of study area, socio-demographic profile, microcredit in Kahun VDC, loan borrowing, loan investment and income, socio-economic impact of microfinance, empowerment of women and perception about microfinance service. Similarly this chapter also includes the major findings of the study. Final chapter is related to summary, conclusion and recommendations. This chapter includes summary, conclusion and the some recommendations for the improvement of microfinance program.

CHAPTER - II

REVIEW OF LITERATURE

Review of literature provides foundation to the study. This chapter is basically concerned with literature relevant for the impact of microfinance on women of Kahun VDC, Kaski. Clear concept of the subject matter and availability of past related study helps for study to go through right way. This study is based on research journals, published and unpublished reports, articles, books, web sites and other relevant literatures. This chapter includes conceptual review and review of related studies.

2.1 Conceptual Review

2.1.1 Microfinance

It is very difficult to find a universal definition of microfinance due to its variation on the basis of implementing location, institution and program. According to online oxford dictionary microfinance is defined as another term for microcredit and microcredit is defined as the lending of small amounts of money at low interest to new business in the developing world. (<http://oxforddictionaries.com/definition/english/microcredit>)

Microfinance is the provision of financial services to low income clients or solidarity lending groups including consumers and the self employed, who traditionally lack access to banking and related services. (<http://wikipedia.org/microfinance>)

In the simplest term microfinance is defined as the financial service provided to unemployed or low income individuals or groups who would otherwise have no other means of gaining financial support that means to give low income people an opportunity to become self sufficient by providing a means of saving money, borrowing money and insurance.

Microfinance is small in value amounts targeted at low income clients. 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, commercial bank, insurance and credit card companies and other points of sales. Microfinance is unique among development interventions: it can deliver a number of social benefits on an ongoing; permanent basis and on a large scale (Sharma, 2005).

According to Rabinson, “Microfinance refers to small-scale financial services for both credits and deposits that provided to people who germ or herd; operate small or micro enterprises where goods are produced, recycled or traded; provide services; work for wages or commissions; gain income from renting out small amounts of land, vehicles, drafts animals of machinery and tools; and to other individuals and local groups in developing countries in both rural and urban areas” (<http://iimhad.ernet.in/microfinance-RT.Pdf>).

Microfinance enables the poor and excluded section of people in the society who do not have an access to formal banking to build assets, diversify livelihood options and increase income, and reduce their vulnerability to economic stress. In the past, it has been experienced that the provision for financial products and services to poor people by Microfinance institution (MFIs) can be practicable and sustainable as MFIs can cover their full costs through adequate interest spreads and by operating efficiently and effectively. Microfinance is not a magic solution that will propel all of its clients out of poverty. But various impact studies have demonstrated that microfinance is really benefiting the poor households. Microfinance can also define as the supply of loans, savings and other basic financial services to the poor (Panda, 2009).

In the literature, the terms microcredit and microfinance are often used interchangeably, but it is important to highlight the difference between them because both terms are often confused. “Microfinance” by its name clearly is

about more than just credit, otherwise we should always call it microcredit. Microcredit refers to small loans, whereas microfinance is appropriate where NGOs and MFIs supplement the loans with other financial services (savings, insurance, etc). Therefore microcredit is a component of microfinance in that it involves providing credit to the poor, but microfinance also involves additional non-credit financial services such as savings, insurance, pensions and payment services.

Nepal has an experience of about three decades in Microfinance. Although many programs have been implemented for poverty alleviation in Nepal, only microfinance programs are seen as pro-poor and rural based. In Nepal, agriculture based cooperatives were initiated in the 1950s as a first step in micro-finance. The SFDP was transformed into SFCLs (Small Farmers Cooperative Limited), which have been managed by the farmers themselves. Other micro-finance development programs, including Priority and Deprived Sector Credit Program and donor supported various micro-credit programs were launched during the period. Micro-finance has been particularly recognized as an effective development intervention for basic three reasons:

- ❖ The services provided through micro-finance can be targeted specifically at the poor and poorest of the poor,
- ❖ These services can make a significant contribution to the socio-economic status of the targeted community, and
- ❖ The institutions that deliver these services can develop within few years, into sustainable organizations with steady growing outreach.

2.1.2 Evolution of Microfinance

The idea of microfinance arose in the mid 1970s when Mohammad Yunus started a pilot scheme lending small amounts of money to the villagers in Bangladesh who had no access to the conventional loans due to lack of collateral. Encouraged by high repayment rates, he found the Grameen Bank to run such schemes on a large scale. Since Grameen's early successes, the concept of micro credit has spread throughout the world. There are more than 5 million households served by micro credit scheme in the world today (Abbink, Irlenbusch, & Renner, 2006).

Every country has its own story of evolution of microfinance. In Nepal it started with the development of the informal sectors of microfinance like *dhikuti*, *bheja*, *pewa*, *perma*, *dharmabhakari*, *users* groups and professional credit unions, mothers groups, lenders and shopkeepers (Baral, 2004). The formal history of microfinance of Nepal started in 1956 with the establishment of 13 Cooperatives and it is the first approach on the part of the government to introduce rural credit. The Cooperative was formalized with the enactment of the Cooperative Act 1956. Similarly, development of Grameen Bank Model was introduced in Nepal with the establishment of microfinance program in different periods. Thus, it became the main supply sources of micro finance in Nepal . (Rakhal, 2009)

The Agriculture Development bank of Nepal (ADB/N) emerged in cognizance of the shortfall in supply of funds for agricultural loans experienced by these credit cooperatives. 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 by the ADB/N. Over the past few years, a process has been stated to institutionalize small farmer groups formed under the SFDP into the SFCL. In 1974, one year before the launching of the SFDP, the Nepal Rastra Bank directed commercial banks. The Nepal Rastra Bank (NRB) introduced the Intensive Banking Program in 1981

to strengthen the priority sector program to promote group based lending and promote priority sector lending, addressing the issues of collateral requirements. The program was undertaken by two large commercial banks namely the NBL and RBB (Rakhal, 2009).

The next main step in Nepalese microfinance sector development came in the form of the first gender focused program, the Production Credit for Rural Women (PCRW), in 1982. This was collaboration between the Ministry of Local Development (MLD), the United Nations Children Fund (UNICEF) and NRB. This involved organizing women group and training them to undertake group based borrowings from the NBL, RBB and ADB/N. Encouraged by the results and learning from the experience of this initiative, the same department in 1994 started the Micro credit project for women (Bashyal, 2008).

NGOs and cooperatives have also had an increasing role to play in delivering microfinance in Nepal. The growth of these credit cooperatives received a significant impetus with the establishment of the cooperative bank in 1963, which was later converted into the ADB/N. In 1992, in an important initiative to augment the supply of microfinance, the first two RRDBs were established with government and NRB funds are replications of the Grameen Bank of Bangladesh (GBB). By mid July 1997, five RRDBs had been established, one for each region. While initially four RRDBs were established under the commercial Banks Act 1984, the fifth was registered under the Development Banks Act 1996, As of May 2004, the Grameen Model has been replicated through five RRDB, four MDBs, one cooperative and three FI-NGOs (Shrestha, 2005).

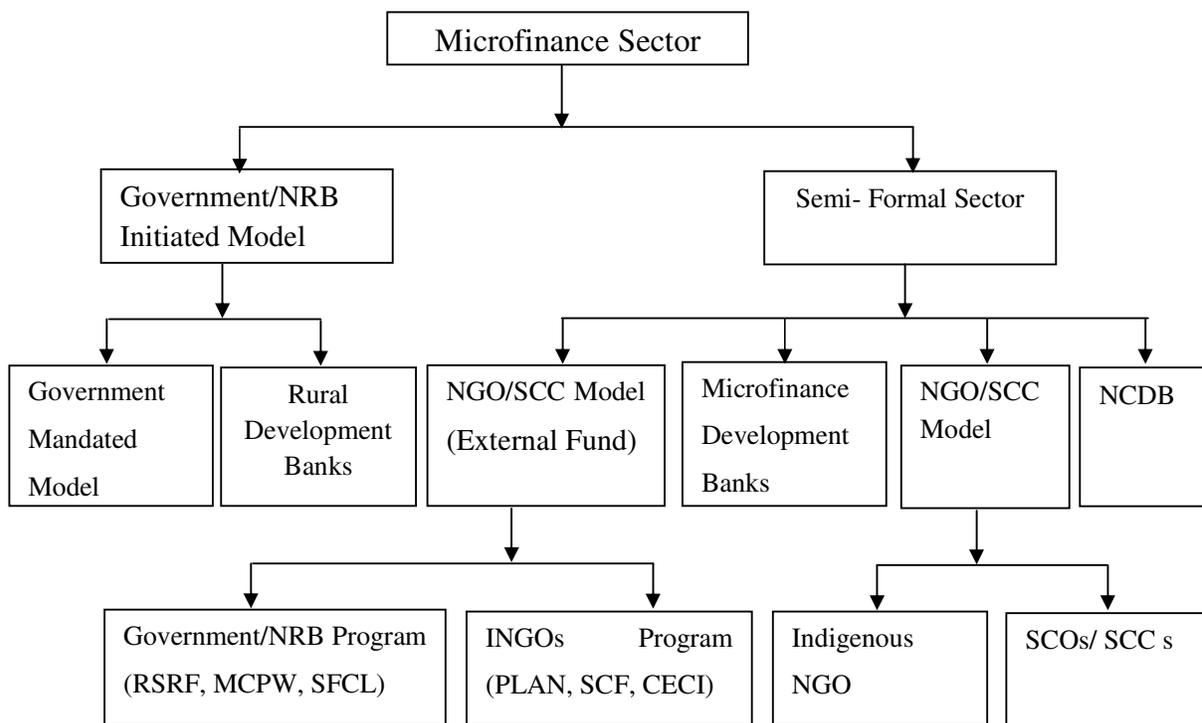
2.1.3 Microfinance Sector in Nepal

Microfinance programs are established and promoted in Nepal with diversified method and modalities. They are in public vs private sector modality, project based modality, wholesale lending based modality, community vs deprived sector based modality, etc. the micro credit programs such as PCRW, MCPW, GBBs Replicates, etc. fall under gender based programs while the programs as PAPWT, TLDP, RMP, CGISP etc. come on project based microcredit programs. The wholesale microcredit programs are RSRF, RMDC, SKBBL etc.

The financial institutions operating under different models are functioning as a legal entity and have received Nepal Rastra Bank's approval for their operation. Some partner organizations of Rural Self Reliance fund (RSRF), operating in the rural and remote areas are registered with the Department of cooperatives. Also, a number of NGOs involved in financial intermediation in the informal sector, village banks, self help groups, etc., are also rendering micro finances services to the rural people. Some of these institutions are promoted and developed by Cooperatives, INGOs, and local people (NRB, 2007).

Nepalese microfinance sector can be classified as formal and semi formal. Formal sector model is initiated by government/NRB. The initiative so far includes the establishment of Rural Microfinance Development center (RMDC) and implementation of the programs as Jagriti (women empowerment program), Bisheshwor with the poor, intensive Banking Program (IBP), small farmer Development Program (SFDP) and Production credit for Rural Women (PCRW). The semi-formal model is initiated by NGOs, Cooperatives and Microfinance banks.

Figure 2.1 Microfinance Sector in Nepal



Source: Nepal Rastra Bank, 2007

2.1.4 Microfinance Models in Nepal

The microfinance practices of the organization sector that are prevalent in the country can be grouped broadly into seven microfinance models as follow.

A. **Grameen Model** : Grameen bank was evolved in 1992 when the Nepal Government felt the need to establish a separate institution which would take sole responsibility for financing the rural poor and supplementing, to some extent, the rural microfinance activities of the previously established institutions. The aim of the Grameen Bikas Banks established as a regional development bank in 5 development regions between 1992 and 1996 and operating on the Bangladesh Grameen model, is to engage the targeted rural poor with the appropriate credit delivery mechanism and on a group liability basis. These banks are the largest micro finance operators in Nepal.

Besides, there are other microfinance development banks and institutions working as replicas of GBBs.

B. Small Farmers Cooperative Model (SFCLs): Agricultural Development Bank of Nepal initiated a newly development financing concept on cooperatives known by the name of small farmers co-operative Limited which is, in fact, a convergent form of a 3-decade old small Farmers Development project (1976) of the bank, considered the first poverty focused credit program in the country. To meet the wholesale requirement of SFCLs for on lending to small farmers, ADB/N, has established SFDB. The main objective of transformation of SFDP into SFCL is to ensure the viability and sustainability of Microfinance institutions, which would be managed and administered by the members themselves. Many international organizations including IFAD, ADB/M, CGAP have lent their support to this program in one way or other and GTZ has been continuously providing technical support to help upgrade these institution.

C. FINGOs Model : This is the latest form of development in microfinance in terms of financial intermediary process. It is believed that more than 10000 unregistered NGOs are operating in the country either in the field o microfinance or in social and community based development activities. July 2006, 51 NGOs are associated with the Rural Self Reliance Fund. After the promulgation of financial intermediary Act 1998, a broader scope has been created for the NGOs to function as financial intermediaries for mobilizing saving and promoting credit activities within the group.

D. Priority Sector and Deprived Sector Credit Model : Priority sector lending model was introduced in early 1974 through the mandatory credit requirement as put forward by the NRB in agriculture, cottage industry and services sector. This mandatory requirement is presently called Priority sector credit program and deprived sector credit program. Priority sector credit program was renamed later as intensive Banking program in 1981

while Deprived Sector Credit program was introduced in 1991 by the NRB. Both the programs have provision of direct and indirect financing. Under the direct financing mechanism, commercial banks provide loans to the beneficiary directly as retail lending while under indirect financing, commercial banks act as wholesale micro financier and the loan- able funds are channeled through MFIs, co-operatives, FINGOs and MFDBs for on lending to the beneficiaries.

E. Saving and Credit Cooperatives Model (SACCOS): As stated earlier, the cooperative model of financing emerged in Nepal as early as the 50`s. This is a member-based organization, registered with the objective of self-help development among the members. As of mid- April, 2006, around 8045 cooperatives have been registered with the department of Cooperatives of which 2692 are savings and credit cooperatives and 447 or 5.55% of them are women SACCOSs. Such SACCOSs provide microfinance services to their members for running income-generating activities (NRB, 2008).

F. Project-based Microfinancing Model: There were six major donor-funded project-based microcredit programs. Some of them are still in inactive stage.

i Production Credit for Rural Women (PCRW): This is the first donor supported microfinance program that was initiated in 1982 and completed in 1997 under two phases covering 26616 and 82416 poor women borrowers from 75 districts of the country. PCRW is joint effort of Government office, Women Development Office and Commercial Banks. This is basically gender based program. PCRW is running under the financial assistance of International Fund for Agriculture Development of NRB, Government and Commercial Banks.

- ii Micro Project for Women (MCPW):** The Microcredit for poor women was commenced in 1994 with the financial assistance of Asian Development Bank in association with NB Ltd and RBB. The main objectives of this project are to provide an access to credit to the women in both the rural and urban areas. The MCPW involves banks, NGOs and Financial Intermediaries to increase the chance of the project becoming viable.
- iii Poverty Alleviation Project in Western Terai (PAPWT):** This project was funded by IFAD and launched in December 12, 1997 in selected Terai districts of western, mid-western and far-western development regions. The project is to cover below poverty level clients of the MFIs through 16 branches of Grameen Banks and its replicating institution from 8 districts of western, mid-western and far-western Terai.
- iv Third Livestock Development Project (TLDP):** The project was started in the year 1996 with an aim to improve the quality of livestock and its production along with other livestock related development. The project was funded by ADB/Manila with a loan amount of SDR 2 million. The project was launched in three different phases in 26 districts of western, mid-western and far-western regions of the country for targeted marginal and middle- income people.
- v Community Ground Water Irrigation Sector Project (CGISP):** With the objective of increasing agricultural productivity of marginal and small farmers through community- based shallow tube-well irrigation system, Government introduced CGISP in 12 districts of eastern and central Terai in March 1999.

vi Rural Microfinance Project (RMP): This was an ADB/M funded project for a period of 1999-2005. with a loan amount of SDR 14.2 million under the project, RMP aimed at improving the socio-economic status of poor women through wholesale credit to PFIs for on-lending to income generating activities and institutional strengthening of MFIs. Rural Microfinance Development center implemented the credit component. With the project, there was the establishment of a whole sale microcredit institution called RMDC in October 2000.

G. Wholesale Microfinancing Model: Wholesale microfinancing in Nepal was introduced in 90`s with the establishment of Rural Self-Reliance Fund in 1991. Later another institution called Rural Microcredit Development center under RMP came into existence in 2000 to cater to the wholesale credit needs of MFIs for on-lending purposes as well as for institutional capacity building of MFIs and capacity building of clients of partner organizations (NRB, 2008).

2.1.5 Micro finance and Poverty Reduction:

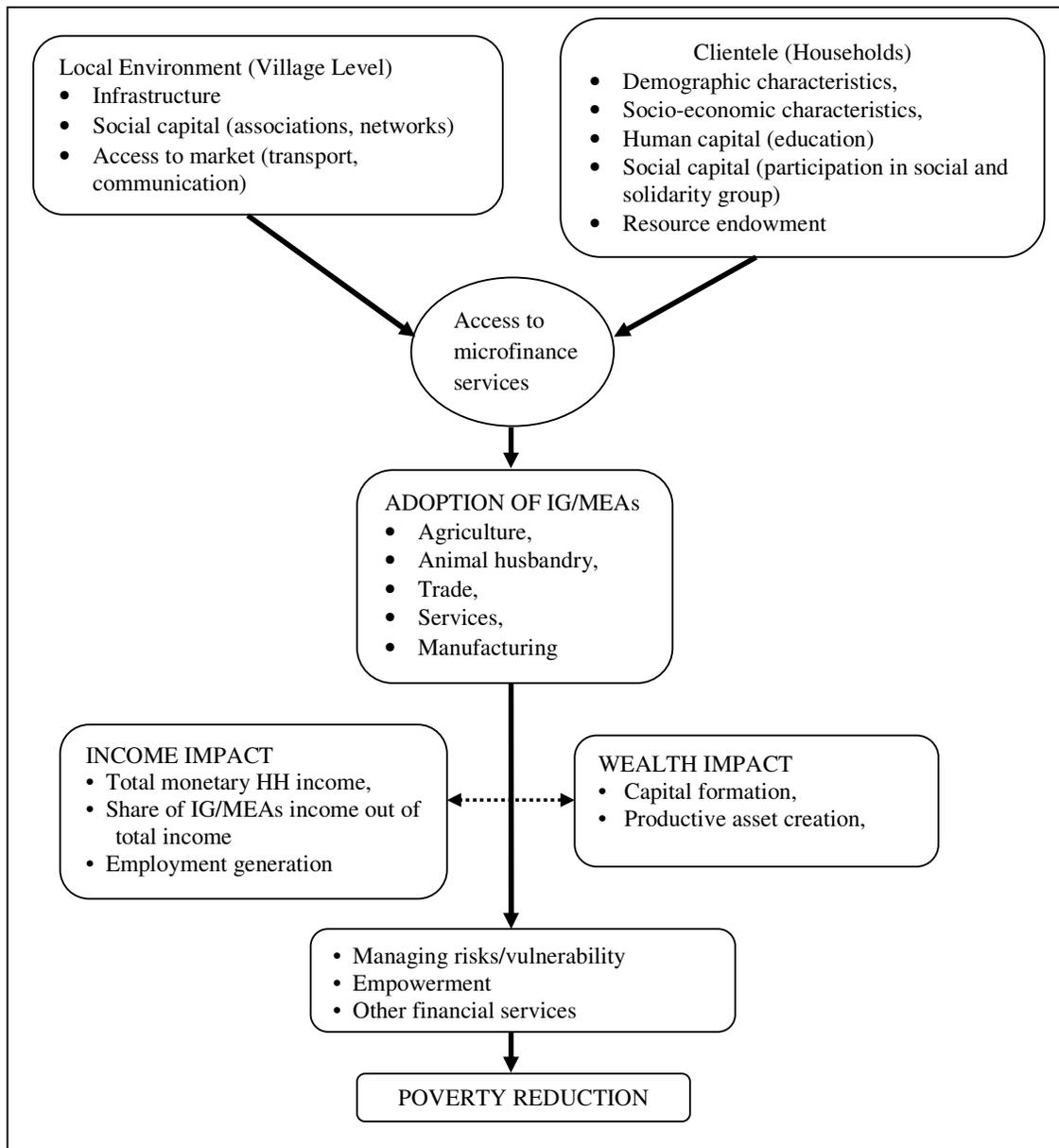
The importance of micro-finance for poverty reduction of poorest section of the society has long been recognized. The underlying assumption behind micro-finance is that one of the obstacles the poor face in increasing their income and productivity is the lack of access to credit. Poor people virtually have no access to credit facilities available from conventional financial institutions for three main reasons. First, these institutions require collateral, which the poor find difficult to offer. Second, the cumbersome procedures for filling in application forms and completing other formalities required for obtaining loans are beyond the capability of illiterate poor. Third, the financial institutions prefer handling large loans rather than small loans that the poor need because of high level of transactions costs involved in extending small loans. It is, therefore, argued that if credit programs are designed to reach the poor at affordable cost, it can help them become self employed in farm and non-farm sectors and to undertake

income-generating activities. As it means to reach the poor and overcome problems of credit market imperfections, the scheme of micro-credit or micro-finance has been introduced.

Various studies made to assess the impact of Grameen Bank, Bangladesh have shown that the Bank has made a positive contribution to poverty reduction in the program area. The Bank has successfully reached its target group with credit, and has ensured both productive utilization of loans and their recovery in due time, thus helping to improve the living standard of more than 90 percent of the participants. The major innovative financial practices in the micro-credit scheme are specifying the member's eligibility requirement on the basis of small or no asset ownership particularly land; making the loan amount small and laying down other conditions, such as group formation, treating group liability as a collateral and attendance at the periodic group meetings, etc. (Ghai, 1984).

The Grameen Bank model of Bangladesh has attracted world -wide attention and many developing countries have replicated it as a mechanism to reach the poor, particularly women, who do not have access to credit facility extended by conventional financial institutions.

Figure 2.2 Microfinance and Poverty Reduction



Source : Dhakal, 2005

2.1.6 Microfinance and Women Empowerment

Most of us, when asked, have a great deal of difficulty defining empowerment. The word does not even translate literally into many languages. Yet most of us know empowerment when we see it. Empowerment of women may be defined

as an increase in participation control and responsibility of women in various facets that affect their lives. These facets may be social, economic, legal and political (Yunus, 1997). Women often prove to be more financially responsible with better repayment performance than men. Also it has been shown that women are more likely than men to invest increased income in the household and family wellbeing. Perhaps most importantly, access to financial services can empower women to become more confident, more assertive, more likely to participate in family and community decisions, and better able to confront systemic gender inequities.

Gaining the ability to generate choices and exercise bargaining power, developing a sense of self-worth, a belief in one's ability to secure desired changes, and the right to control one's life are the most important elements of women's empowerment. Empowerment is an implicit, if not explicit, goal of a great number of microfinance institutions around the world. Empowerment is about change, choice, and power. It is a process of change by which individuals or groups with little or no power gain the power and ability to make choices that affect their lives. The structures of power-who has it, what its sources are, and how it is exercised-directly affect the choices that women are able to make in their lives.

Nepalese women are one of the most socially and culturally vulnerable groups exposed to discriminations at home due to patriarchal structure, to exclusions in the working place due to deficiency in the literacy and skills and to marginalization in the decision making process due to lack of executive and polity experience, non-affirmative action's from government and constitutional flaws (Bajracharya & Bajracharya, 2005).

Most of the MFIs have focused their activities on women empowerment. Microfinance programs can have tremendous impact on the empowerment process if their products and services take these structures into account. In

recent days, women's empowerment is considered as a critical part of the development process, "Empowerment of women and gender equality are prerequisites for achieving political, social, economic, cultural and environmental security among all people". The UN convention all forms of Discrimination against women and the Beijing conference both had made some commitments regarding women's rights and concerns about health and educational status of women and also focused on women's access to financial resources considering it as a human right instrument. The conventions also considered access to credit as an important mechanism for reducing women's poverty.

A large number of microcredit programs have focused on expanding micro loans to support economic activities of the poor and disenfranchised groups in the society mostly women. They have focused on women's empowerment as their explicit goal giving genuine reasons. In the first instances, it is generally accepted fact that women are the poorest of the poor. Thus, they can be empowered both economically and socially and this empowerment is expected to generate increased self-esteem, respect and other forms of empowerment for women beneficiaries. Microcredit can also increase recognition of women's productive roles in the society (Bashyal, 2008).

2.2 Review of Related Studies

The basic idea of microfinance is to provide credit to the poor people who otherwise would not have access to credit service. Micro-credit program extend small loans to very poor people for self-employment projects that generate income and allow them to take care for themselves and their families. This program is working in many developing countries. There is no dearth of literature related to microfinance. In order to find the impact of microfinance program, impact assessment studies have been done by many authors. The literature on microfinance offers a diversity of findings relating to the type and

level of impact of the program. There are various studies which confirm that microfinance program has significant positive impact in increasing employment and reducing poverty. A number of studies shows that the participant households enjoy higher standard of living as compared to the non participants. The program reduces consumption as well as income vulnerability among its beneficiaries. Some of the Studies also confirm that the program is helpful in attaining millennium development goals by reducing poverty, hunger, infectious diseases and through women empowerment. There are a number of studies which explain that participation in the program has led to greater levels of women empowerment in terms of increase in knowledge, self confidence, economic, social and political awareness, mobility, development of organizational skills etc.

However, some of the studies show that the program is not reaching the bottom poor people and the group loans are utilized for non income generating activities such as consumption and other emergency needs. The studies also show that the women participants have limited control over the use of group loans, therefore, the program results in limited empowerment of women participants. Thus the literature on microfinance provides mixed results about the impact of microfinance program on the program participants. The review of impact assessment studies provides valuable insights into the benefits and drawback associate with microfinance program. Some important studies which are relevant to the present study have been discussed below:

Shrestha (2005) had conducted the study on “Impact of microfinance services on poverty reduction in Nepal”. The researcher attempts to assess the impact of microfinance services on poverty reduction. The main objectives of this study are i) to analyze the various aspects of the outreach of the microfinance services among the rural household and to investigate the degree to which these services meet the financial needs of poor families. ii) to analyze the role of microfinance services on improving access, use and contribution of financial

services on improving the livelihood of poor and disadvantaged groups. iii) to document the contribution of microfinance services on enterprise development, managing risks/vulnerability, economic empowerment of poor and disadvantaged groups, the effect on other financial services and investment in public infrastructure. iv) to provide recommendations for improving microfinance practices that respond to the process of MFI intervention and channels of microfinance impact on poverty reduction.

Shrestha found that the outreach of the microfinance services is still low and the market for micro and rural financial services appears to be huge. The credit amount through SFCL is higher than through the DDB and PGBB. MFIs have provided clients with a powerful avenue for access to microfinance services and have successfully served the un served. MFIs, more than 40% of the group leaders were poor. The proportion of women headed household served by MFIs is slightly higher their local community, indicating that MFIs are effective in reaching this category of vulnerable group. MFIs help educational improvement, support their main income and also helped in restarting some enterprise that had earlier closed down. It also helped women to earn independently and to build assets which may be sold.

Bhattarai (2005) has written a thesis on Microcredit: An Empowerment and Livelihood Security Scheme for Poor Women: A Case Study of Dhapakhel VDC, Lalitpur. It is a comparative study with control group. The objectives of the study are to identifying and comparing socio-economic status of women microfinance clients with the control group. Specifically, the thesis attempted to examine livelihood security as well as empowerment of women through micro credit program. The indicators are used as curtail unproductive benefits, develop savings habit, savings mobilization to assess economic benefit, social awareness, lowered social evils, health and sanitation and none economic benefits. The finding of the thesis are: land holding and food adequacy is better among clients, women are more entrepreneurial, widows and other women

have face less discriminations, average annual income has increased; and clients women's perspectives, attitude, authority, prestige, knowledge, ability and social relationship have improved. The researcher further traces out that Grameen Bank program has focused relatively active women rather than poorest of the poor, the increased income has not raised the overall status of women and she further criticized the methodology of microfinance.

Lamichhane (2005) conducted research on the topic "Microfinance in Nepal A Case Study of SFCL Anandavan, Rupandehi" with the objective to know the facing changes of society after Small Farmers Co-operatives Ltd. The researcher concluded that SFCL particularly emphasize democratic norms, empowerment of backward people, and access to potentialities and local resources to the development of their settlement territory by them. Integrated development approach improving saving, credit, social and community development activities are major outcome of the SFCL. Similarly awareness towards development, sanitation, literacy attainment, community and social development were major contribution of Small Farmers Credit Ltd.

Paudyal (2005) has written a thesis on 'Microfinance and Its Impact on Economic Upliftment of Women: A Case Study of Baluwa VDC of Kathmandu District, Nepal in 2005 with the objectives of evaluating the impact of micro finance on economic upliftment of women and to examine the enhancement in the status of women. Paudyal has used primary as well as secondary data applying questionnaire as well as observation methods. Data revealed from 72 samples out of 228 members of 7 centre are analyses with correlation, regression and chi-square test. The findings include that the microfinance has improved their earning and equally stimulated their living standards. However repayment rate of the program is only 80 percent in Baluwa VDC and the loan has not seemed to be utilized on the specified purpose. Based on chi-square result, caste and ethnicity does not affect the

control over their earnings. Moreover, women do not have their own control on their earning; joint control exists widely in the VDC.

In this study, Paudyal concludes that, microfinance program is best way to uplift women economically as well as socially. A country like Nepal cannot mobilize the resources for the optimization of benefits by excluding women from the development model. Hence providing credit for women to income generating activities as well as multi-prolonged strategy with a systematic relationship between income promoting activities and social and institutional development activities would strengthen the entire connection in the solution of the problem to uplift poor women.

Rijal (2005) has conducted a study on 'Continuity and Sustainability of Community Based Savings and Credit Organizations': A Case Study of Nuwakot District of Nepal. The study has focused on the performance and sustainability of savings and credit cooperatives using the standard indicators - PEARLS - developed by the World Council of Credit Union (WOCCU) taking samples of 13 cooperatives of Nuwakot. The study finds that women socio-economic empowerment of women has happened in many aspects such as developing savings habit, exposing them to external world, providing them opportunity to organize. But the researcher questions about the continuity and sustainability of the sample savings and credit cooperatives.

Sharma (2007) has done study about micro-finance practices and their sustainability in Nepal. the main objectives of the study are i) to assess rural poverty alleviation efforts, policies and program initiated in Nepal through micro finance, ii) to examine the role of micro-finance in employment creation and income generation and its contribution in general and its contribution in general specially, in the western and central region. iii) to analyze the role of micro finance in women empowerment iv) to evaluate financial and institutional viability and overall sustainability of selected MFIs etc.

Bashyal (2008) had conducted the study on “Microfinance: Access to Finance for Nepal’s Rural Poor”. The author mainly focuses on access to finance for poor people, role of microfinance on poverty alleviation and empowerment of women. The study has found that microfinance has improved family’s well being by increasing household’s food sufficiency level, asset accumulation and children education. It has been credited with empowering women by increasing their self confidence and decision making power with influenced family status, family cooperation, household spending and by increasing their social capital by joining some type of community based or non government organization. The program has accessed to more years of schooling for both male and female children equitably. No discrimination was found between son and daughter in sending school up to this level. Microcredit has positive impacts on many aspects; it has also contributed to women’s dual burden of productive and reproductive work.

Acharya (2005) had conducted the study on “Power of Microfinance- too What Extent?” The researcher indicates that the microfinance program from the early days were to provide the financial resources to needy section farmers, poor women, deprived and underprivileged people of the country to activate them in to the development process by creating employment, income and social awareness. Nepal is a rural dependent economy as around 77 percentage of the population of the country resides in rural villages. Microfinance activities are on rise in Nepal with a significant growth even in the internally disturbed. Nearly 80 percentages of the rural people are still far of formal financial intermediation. The researcher focus that the microfinance has been considered to be effective in the development process basically for three reason i) service through microfinance can be targeted categorically to the poor with the other coordinated line services ii) these microfinance and other service can play significant role in socio economic development of the targeted groups and iii) gradual service expansion by the MFIs in the targeted area can be made more

outreached and sustainable as they seek public support and they expand their network by certain level of investment and adaptation process.

Datta (2008) has made a study of Microcredit Program for Women; A Case Study of Prithivi Narayan Municipality in Gorkha District. The main objectives of the study were: i) to analyze the position of existing credit. ii) to measure the relationship between investment and income. iii) to assess the effect of training on standard of living of the people. iv) to measure the perception of users group towards the programs. v) to assess the financial sustainability of the programs.

The major finding of this study (Datta, 2008) is that the respondents of the program have taken loan only on four sectors and all of them have taken loan at least one time. After the intervention of the program women are especially attracted toward the business of poultry form, cow keeping and retail business. Increase in income due to the investment program is positive. Around 70% of women have participated in any one type of training programs. Overall impact of beneficiaries and standard of living is positive. The perception of the users groups towards the program is positive. Most of participate women are married and literate. There is no association among age structure, education level and ethnic groups of the women toward the perception of the program.

Poudel (2008) has conducted the study on economic impact of microfinance to upliftment of women: A case study on Palpa District, Nepal. The objectives of the study were: i) to find the economic impact of micro-finance in uplifting the economic condition of women and small farmers in Palpa. ii) to find who participate in micro-finance. iii) to analyze the change in socio- economic and education condition of the rural people especially women before and after participating in programs of cooperative.

The major finding of this study (Paudel, 2008) are presenting in the following lines. Most of the women beneficiaries of the microfinance program are relatively poor. Women have no their own income. The women beneficiaries of the microfinance program have improved their earning and equally stimulated their living standard. Repayment rate of the program is 80 percent in Palpa district. Though the loan has not seemed to be utilized on the specified purpose but they have been paying on time from other sources. The loss of lives stock, lack of appropriate market knowledge and lack of sufficient supervision due to low number of staff are the main reason of not having 100 percent payment rate. As becoming the member of the MF program they have become more active mentally as well as physically. They have widened their consumption as they have to gather twice in a month to repay and for saving. They have to get chance to discuss on their improvement and failure of their investment activities. Women do not have their own control on their earnings. The intervention of the MFI is significant in increasing the consumption pattern of family members. They have started to use quality cloths.

Thapa (2008) has made a study on the Impact of Microfinance on Women: A Case Study of Putalibazar Municipality Syangja under Grameen Bikas Bank. The main objective of his studies was: i) to analyze saving and its mobilization pattern of women. ii) to explore mode of loan, loan disbursement and repayment practice. iii) to analyze the relationship between investment and income, in between loan disbursement and recovery. iv) to assess the impact on the poorest of the poor women`s financial condition. The major findings of the study includes: the total saving amount has increased up to FY 2063/64 and decrease FY 2064/65. The main sectors of saving by women are agriculture, buffalo keeping, goat keeping, retail business, bio gas, Poultry farming and pig keeping etc. Mainly women are involving in regular and optimal saving. Majority of the women are saving from agriculture and retail business. Mobilization of save money by women is increasing. Repayment of loan on time is also increasing. Loan disbursement rate of GBB to women are

increasing. Similarly, women are running their business well after entering GBB.

Rakhal (2009) has conducted the study on “Microfinance Regulation in Nepal” The researcher mainly focuses on financial developments, microfinance policy and regulatory mechanism in Nepal. The researcher also contents different kinds of microfinance services are increasing in Nepal. With the growing number of financial institution as microfinance providers, the access of microfinance to the targeted groups will be eventually and effectively reached. There are no robust regulations that apply to microfinance institutions in Nepal. In case of Nepal the institutions working for microfinance services are Grameen Bikas Bank and replicators, small farmer`s development banks, financial intermediary nongovernmental organization, small farmers` cooperatives, deprived sector/ directed lending, saving and credit cooperatives, Project based micro financing, Micro finance Development banks and wholesale micro financing. In Nepal, most important regulatory provisions are the cooperative act of 1992, financial intermediary societies' act of 1998 and Banks and financial institution Act of 2006 as an umbrella act. Beside this, government of Nepal and the Nepal Rastra Bank are responsible for institutional arrangement, legal frame work, support services provision, regulation and supervision of the activity sustainability of the microfinance institutions.

The study (Rakhal, 2009) concludes that the NRB is the main regulatory agency of financial system in Nepal. The study also suggested that the NRB should comments the microfinance institution on the following areas of operation: i) Funds received by microfinance institutions for microfinance should not be used or invested in other microfinance operations. ii) Microfinance institutions should prepare annual action plan. iii) Additions to area of operation need prior approval from NRB. iv) Loan classification and loss provisions should be updated and made accordingly. v) Institutions are

advised to conduct social awareness program along with credit programs. vi) NRB has advised to obtain credit information from other microfinance institution in operation areas. vii) Accounts are to be audited by an approved certified auditor.

Dulal (2010) has made a study of the Impact of Microfinance Program in Socio economic Empowerment of Women in Nepal: A case study of DEPROSC Nepal in Thaiba VDC of Lalitpur district. Kathmandu. The main objective of his studies was: i) to study the economic impact of the microfinance program in women empowerment. ii) to analyze the social impact of the microfinance program in women empowerment. iii) to analyze the constraints faced by the women clients because of the competitive microfinance services. The major findings of the thesis include: income is raised from 8 percentage to 32 percentage. All the clients have their own home to live but not sufficient land to cultivate except some vegetable. Improving the quality by changing roof, making ground cemented, plastering the wall.

Sharma (2011) has done study about Sustainability of Microfinance Institution: An Opinion survey. The specific objectives of this study are i) To assess rural poverty alleviation efforts, policies and programs initiated in Nepal through microfinance. ii) To examine the role of Microfinance in employment creation and income generation and its contribution in general especially, in the Western and Central region. iii) To evaluate financial and institutional viability and overall sustainability of selected MFIs. iv) To identify the problems of Microfinance in Nepal in general and Western and Central Region in particular. v) To recommend strategies/model to improve MFIs effectiveness in meeting their objectives and challenges.

The major findings of Sharma (2011) are: i) Microfinance lead to social and economic changes in the borrowers after the participation in the programs. ii) Funds are attracted in the areas where return to capital is higher and/or cost of

lending is lower. There is a lack of professionalism among some of the MFIs. They lack a matching pool of knowledge and skill required for running MFI Program as a business. iii) Over indebt of Client caused by overlapping of programs or overcrowding of MFIs in a few easily accessible areas with well developed market is yet another challenge. iii) Increasing overdue loans of the MFIs requiring them to making sufficient funds provisions for bad and doubtful loans have caused high cost of operation and decreased profitability. iv) The populist slogan of the government to waive the microfinance loans taken by small farmers also has posed a grave challenge to MFIs. It has spoiled the credit discipline of the clients and has raised the morale of defaulters. v) Most MFIs have been running in profit but they have been heavily depended on external sources such RMDC and commercial bank for financial resources to meet the loan demands of their clients. vi) NGOs, INGOs, and government agencies become active and perform well for sometime till the project is on-going. Most of the groups die down or become inactive after phasing out of the project. The entire resources and the efforts go to drain. It is a great challenge to link the groups to the other programs and continue the activities.

2.3 Research Gap

In Nepal's context to improve the people's life style it is necessary to uplift their social and economic condition mostly women, Poverty is the world's main problem.

Microfinance is such a source which helps to solve this problem. With the help of microfinance Nepal can get success in poverty alleviation so many dissertation and research has been done in the topic of Micro-finance program. All the above research studies are identifying about the effectiveness of micro finance program in some topics and areas in other district and place of Nepal.

However, this study is related to the women empowerment through microfinance of Kahun VDC at kaski district. There are several micro finance groups in operation though we can find research studies about the importance of micro finance program in some topics and areas of Nepal. But this type of study has not been conducted by other in Kahun VDC, Kaski focusing women empowerment. Therefore, the researcher selects the research topic on “Women Empowerment through Microfinance: A Case Study of Kahun VDC, Kaski.”

CHAPTER – III

RESEARCH METHODOLOGY

This chapter explores the research methodology followed to achieve objectives of the study. This chapter includes the research design, nature and sources of data, population and sample, data collection techniques, data process and analysis.

3.1 Research Design

The study is concerned to women empowerment through microfinance in Kahun VDC, Kaski. The general objective of the study is to assess women empowerment through microfinance. To conduct these studies descriptive research approach has been adopted.

3.2 Population and Sample

There are several Co-operative, Women saving and credit groups of microfinance user in Kahun VDC. The study covers all these Co-operative and Women saving and credit groups. But it does not consider all the member of women for the purpose of the study due to the limitation time, budget, area, and non respondent of information. Among the total member of 1429, 118 women were selected as sample for this study using convenience sampling method.

3.3 Nature and Sources of Data

The study is mainly based on primary data obtained through structured questionnaire; some other related journals, books and literatures were also collected for this study.

3.4 Data Collection Techniques

For the collection of data, the copies of questionnaire were distributed to the sample respondents. The questionnaire were filled up and collected by making personal visit of the respondents. Focus group discussions and unstructured interview with the microfinance institution staff were also conducted for their perceptions and feelings.

3.5 Data Processing and Analysis

The present study involves calculation of deposit, loan distribution, income and saving of microfinance institutions established in Kahun VDC from FY 2068/069. The collected information and questionnaire were firstly categorized. Then they tabulated and processed with the help of Microsoft excel program. They were presented and analysis with the help of percentage, table, diagram and charts.

CHAPTER – IV

PRESENTATION AND ANALYSIS OF DATA

This chapter deals with the presentation and analysis of data obtained from the questionnaire, field visit and personal interview of the women who are involved in microfinance. Data are presented and analyzed as per objectives of the study and answer the research questions. It consists of Social demographic Characteristics, Microfinance in Kahun VDC, Loan borrowing, investment and income, Socio-Economic Impact and Perception about microfinance service.

4.1 Overview of Study Area

Kahun Village Development Committee is in Kaski District in the Gandaki Zone which measures about 6.5 Square Kilometers. Kahun VDC is one of the 23 VDCs in Kaski District. It is surrounded by Pokhara Sub metropolitan City from the west and South, Arba VDC from the east, Valam VDC and Mauja VDC from the north. Kahun VDC is divided into 9 Wards and the population of this VDC is 2378, out of which 1259 (52.94%) are female and 1119 (47.06%) are male. The number of households is 574, approximately 40.37% of people live in under poverty line, out of which 5.76% are in absolute poverty line. The literacy rate of Kahun VDC is 62.31%, out of which 90.63% male and 55.52% female are literate (National Population and Housing Census 2011). The main ethnic groups residing over this village Development Committee are Brahmin, Chhetri, Gurung, Kami, Damai and others. Hinduism is the main religion in this village. Microcredit program also held in this VDC. It covers 118 women involved in different microfinance users groups under women saving and credit groups, Co-Operatives and Community Development Fund which have 1429 members till the study period.

4.2 Microcredit in Kahun VDC

Kahun VDC is one of the most beautiful VDC of Kaski District. Women of this VDC are mostly engaged in agriculture, goat keeping, part time job, household works and other economic activities. As Kahun VDC is situated in a hill, transportation and other means of development are far away however new road tracks are opened so the women can save money by selling their production in near sub metropolis. Commercial and Development Banks like Machhapuchhere Bank, Nepal Bank Ltd, Rastriya Banijya Bank, City Development Bank, Muktinath Bikash Bank, Kamana Development Bank etc. have invested on Microfinance sector in this region but they haven't established their branches in this VDC. However there are many Cooperatives, Women saving and Credit Groups are established within the VDC which has been beneficial for women in this region to save small amount of money in a groups and invest that in some profitable sector.

4.2.1 Cooperatives

Cooperative is an autonomous association of persons who voluntarily cooperate for their mutual, social, economic and cultural benefit (<http://en.wikipedia.org/wiki/Cooperative>). There are Three Cooperatives established and giving their service in this VDC by the end of FY 2068/69.

Table 4.1 Deposit and Loan Distribution of Cooperatives

Rs. '000					
S.N.	Name	N	n	Deposit Rs	Loan Distributed Rs.
1	Kahun Sahakari Sastha	265	5	232	231
2	Sahara Sahakari Sastha	62	5	112	100
3	Kalyankari Sahakari Sastha	174	3	218	198
	Total	501	13	562	529

Source : Kahun VDC, 2069

Figure 4.1 Deposit and Loan Distribution of Cooperatives

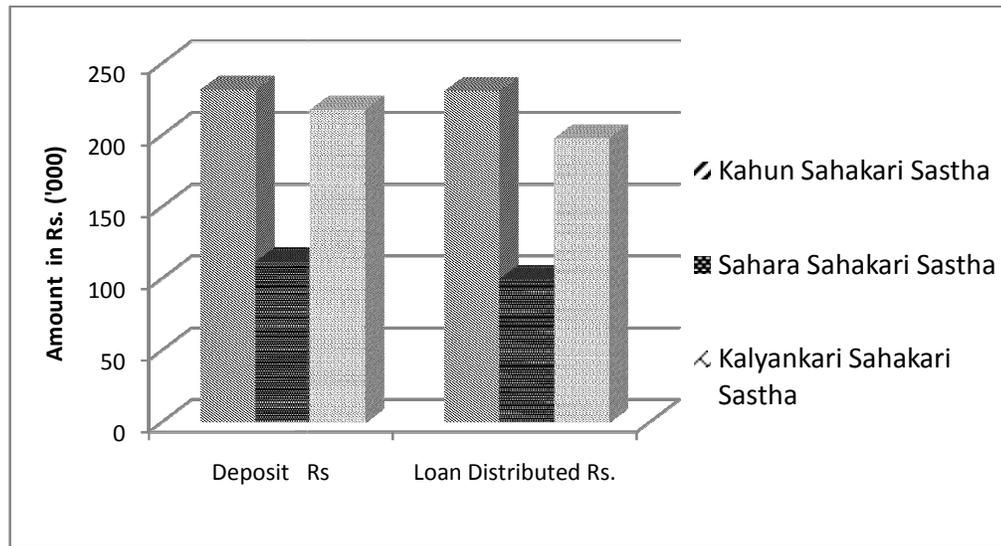


Table 4.1 and Figure 4.1 above shows the Deposit collected and Loan Distribution of Kahun Sahakari Sastha, Sahara Sahakari Sastha and Kalyankari Sahakari Sastha. Among these three Cooperatives Kahun Sahakari Sasthan is the larger Cooperative with 265 Member and Deposit of Rs. 231000 Then Kalyankari Sahakari Sastha with 174 Member and Deposit of Rs.198000 and at last Sahara Sahakari Sastha with 62 Member and Deposit of Rs.100000. In Table 4.1 numbers of Member of Cooperative are indicated by ‘N’ where as the number of women selected for the study are indicated by ‘n’.

4.2.2 Women Saving and Credit Group

There are six Women saving and Credit Group in Kahun VDC in FY 2068/069 which are shown in table 4.2 and figure 4.2. These Women saving and Credit Group has altogether 350 members. Joshila Aama Samuha has a largest numbers of member which is 123 members and Deurali Aama Samuha has least number of members which is 28 members. Number of members are indicated by ‘N’ where as number of women chosen for the study is indicated by ‘n’. The Total deposit of the Women saving and Credit Group is Rs. 371000. Chandi Aama Samuha has the highest deposit of Rs. 120000 and lowest deposit was of Annapurna Aama Samuha which was Rs. 26000. In

terms of Loan distribution Krishi Samuha became the highest loan distributor of Rs. 44000 and lowest loan lend was made by Joshila Aama Samuha i.e. Rs. 11000.

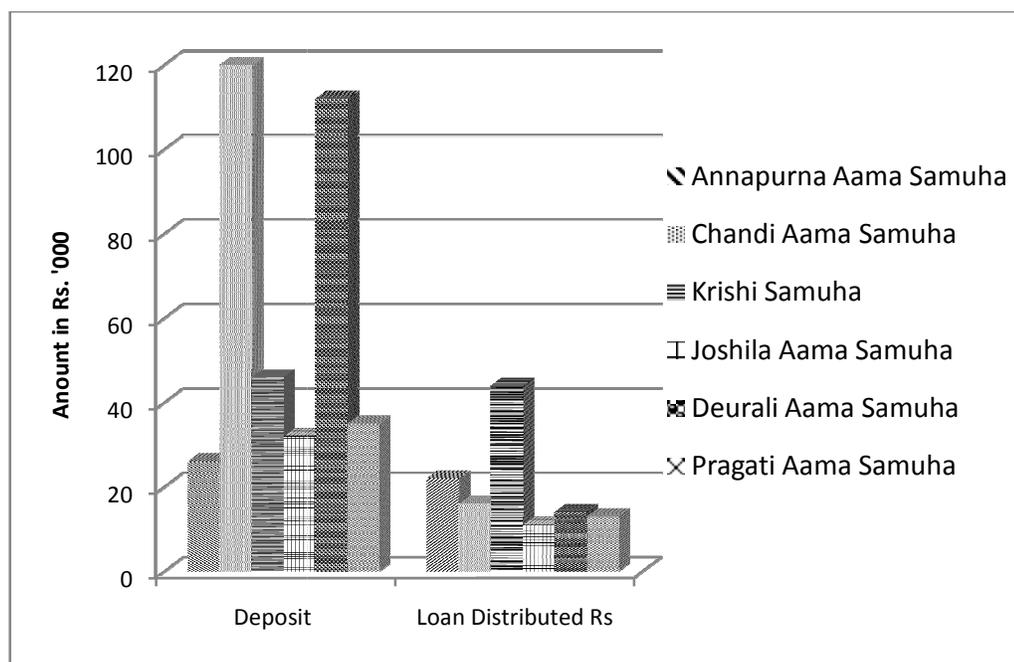
Table 4.2 Deposit and Loan of Women Saving and Credit Group

Rs. '000

S. No.	Name	N	n	Deposit	Loan Distributed Rs
1	Annapurna Aama Samuha	56	4	26	22
2	Chandi Aama Samuha	43	3	120	16
3	Krishi Samuha	62	3	46	44
4	Joshila Aama Samuha	123	2	32	11
5	Deurali Aama Samuha	28	5	112	14
6	Pragati Aama Samuha	38	2	35	13
	Total	350	19	371	120

Source : Kahun VDC, 2069

Figure 4.2 Deposit and Loan of Women Saving and Credit Group



4.2.3 Community Development Fund (C.D.F)

There are 17 Groups under Community Development fund by the end of Ashad 2069. Table 4.3 shows the savings and loan distribution of 17 Groups under Community Development fund. There are altogether 578 members in Community Development Fund involved in different groups which are indicated by 'N' where as the number of women selected for the study are indicated by 'n'. The total deposit of 17 groups under Community Development Fund is Rs. 30,97,000.00 and loan distribution is Rs. 30,04,000.00. Among 17 groups Janachetana Group is the highest saving of Rs. 4,68,000.00 and loan distributed of Rs 4,56,000.00 where as Manakamana Group is the least saving of 13,000.00 and loan distributed of Rs 11,500.00 in Community Development Fund.

Table 4.3 Deposit and Loan of Community Development Fund

Rs. '000

S. No	Name	N	n	Deposit Collection Rs.	Loan Distributed Rs.
1	Annapurna Group	21	6	126	113
2	Bhavisya Nirman Group	29	3	31	30
3	Chandi Group	29	3	376	375
4	Gandaki Group	36	7	384	380
5	Janachetana Group	28	4	468	456
6	Janajagriti Group	30	6	238	228
7	Janajyoti Group	44	4	165	156
8	Janasewa Group	27	1	79	76.5
9	Kopila Group	75	7	248	241
10	Laliguras Group	38	4	288	279
11	Machhapuchhre Group	21	5	142	140
12	Manakamana Group	35	8	13	11.5
13	Milanchowk Group	32	3	132	129

14	Pooja Group	28	2	48	44
15	Pragati Group	26	8	268	265
16	Pratima Group	28	3	19	17
17	Shivashakti Group	51	12	72	63
Total		578	86	3097	3004

Source : Kahun VDC, 2069

4.3 Socio-Demographic Characteristics

This study explore social pattern of the respondent. It consist ethnic group, Age, marital status, family size, Academic Qualification of the respondent.

4.3.1 Ethnic Group of Respondents

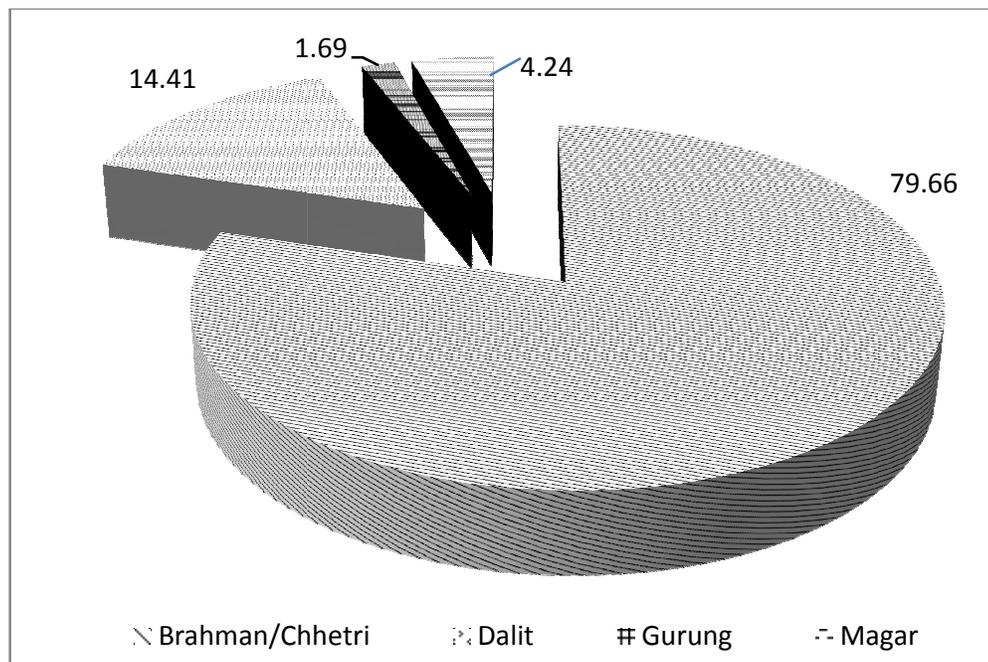
Table 4.4 and figure 4.2 shows the composition of ethnicity, almost 80 percent of total respondent are Brahman/Chhetri, 17 percent are Dalit, 5 percent are Magar and 2 percent are Gurung.

Table 4.4 Ethnic Group of Respondents

Ethnicity	Number	Percentage
Brahman/Chhetri	94	79.66
Dalit	17	14.41
Gurung	2	1.69
Magar	5	4.24
Total	118	100

Source : Field Survey, 2069

Figure 4.3 Ethic Group of Respondents



4.3.2 Age Group of Respondents

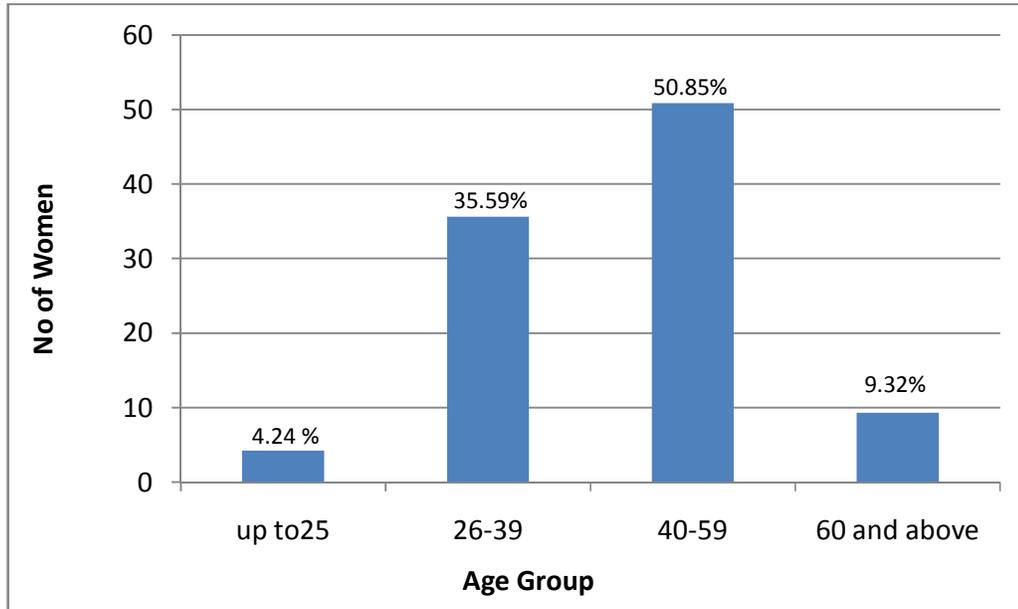
In the field survey it is found that the age structures of respondent are in between 19 - 62. Table 4.5 and figure 4.4 shows that maximum number of respondent are lies in Age Group of 40-59 i.e. 50.85 percent and least number of respondent are of age up to 25 years.

Table 4.5 Age Group of Respondents

Age Group	Number	Percentage
up to25	5	4.24
26-39	42	35.59
40-59	60	50.85
60 and above	11	9.32
Total	118	100

Source : Field Survey, 2069

Figure 4.4 Age Group of Respondents



4.3.3 Marital Status of Respondents

Table 4.6 Marital Status of Respondents

Marital Status	Number	Percentage
Married	102	86.44
Unmarried	3	2.54
Widow	13	11.02
Total	118	100

Source : Field Survey, 2069

Figure 4.5 Marital Status of Respondents

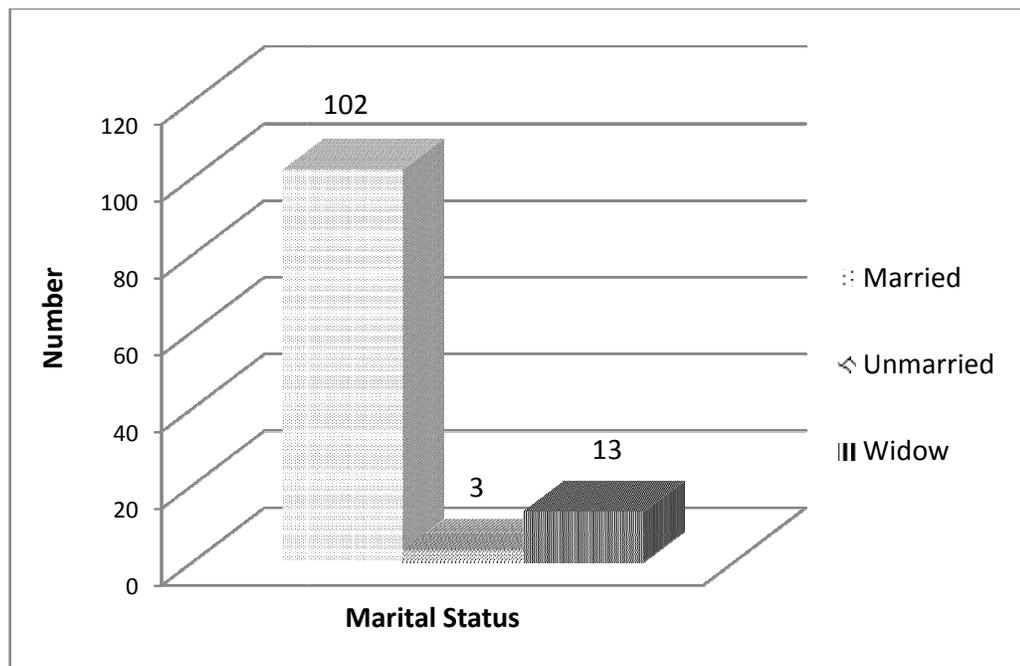


Table 4.6 and figure 4.5 shows that among total respondent 86.44% i.e. 102 respondent are married, 11.02 % i.e. 13 respondent are widow and rest of 2.54 % i.e. 3 respondent are unmarried.

4.3.4 Family Size of Respondent

Table 4.7 Family Size of Respondents

Family Size	Number	Percentage
up to 4	52	44.07
5 to 9	64	54.24
10 and above	2	1.69
Total	118	100

Source : Field Survey, 2069

Figure 4.6 Family Size of Respondents

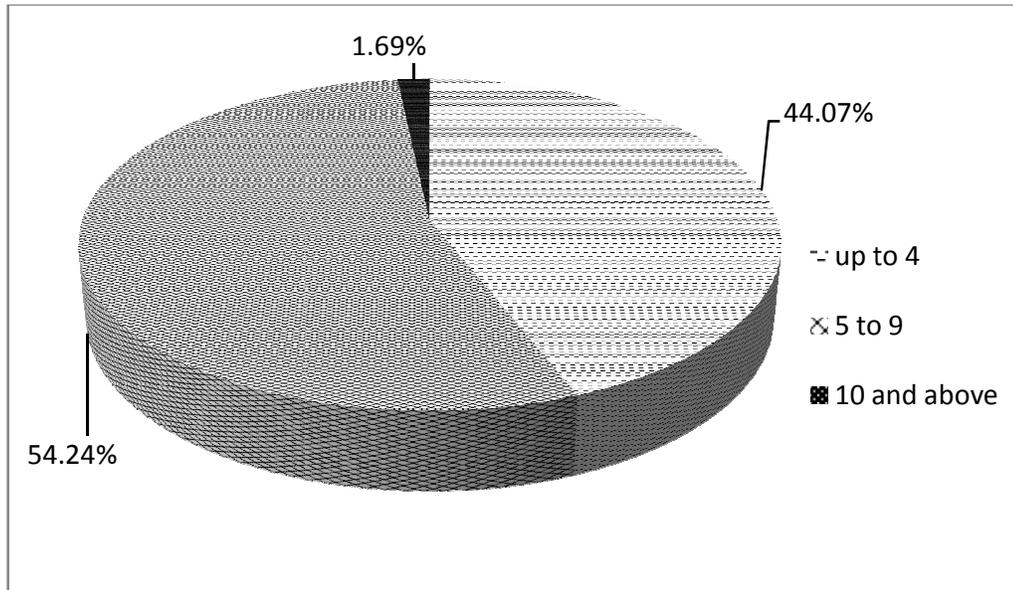


Table 4.7 and figure 4.6 shows the family size of the respondent. Although all the modern families are heading towards nuclear family here in Kahun VDC almost 55% of the respondent's family are found to be in joint family. 54.24% of respondent family size are of 5 to 9, 44.07 % of respondent family size are up to 4 and only 1.69% of respondent family size are 10 and above.

4.3.5 Academic Qualification of Respondent

Table 4.8 Academic Qualification of Respondents

Education level	Number	Percentage
Illiterate	48	40.68
Primary	36	30.51
Secondary	29	24.58
Higher Secondary	3	2.54
Bachelor	2	1.69
Total	118	100

Source: Field Survey, 2069

Figure 4.7 Academic Qualification of Respondents

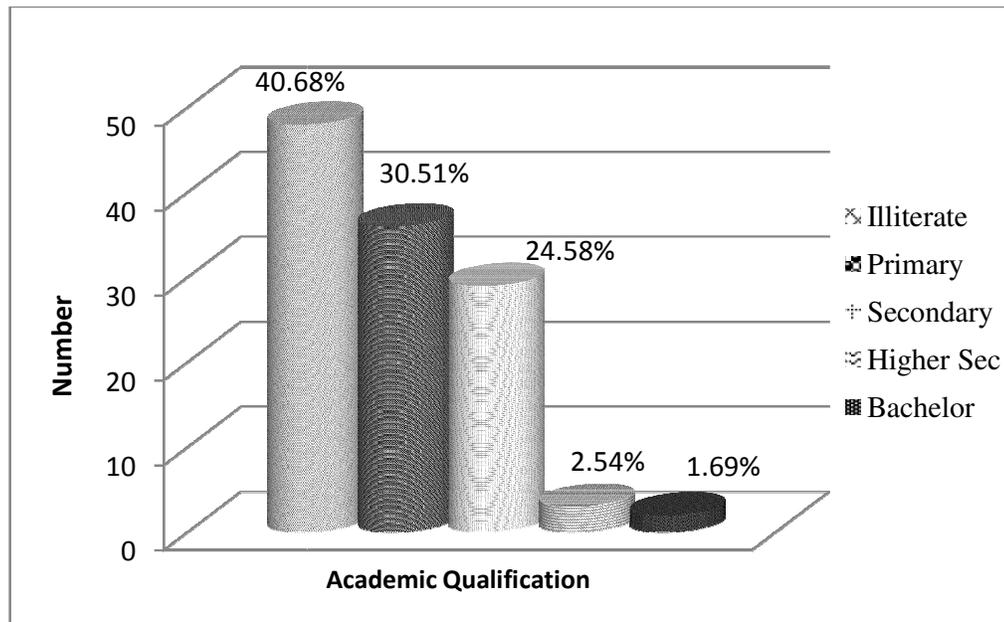


Table 4.8 and figure 4.7 shows the education level of the respondent, out of 118 respondents, 48 respondents are illiterate. 36 respondents have only completed their primary level of education, 29 respondents had gained secondary level of education. Out of 118 only 3 of them had gone to higher secondary school and only 2 had done their bachelor level of education.

4.4 Economic Empowerment

4.4.1 Purpose of Loan

The study has found that there is various purpose of taking loan by the respondent. The table and figure below shows the different purpose of taking loan by respondent.

Table 4.9 Purpose of loan of Respondents

Purpose of loan	Number	Percentage
Small Business	3	2.54
Agriculture	85	72.03
Poultry	5	4.24
Goat Keeping	10	8.47
Buffalo keeping	15	12.71
Total	118	100

Source: Field Survey, 2069

Figure 4.8 Purpose of loan of Respondents

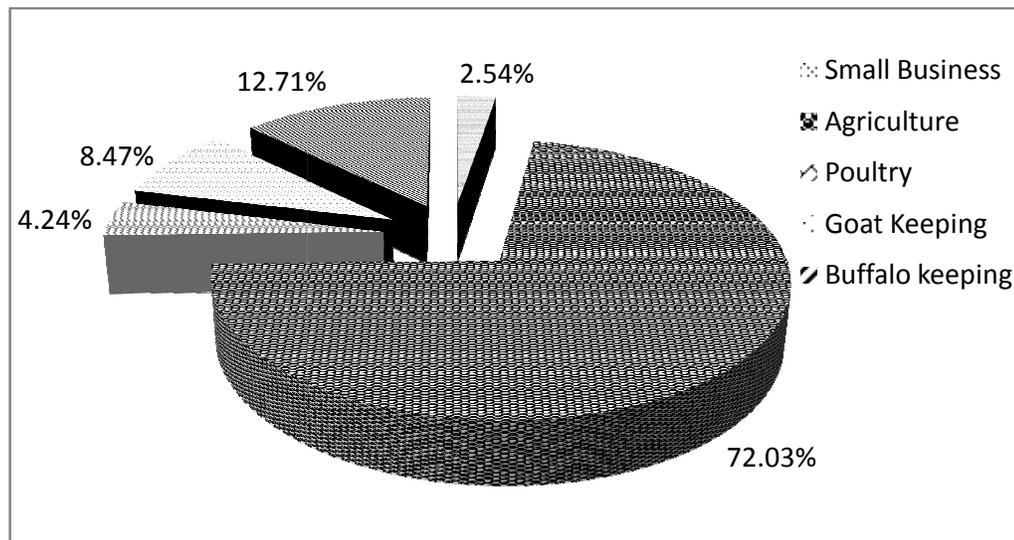


Table 4.9 and figure 4.8 shows that majorities of respondent i.e. 72.03% had taken loan for agriculture, 12.71% for Buffalo keeping, 8.47% for Goat keeping , 4.24% for Poultry and 2.54% for Small Business.

4.4.2 Loan Size

Table 4.10 Loan Size of Respondents

Loan Size	Number
Below 10000	51
10000 - 20000	45
20000 - 30000	16
30000 - 40000	4
40000 and above	2
Total	118

Source: Field Survey, 2069

Figure 4.9 Loan Size of Respondents

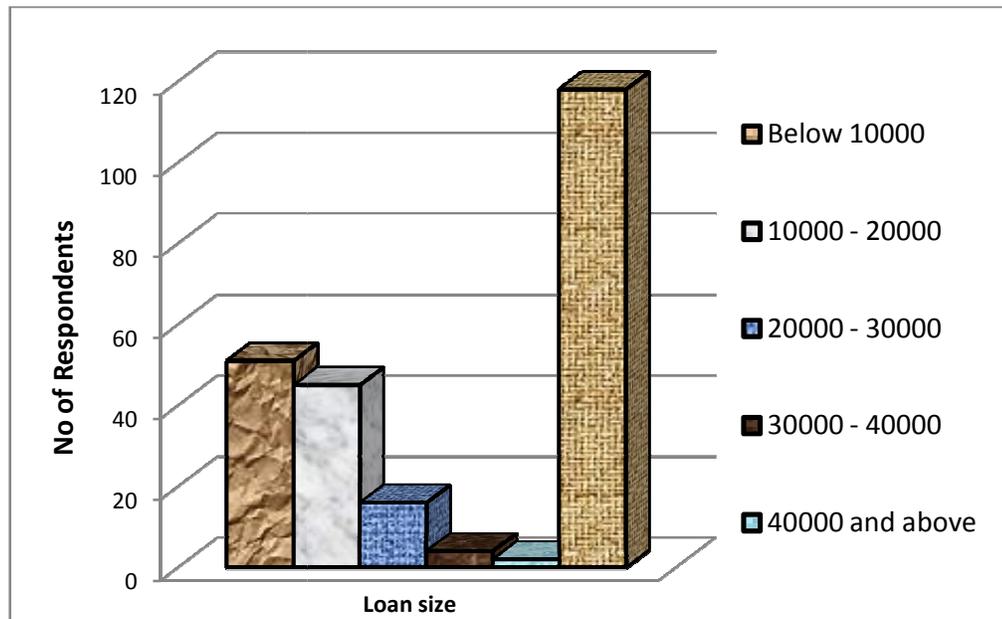


Table 4.10 and figure 4.9 shows the loan size, sector of loan and number of respondent taking such loan in each sector. The maximum no of 51 respondents has taken loan size Below 10000. 45 has taken loan size of 10000-20000, whereas only 2 respondent has taken loan size 40000 and above.

4.4.3 Loan use in Specific Objective

Table 4.11 Loan use in Specific Objective

Use of Loan In Specific Objective	Number	Percentage
Yes	91	77.12
No	27	22.88
Total	118	100

Source: Field Survey, 2069

Figure 4.10 Loan use in Specific Objective

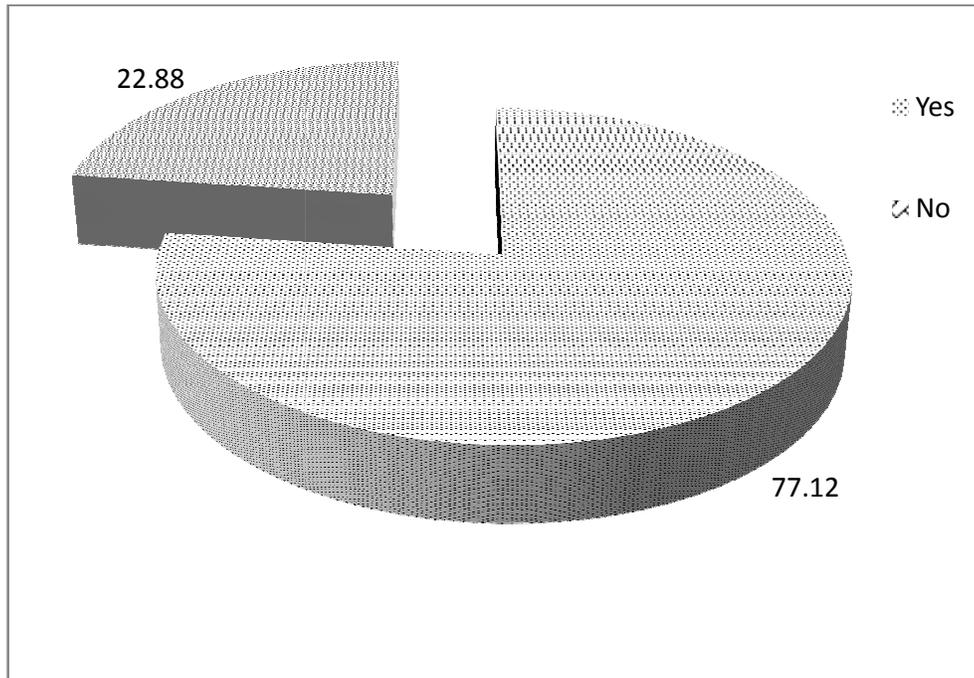


Table 4.11 and figure 4.10 shows that 98(77.12%) respondents out of 118 used the loan in specific purpose whereas 27(22.88%) respondent didn't used loan in specific purpose.

4.4.4 Loan, Investment, Income and Savings

Table 4.12 Loan, Investment, Income and Saving of Respondents

Rs'000					
Sectors	Numbers	Loan	Investment	Income	Savings
Small Business	3	30	29	38	9
Agriculture	85	807	722	997	275
Poultry Farm	5	37	37	55	18
Goat Keeping	10	93	82	108	26
Buffalo Keeping	15	374	329	407	78
Total	118	1341	1199	1605	406

Source: Field Survey, 2069

Figure 4.11 Loan, Investment, Income and Savings of Respondents



The table 4.12 and figure 4.11 shows the Loan disbursement, Investment, Income and saving of the respondents. Loan Column Shows the annual loan disbursement. Annual loan received by the total respondent was Rs 1341000 out of which they have invested Rs 1199000 on different sectors. Rs. 722000 on Agriculture, Rs. 329000 on Buffalo Keeping, Rs. 82000 on Goat Keeping,

Rs. 37000 on Poultry Farming and Rs. 29000 on Small Business by which respondent were successful to make income of Rs. 1605000 and save (profit) of Rs. 406000. Here highest Income and saving was made by Agriculture sector where they made income of Rs. 997000 and saved Rs. 275000 whereas least income and saving was made by Small Business sector where they made income of Rs 38000 and saved Rs. 9000. This shows that every respondent of loan borrower of different sector are able to make some saving (profit) which indicate that the loan is helping the women.

4.4.5 Monthly Earning Before and After Microcredit Program

Table 4.13 Monthly Income of the Respondents before and after MFP

Income	Before MFP		After MFP	
	Number	Percentage	Number	Percentage
Less than 3000	70	59.32	14	11.86
3000-4000	19	16.10	16	13.56
4000-5000	17	14.41	37	31.36
5000 and above	12	10.17	51	43.22
Total	118	100	118	100

Source: Field Survey, 2069

Figure 4.12 Monthly Income of the Respondents before and after MFP

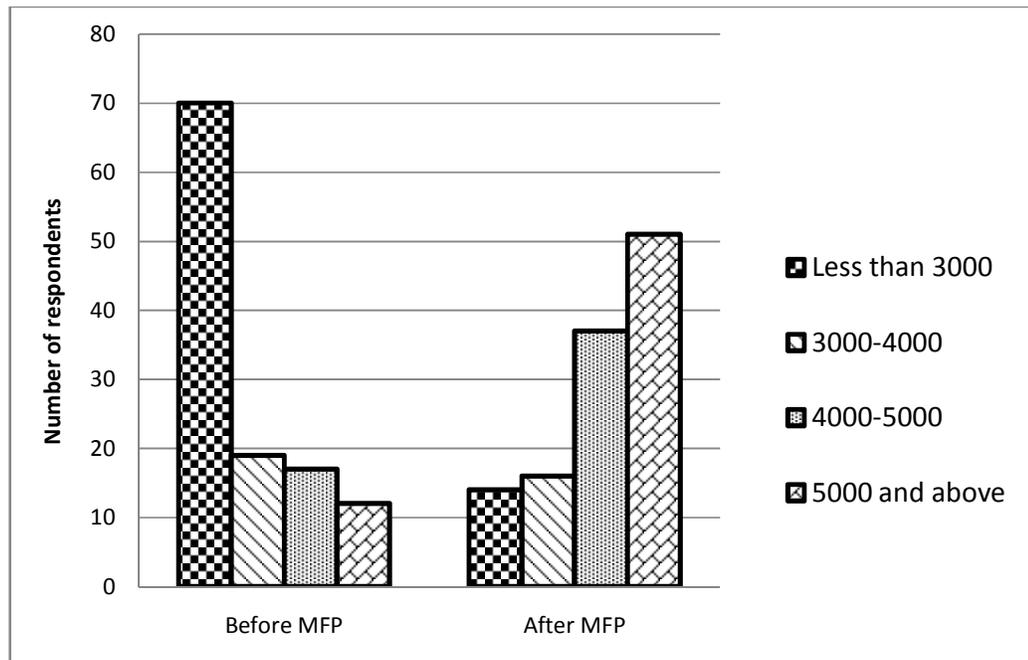


Table 4.13 and figure 4.12 shows the average monthly income before and after joining Microcredit program. Before joining the program 70 respondent had monthly income of less than 3000 and only 12 respondents had monthly income of Rs. 5000 and above, but after joining the program respondents whose monthly income was less than 3000 significantly decreased to 14 where as number of respondents whose monthly income was 5000 and above increased from 12 to 51.

This shows that involvement in Microcredit program has generated self employment and increased their income which helps women to reduce poverty and improve lifestyle.

4.4.6 Monthly Expenses Before and After Microcredit Program

Table 4.14 Monthly Expenses of the Respondents before and after MFP

Expenses	Before MFP		After MFP	
	Number	Percentage	Number	Percentage
Less than 3000	53	44.92	17	14.41
3000-4000	21	17.80	38	32.20
4000-5000	28	23.73	30	25.42
5000 and above	16	13.56	33	27.97
Total	118	100	118	100

Source: Field Survey, 2069

Figure 4.13 Monthly Expenses of the Respondents before and after MFP

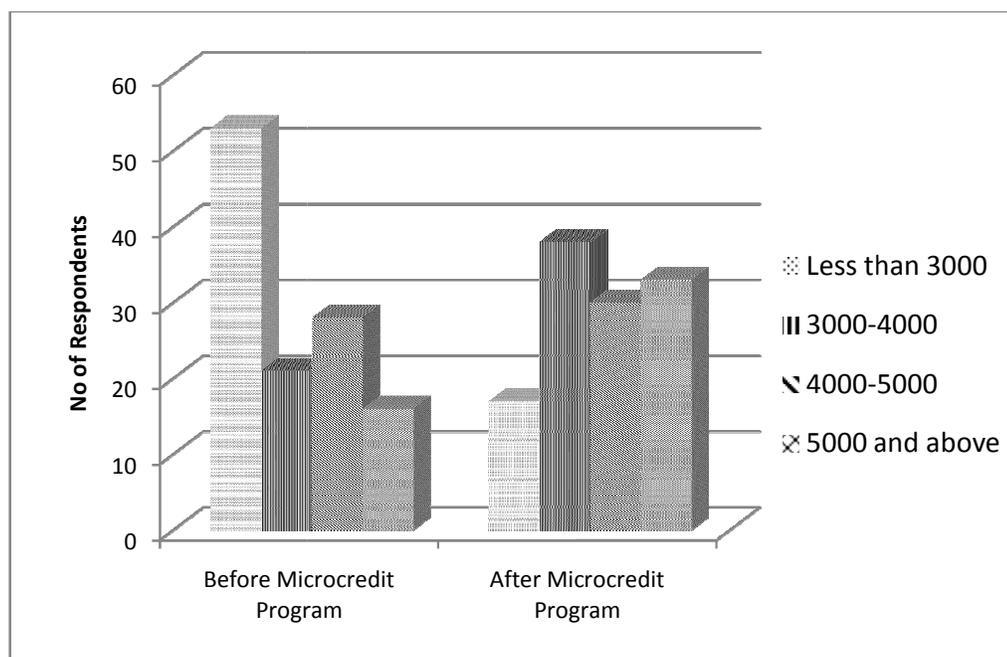


Table 4.14 and figure 4.13 shows the average monthly expenses before and after joining Microcredit program. Before joining program out of 118 respondent 53 (44.92%) respondents had monthly expenses less than 3000 but now after joining Microcredit program it decreased to 17(14.41%). Likewise out of 118 respondent 16(13.56%) respondents had monthly expenses of Rs. 5000 and above before Microcredit program but now after joining the program it has increased to 33(27.97%). This means that respondent's range of expenses is in trend of increasing pattern.

Thus we can say that because of increment in income of the respondents with the help of Microcredit program their capability of Expenses is also increased.

4.4.7 Monthly Savings Before and After Microcredit Program

Table 4.15 Monthly Saving of the Respondents before and after MFP

Savings	Before MFP		After MFP	
	Number	Percentage	Number	Percentage
Less than 3000	62	52.54	30	25.42
3000-4000	23	19.49	41	34.75
4000-5000	19	16.10	28	23.73
5000 and above	14	11.86	19	16.10
Total	118	100	118	100

Source: Field Survey, 2069

Figure 4.14 Monthly Saving of the Respondents before and after MFP

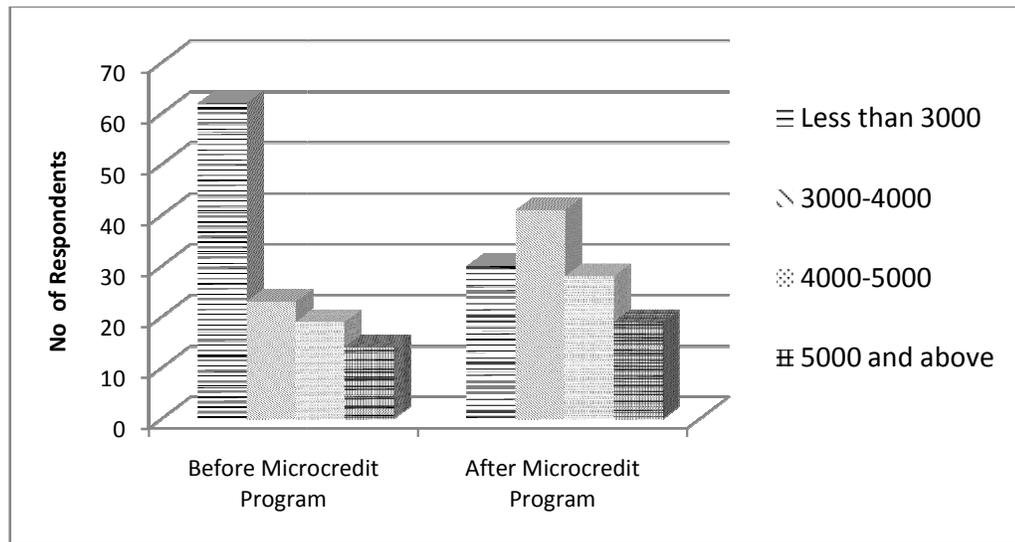


Table 4.15 and figure 4.14 shows the average monthly saving of last three years before and after joining Microcredit program. 62(52.54%) of respondent saving was less than 3000 before Microfinance program but after Microfinance program it decreased to 30(25.42%). 23 (19.49%) respondent whose saving was between 3000-4000 before program increased to 41(34.75%) after the program. This shows that Microcredit program helped respondents to increase their savings.

4.5 Social Empowerment

This topic includes social empowerment felt by the respondents which are measured by the different indicators described below.

4.5.1 Change in Food

In the survey study respondent were asked about the change in their food intake after the microcredit program.

Table 4.16 Change in Food Intake of Respondents

Significant improved in food intake	Number	Percentage
Yes	76	64.41
No	42	35.59
Total	118	100

Source: Field Survey, 2069

Table 4.16 shows the significant improvement in food intake of the respondent, 76 respondents i.e. 64.41 % felt the improvement in food intake whereas 42 respondents i.e. 35.59 % respondent didn't felt their food intake it is.

4.5.2 Chang in Clothing

Respondents were asked whether their Clothing habit has changed after the Microcredit program.

Table 4.17 Change in Clothing of Respondents

Significant improved in Clothing	Number	Percentage
Yes	64	54.24
No	54	45.76
Total	118	100

Source: Field Survey, 2069

Table 4.17 shows the improvement in the clothing of the respondents after the Microcredit program. Among the total respondent 64 respondents i.e. 54.24% felt change in their clothing after the Microcredit program whereas 54 respondents i.e. 45.76% didn't felt the change.

4.5.3 Impact on Schooling

Table 4.18 Impact on Schooling

Type of School	Before MFP		After MFP	
	Number	Percentage	Number	Percentage
Government School	71	60.17	53	44.92
Private School	47	39.83	65	55.08
Total	118	100	118	100

Source: Field Survey, 2069

Table 4.18 shows that out of 118 respondent 71 i.e. 60.17% respondent's children goes to Government School before the Microcredit program whereas 47 respondents i.e. 39.83% respondent's children goes to Private School. After the Microcredit program the number of respondent whose children goes to Government decreased to 53% and those respondent whose children goes to Private School increased to 55.08%. This shows that women have become more aware about their children's education after the Microcredit program.

4.5.4 Purchase of Additional Assets

Table 4.19 Purchase of Additional Assets

S.N.	Assets	Total Respondent	Purchase of Additional Assets	
			Numbers	Percentage
1	Motor Cycle	118	4	3.39
2	Television	118	48	40.68
3	Cattle	118	30	25.42
4	Mobile	118	76	64.41
5	Others	118	12	10.17

Source: Field Survey, 2069

Figure 4.15 Purchase of Additional Assets

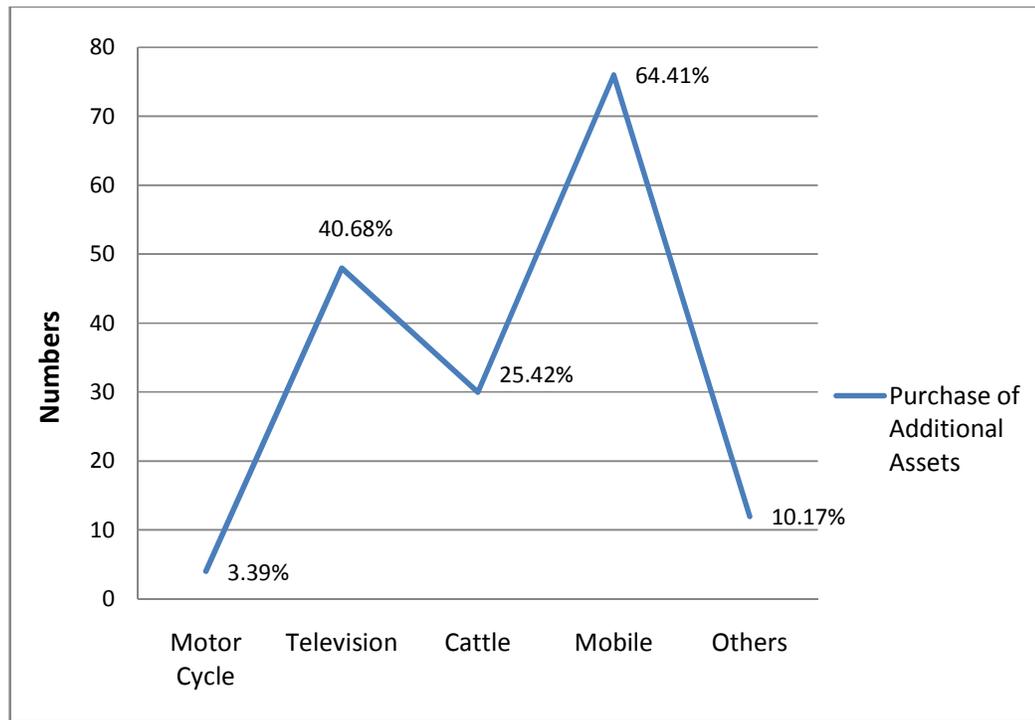


Table 4.19 and figure 4.15 show the additional assets purchased by the respondent. Out of 118 respondents 4 of them purchased motor cycle as new road tracks are open in this VDC. Similarly 76 of them purchased mobile, 48 of them purchased Television, 30 of them purchase cattle and 12 of them purchased other assets. Increased in saving after joining Microcredit program has made women to uplift their living standard by purchasing additional assets.

4.5.5 Empowerment Status in Family and Society

Empowering of women is to increase their participation, control and responsibility in various facts that affect their lives. These facts may be social, economic or political. Here are some areas of women empowerment given in Table 4.20.

Table 4.20 Empowerment Status in Family and Society

Area	Before Joining MFP	After Joining MFP	Increased / Decrease
Respect from family and Society	52	81	29
Control over income	16	80	64
Improvement of speaking ability	21	96	75
Self confidence	24	88	64
Participation in community work	16	83	67
Leadership development	19	71	52
Family Relationship	43	86	43
Domestic Violence	48	3	-45

Source: Field Survey, 2069

Table 4.20 shows that before Microcredit program out of 118 respondents 52 respondents felt that they get respect from family and society. But after program number of respondent increased to 81 i.e. increased by 29 respondents. In the same way after Microcredit program women's control over income, self confidence, participation in community work, family relationship has increased significantly. Likewise after Microcredit program women's self confidence and leadership development has also increased where as Domestic Violence has diametrically reduced. This means that microcredit has helped women empowerment, i.e. impact of Microfinance has made positive effect in women.

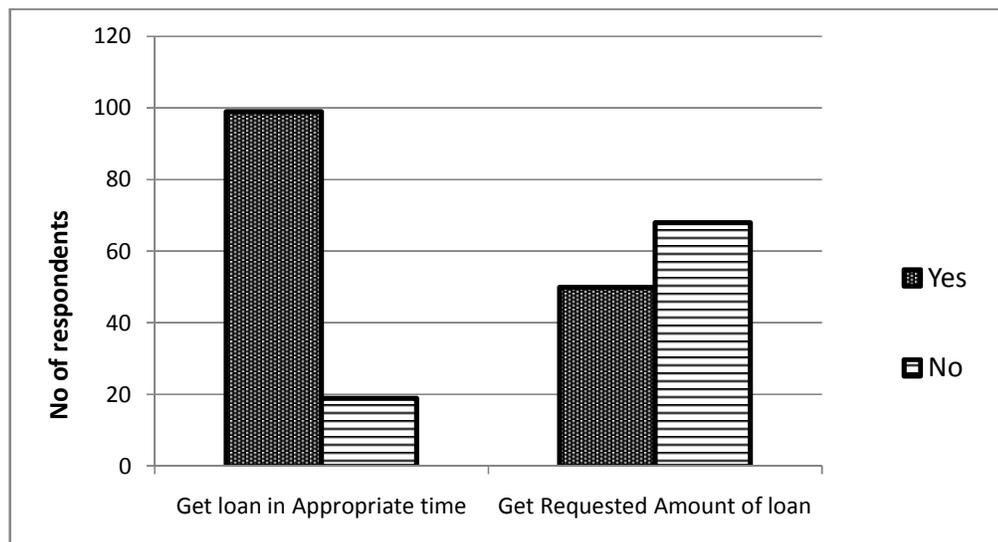
4.6 Perceptions about Microfinance Service

Table 4.21 Perceptions about Credit Service

Perceptions	Get loan in Appropriate time	Percentage	Get Requested Amount of loan	Percentage
Yes	99	83.90	50	42.37
No	19	16.10	68	57.63
Total	118	100	118	100

Source: Field Survey, 2069

Figure 4.16 Perceptions about Credit Service



118 respondents were asked about the perception about Microcredit service. Out of 118 respondent 99 (83.90%) of respondents get loan in appropriate time where as 19 (16.10%) didn't get loan in appropriate time.

Similarly out of 118 respondent only 50 (42.37%) respondent get requested amount of loan whereas 68 (57.63%) didn't get requested amount of loan. This

means that respondent hasn't got enough credit to utilize their knowledge and other resource to the fullest.

Table 4.22 Perceptions about Microfinance Service

Perceptions	Number	Percentage
Very satisfied	25	21.19
Satisfied	80	67.80
Neutral	9	7.63
Dissatisfied	4	3.39
Total	118	100

Source: Field Survey, 2069

Figure 4.17 Perceptions about Microfinance Service

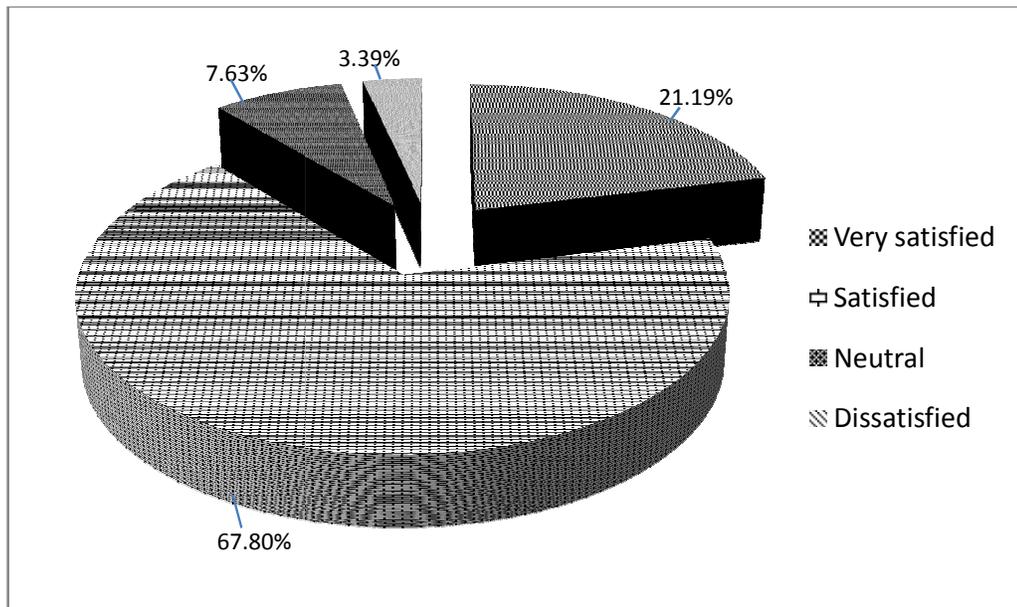


Table 4.22 and figure 4.17 shows positive response on Microfinance service in Kahun VDC. Out of 118 respondents 80(67.80%) respondent are satisfied which is the largest number of respondents. 25(21.19%) are Very Satisfied whereas 9(7.63%) are neutral and 4(3.39%) are dissatisfied.

4.7 Major Finding of the Study

The major findings of the study are as follows:

- ❖ The total loan distribution of Women saving and credit Group is very low (Rs.69000) in comparison to the deposit (Rs.371000).
- ❖ Deposit collection of Community Development Fund is Rs. 3097000 and loan distribution Rs.3004000. Where Janachetana Group became highest deposit collector and loan distributor.
- ❖ There are majority of Brahman/Chhetri in total respondent, i.e. 94 out of 118 respondents.
- ❖ 60 out of 118 respondents are between age group of 40-59, 42 are between age group of 26-39, 11 are between age group of 60 and above and only 5 are in age group of up to 25.
- ❖ Almost all of the respondents are married, i.e. 102 out of 118 are married, 3 of them are unmarried whereas 13 are widow.
- ❖ The most of the respondents' (64) family size are in between 5 to 9, similarly 52 respondents have family size of up to 4 and only 2 respondent have family size of 10 and above.
- ❖ Out of 118 respondent 48 of them are Illiterate, 36 have gained only primary level of education, 3 have gained Higher Secondary level of Education and only 2 have gained Bachelor level of Education.
- ❖ Agriculture became the highest loan taking sector by the respondent (72.03%) whereas Small business became least loan taking sector (2.54%).
- ❖ Out of 118 respondents most of them (51) borrowed loan size of below 10000 and loan size of 20000-30000 (16).
- ❖ In the study it is found that 91 respondents used the loan in same purpose which they have received whereas 27 respondents didn't used.
- ❖ The annual average loan borrowed of last three years was Rs. 1341000, Investment was Rs. 1199000, income was Rs. 1605000 and total average savings was Rs. 406000.

- ❖ Agriculture became top sector in which respondent borrowed highest amount of loan (Rs. 807000), invested Rs. 722000, gained income of Rs. 997000 and able to save Rs. 275000.
- ❖ In the study it is found that respondent felt positive social impact, i.e. there is significant improvement in food intake, clothing and schooling of their children.
- ❖ Increased in monthly income, monthly expenses and monthly saving proves that there is positive economic impact.
- ❖ Increased in saving helped the women to purchase additional asset to change their standard, 76 respondents purchased mobile whereas 48 purchased television.
- ❖ In this study it is found that microcredit helped in women empowerment, 75 additional women felt improvement in speaking ability, 64 additional women had control over income and increased self confidence, 67 additional women participated in community work, 52 additional women felt of that they had developed leadership. Similarly Domestic violence is also reduced by 45.
- ❖ Perception of respondents towards Credit service was found positive, 99 of 118 got loan in appropriate time where as 50 out of 118 got the requested amount of loan.
- ❖ Perception of respondents towards entire Microfinance program of Kahun VDC was found to be satisfactory.
- ❖ In this overall study we can find that Microfinance has made positive impact on overall development of women.

CHAPTER – V

SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter is considered as the most interesting and also important part of paper where the whole research study is summarized, and appropriate generalizations in the form of conclusion are presented and the solutions to the problems are offered in the form of recommendation.

5.1 Summary:

Nepal is one of the poorest country in the world and the poorest in the south Asia region. As a result, the people are far behind the development, although, Nepal is full resources.

Kahun VDC is one of the 23 VDC of Kaski in Gandaki Zone. Like women in other VDCs of Nepal, women of Kahun VDC are also involved in agriculture activities and household chores. To reduce poverty, to make women self dependent and uplift their socio-economic condition there are several Co-operatives, Women Saving and Credit Group and Community Development Fund are established. To study the women empowerment through microfinance in Kahun VDC, all these Microfinance Institutions are being studied. Among 1429 members of these institutions only 118 are selected for the study purpose.

Descriptive research design is used to conduct this study. This study is based on primary data collected from field survey. The questionnaire were distributed, filled up and collected by making personal visit to the respondent. This study is important for the researchers, Microfinance projects, investors, scholars, government and other NGOs and INGOs.

The most of the respondent selected for the study are Brahman/Chhetri, illiterate, married and middle age women. Agriculture is the main sector of

loan, from where they have significantly increased their income, expenditure and savings.

Increase in monthly income has increase saving which made respondent to improve their lifestyle. There is significant improvement in food intake and clothing of the respondent. The children of respondent who used to study in Government School before microfinance program have started to study in Private boarding school after microfinance program. Majority of respondent has purchased additional asset with the savings.

After involving in microfinance program women status in family and society has been improved whereas domestic violence has dramatically reduced. Women have felt positive impact on social and economic empowerment because of which most of the respondents are satisfied with the Microfinance program in the Kahun VDC.

5.2 Conclusion:

Among three Co-operative, Kahun Sahakari Sastan, among six Women Saving and Credit Group Chandi Aama Samuha and among Community Development Fund Janachetana Group has the highest deposit and loan distribution.

On Socio-demographic Characteristics, out of 118 respondents, 94 are Brahman/Chhetri, 60 respondents are in between age group of 40-59, 102 respondents are married and 48 respondents are illiterate.

Agriculture sector was the main purpose of the loan, out of 118 respondents 85 of them took loan for agriculture sector. The highest loan was also taken for agriculture sector, similarly highest investment, income and saving was also made by agriculture sector. Besides Agriculture, poultry farm, buffalo keeping, goat keeping and small business are the sector of investment.

There are positive impacts on social and economic empowerment. Monthly income, expenditure and saving of respondent are in increasing trend. With the increased in income there is excess amount to be spent so the women have spend their excess amount in their children health, education and purchasing additional assets. Out of 118 women 76 respondents purchased mobile and 48 respondents purchased television.

Microfinance has made positive impact on women empowerment. Women has improved in speaking ability, increased in participation in community work, increased in self confidence, control over income and reduced in domestic violence.

The maximum number (99 out of 118) of respondent got loan in time but 68 out of 118 respondents didn't got the requested amount of loan. Although respondent didn't got the requested amount of loan they are satisfied with the overall microfinance program in Kahun VDC.

This study shows that there is positive impact on women empowerment through microfinance program in Kahun VDC.

5.3 Recommendation:

On the basis of findings and conclusion of the study some suggestion and recommendation are provided below.

- ❖ Loan dispersion of Women saving and Credit Group should be increased in respect to their deposit.
- ❖ MFI should focus on young educated unemployed women. Who can utilize their knowledge and enthusiasm so that they can be roll model to others.
- ❖ Most of the respondent had chooses agriculture sector, MFI should focus on other sector also like fishery, poultry, goat keeping etc.
- ❖ MFIs should provide requested amount of loan on time.

- ❖ Different training (sector wise) should be provided to the women to enhance their knowledge in related field so that they could maximize their income and saving.
- ❖ MFIs should insist clients to use micro-credit for production purpose only and use of micro-credit for consumption purposes should be discouraged to minimize the possibilities of further indebtedness of the poor.
- ❖ Saving should be invested in productive investment rather than unproductive investment like T.V., Mobile, Bike, etc.
- ❖ MFIs should encourage the women to maintain record of income and expenditure.

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APPENDICES

APPENDIX - A

This Questionnaire is for the Preparation of Research work (Thesis) which is required for the degree of Master of Business Studies (MBS), Information gather here will be kept undisclosed and used only for the research purpose.

1. Respondent's Information :

a) Name (Optional) :

First Name	Middle Name	Last Name	

b) Age :

c) Marital Status :

Married [] Unmarried [] Widow [] Separate []

f) Family Size :

g) Education :

Illiterate [] Literate [] Class []

h) Involved Group :

2. Please specify the average annual loan received from microcredit program.

Rs.

3. Please specify the average annual Investment.

Rs.

4. Please specify the average annual Income.

Rs.

5. Please specify the average annual Saving.
Rs.
6. Please specify the average monthly income before joining microcredit program.
- a) Under Rs 3000 [] b) Between Rs 3000 - Rs 4000 []
c) Between Rs 4000 -Rs 5000 [] d) More than Rs 5000 []
7. Please specify the average monthly income after joining microcredit program.
- a) Under Rs 3000 [] b) Between Rs 3000 - Rs 4000 []
c) Between Rs 4000 - Rs 5000 [] d) More than Rs 5000 []
8. Please specify the average monthly expenditure before joining microcredit program.
- a) Under Rs 3000 [] b) Between Rs 3000 - Rs 4000 []
c) Between Rs 4000 - Rs 5000 [] d) More than Rs 5000 []
9. Please specify the average monthly expenditure after joining microcredit program.
- a) Under Rs 3000 [] b) Between Rs 3000 - Rs 4000 []
c) Between Rs 4000 - Rs 5000 [] d) More than Rs 5000 []
10. Please specify the average monthly saving before joining microcredit program.
- a) There was no saving [] b) Up to Rs 1000 []
c) Between Rs 1000-3000 [] d) Between 3000-5000 []
e) More than 5000 []

11. Please specify the average monthly saving after joining microcredit program.

- a) There was no saving [] b) Up to Rs 1000 []
c) Between Rs 1000-3000 [] d) Between 3000-5000 []
e) More than 5000 []

12. Please specify the income source

- a) Agriculture [] b) Poultry Farm []
c) Buffalo Keeping [] d) Goat Keeping []
e) Service [] f) Small Business []

13. Please specify the Purpose of loan.

- a) Agriculture [] b) Poultry Farm []
c) Buffalo Keeping [] d) Goat Keeping []
e) Service [] f) Small Business []

14. Have you / your family bought additional household assets after joining the microcredit program

Yes [] No []

If yes, please fill up the following form

S. No.	Assets	Number
1	Land	
2	Cattle	
3	Mobile	
4	TV	
4	Motor Cycle	
5	Other	

15. Have you notice change in your food intake after microcredit program.

Yes [] No []

16. Have you notice change in your clothing after microcredit program.
 Yes [] No []
17. In which School do your children study before you join microcredit program.
 a) Government [] b) Private []
18. In which School do your children study after you join microcredit program.
 a) Government [] b) Private []
19. Please specify your experience how do you feel about the access of the following before and after joining the microcredit program.

Area	Before Joining		After Joining	
	Yes	No	Yes	No.
a. Respect from Family and Society				
b. Control over Income				
c. Improvement of Speaking Ability				
d. Self Confidence				
e. Participation in Community Work				
f. Feeling of Leadership Development				
g. Family Relationships				
h. Domestic Violence				

20. Have you receive the micro loan in appropriate time? Please tick one.
 Yes [] No []
21. Have you invest in same purpose on which you have received micro loan?
 Yes [] No []

22. Are you satisfied with the services of microfinance program exist in this VDC? Please make a tick mark in appropriate one.
- Very satisfied [] Satisfied [] Neutral [] Dissatisfied []

APPENDIX – B

Loan Size of Different Sectors

Loan Size	Small Business	Agriculture	Poultry Farm	Goat Keeping	Buffalo Keeping	Number
Below 10000	1	43	3	4	0	51
10000 - 20000	2	34	2	6	1	45
20000 - 30000	0	4	0	0	12	16
30000 - 40000	0	3	0	0	1	4
40000 and above	0	1	0	0	1	2
Total	3	85	5	10	15	118

