

CHAPTER - I

INTRODUCTION

1.1 Background of the Study

Microfinance has a very important role to play in development according to proponents of microfinance. Bashyal (2008) states that studies have shown that microfinance plays three key roles in development. It helps very poor households meet basic needs and protects against risks, it is associated with improvements in household economic welfare, helps to empower women by supporting women's economic participation and so promotes gender equity.

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

The aim of microfinance according to Otero (1999) is not just about providing capital to the poor to combat poverty on an individual level, it also has a role at an institutional level. It seeks to create institutions that deliver financial services to the poor, who are continuously ignored by the formal banking sector.

Microfinance involves the provision of financial services such as savings, loans and insurance to poor people living in both urban and rural settings who are unable to obtain such services from the formal financial sector. Financial sector is one of the burning and perplexing issues in the current arena. It is inseparable issues of the society in other word it is one of the fundamental aspect of the sociology as well. Society cannot be progress without the development of the financial activities. Production and its related activities give the spirit of the society (Thapa, 2018).

Microfinance is not just about providing capital to the poor to combat poverty on an individual level, it also has a role at an institutional level. It seeks to create institutions that deliver financial services to the poor, who are continuously ignored by the formal banking sector. The poor are generally excluded from the financial services sector of the economy so MFIs have emerged to address this market failure. By addressing this gap in the market in a financially sustainable manner, an MFI can become part of the

formal financial system of a country and so can access capital markets to fund their lending portfolios, allowing them to dramatically increase the number of poor people they can reach (Sida, 2006).

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

Sanakishan Cooperative Limited of Bedkot Municipality, 10, Kanchanpur is the famous microfinance of the study area. It is a financial institution with the mission of with a delivering sustainable microfinance service at the doorstep to the deprived sector target societies. It was registered with the company register's office as a limited company, under the company act, 2053 on October 5, 2001 (Aswin, 19, 2058) and obtain license from Nepal Rastra Bank- the central bank of Nepal on January 3, 2002 (Paush, 19, 2058) to operate financial activities under development bank act, 2052. Now operated under bank and financial institution act 2006, Sanakishan Cooperative Limited of Bedkot provides microfinance service such as loan, deposit, and micro-insurance service to low income families of Nepal. It is helping a poverty alleviation of the people of the weaker section in the society has widely been implementing.

The most underprivileged class like women is to be especially targeted to effectively achieve overall poverty reduction in the country (Thapa, 2018). Bedkot Municipality, 10 is developing in Kanchanpur having a large number of co-operatives and women saving groups. These women groups are created by women themselves under various government non-government organizations. They collect money from all members & deposit the money in finance companies or banks. They use the collected money as

lending with low interest rate without service charge in between the group members once at one member. They are facilitated by the various programs held by the government and non-government organization as well. Such as bakery, handicraft, anchoring, personality development, interaction programs, account keeping etc. those programs benefits to women financially. They are not more capable to take decision in household sector especially in financial sector as well as their personal life too. They are not able to fulfill their own needs and their children's small needs without taking financial support of their family specially their husbands. Due to this situation of micro-finance, this research will trying to analyze its impact on female empowerment, which effect on economic status of family and status of women in society. So, this topic and area has important to analyze impact of micro finance on social development of Bedkot Municipality, 10, Kanchanpur.

1.2 Statement of the Problem

Women of Nepal are poorest then men because they lack access to health, education and economic resources. Most of the women of Nepal are involved in agriculture but not recognized as farmer due to triple burden of work. Majority of women in Nepal are suffering from hard work and have difficult social and economic condition. The most unprivileged class like women is to be especially targeted to effectively achieve overall poverty reduction in the country.

Different type of programs is lurching in women development in Nepal. Such as priority sector credit program (PSCP), Small Farmer Development Program (SFDP), Integrated Rural Development Program (IRDP), PCRW, Participatory District Development Program (PDDP) which in fact are intended to uplift the rural poor, especially women. Govt. also conducted micro credit project for women (MCPW) in twelve districts and five urban areas.

Preseantly there appear to be very limited number of MFLs attaining financial viability and reaching sizable number of poor household at the same time. Reaching the poorest and attaining financial sustainability is still dilemma for the Nepalese MFLs. In this backdrop, the issues the emerge are: what microfinance efforts, policies and programs have been followed in Nepal to alleviate poverty? Are the MFLs sustainable and viable in the long run? (Sharma, 2011).

Although Kanchanpur is one of educational district of Nepal, women of this district are still involved within household activities. They involve in agricultural activities. The ownership right over the family properties rests with males not the females.

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 interconnected and circular in nature. They are less conscious to save money and financial mobilization. It is difficult for women to get high amount of loan without collateral and with less collateral. It is difficult for them to invest in business activities.

Women microfinance in Nepal has been facing many problems. So this study is tried to solve the following research problem within Bedkot Municipality-10, Kanchanpur.

- i. What is the saving habit of women members?
- ii. What are the sources of income of women respondents?
- iii. What is the loan use practice of women members?
- iv. What are the impacts of micro finance to improve in economic status of the women member?

1.3 Objectives of the Study

The objective of the study is to assess the impact of microfinance on women in Bedkot Municipality- 10, Kanchanpur. The specific objectives of this study are:

- i. To analyze the saving habit of women members.
- ii. To examine the source of income of women respondents.
- iii. To examine the loan use practice of women members.
- iv. To analyze the impact of micro finance to improve in economic status of the women members.

1.4 Significance of the Study

Through the help of this research study, it can be helpful to the microfinance, saving groups created by women to understand what could be done to empower women effectively. Similarly, it can be helpful to reveal the condition of the society. The study could help to analyze the women participation in financial decision making. The

study can help to determine the role of microfinance in society, living standard of the people, their expenditure behaviors'.

Every research itself has its own importance because it aims to gain knowledge and to add new literature to the existing field. This study has great significance because the microfinance program definitely enhances the economic status of rural poor, disadvantaged and deprived women of a society. The main reason behind this research work is to analyze the impact of microfinance on women. So this study is also important to get an answer to the above problems. The microfinance concept is very important to poor Nepalese people especially for women. From microfinance tools they can directly involve in fund raising programs and can develop themselves. Today many research studies have been carried out in many developed countries including India, Bangladesh in microfinance. So to the best knowledge of the researcher, it will be more significant in the Nepalese context. In the light of the above statements, the researcher believes that the study will explore a virgin field in the Nepalese women's microfinance scenario and add new things to the literature of the microfinance sector. It will also contribute to scholars, teachers, decision makers, financial planners and other training providers.

In addition to these, the present study has some practical relevance. It attempts to find out the ways it is trying to find out women's condition in the Nepalese society. The increasing participation of women in economic activities such as saving, taking loans etc. is supposed to enhance their capabilities to change and develop their households and the overall economy. Microfinance allows women to take a greater role in household decision making, to have greater access to financial and economic resources, to have greater social networks and more bargaining power vis-à-vis their husbands; and to have greater freedom of mobility (Linda Mayoux 1997)

To date, Nepal has about three decades of experience in Micro-Finance, which has been exclusively recognized as a poverty-reduction program focused towards raising the income level and social standard of the people living in poverty, particularly women. This research is to examine the impact of microfinance on livelihood improvement of the people living in Bedkot Municipality through employment opportunity, income level, consumption expenditure, capital expenditure and social information.

1.5 Limitations of the Study

While this study is sheds light on various aspects of the micro finance. Furthermore, this study attempts to contribute to a fuller picture of the micro-finance sector and its impact. Followings are major limitation of the study

- i. This study is only concentrated to Sanakishan Cooperative Limited, Sisiya areas of Bedkot Municipality, 10, Kanchanpur. So it does not cover the real scenario of Nepal.
- ii. The small part of the data in this study has secondary; therefore the comprehensibility and accuracy of the figure and information published in this document may be bias.
- iii. The sample size of this study is too small which may not represent the whole population.

CHAPTER - II

REVIEW OF LITERATURE

Literature review is an important process of research work which helps us to bridge the gap between the existing problem and past research work in subject matter.

2.1 Conceptual Review

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

More women are in paid and self-employment than ever before. According to official measurement, 41% of the world's women aged fifteen and over are economically active through using different criteria and 1990. Women's share in the labor force increased in many but not all regions. It remained constant at fairly high levels in southeast and East Asia, and actually declined in sub-Saharan Africa. The increase was greatest in North America from 38-41% - and high in the other OECD countries (Kayastha, 2012).

Concepts of 3Ss for Poverty Alleviation:

S_1 = Samuha means groups or organization or community.

S_2 = Seep means skills or empowerment.

S_3 = Sano punji means microfinance.

2.1.1 Concept and Definition of Microfinance

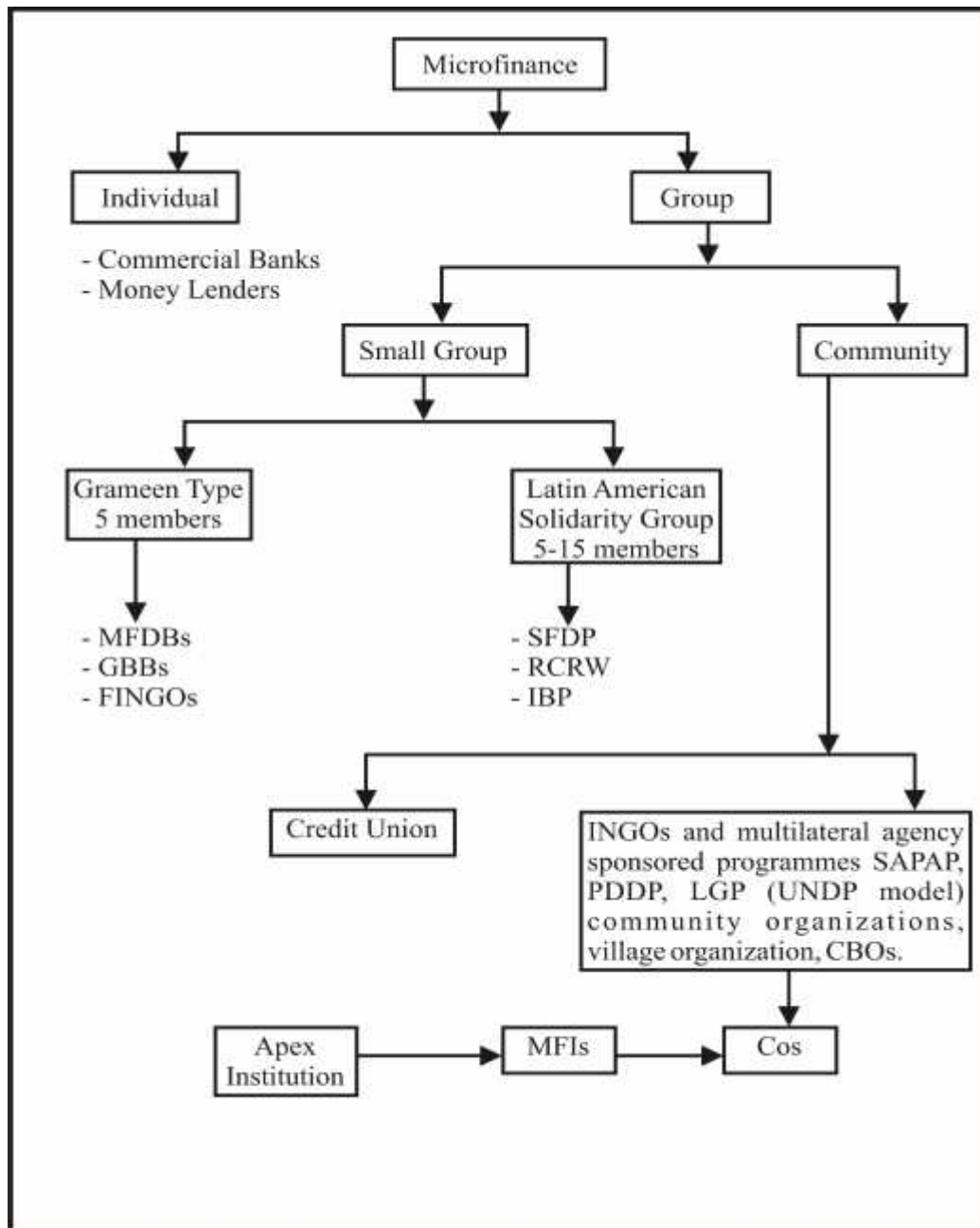
Microfinance has proved itself a powerful tool for economic development of low-income women and man. It is an effective approach for alleviating poverty through access to the poor for operating their small enterprises. The term microfinance refers to the provision of financial services to low-income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

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

Micro finance activities usually involve:

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

Since microfinance is targeted to poor people of rural areas, it assists the poor in many ways. Such as; providing poor people to invest in assets, organizing and facilitating difficult activities to earn their livelihood, protecting against income shocks incase of emergency needs and smooth consumption, improving quality of life by building social capital. Some MFIs provide enterprise development services, such as skills training and marketing, and social services, such as literacy training and health care; these are not generally included in the definition of microfinance. MFIs can be non-governmental organizations (NGOs), saving and loan cooperatives, credit unions, non-banks financial institutions. Microfinance clients are self-employed as well as street vendors, small farmers, service providers (hairdressers, rickshaw drivers) and artisans and small producer, such as blacksmiths and seamstresses. The general microfinance model is as follows:



“Micro-credit” remained as important tool to focus the rural poverty. The poverty situation in Nepal is alarming and to reduce this situation to a reasonable level is also a major concern of the govt. plans and programs. The current 10th plan (2002-2007) has also incorporated micro credit as a major financial tool to overcome its single objective; i.e. poverty reduction. To attain the objective, the 10th plan has set out a number of policies and strategies along with various credit programs. For this, the plan has set a target of Rs. 101 billion rural credits to be disbursed during the plan-period of which the MFIs alone will disburse 50 percent” (Pardhan, 2005).

2.2 Review of Related Studies

Review of Journal Articles

Senayake, (2002) published an article on '*An Overview of the Micro Finance Sector in Sri Lanka. Saving and Development*', in his study found most of the women, landless, fishermen, self-employed and unemployed still depend largely on informal sources for their credit needs. There are signs of improvement in this situation due to the expansion of existing formal, co-operative and semi-formal institutions to the rural areas and the emergence of a large number of alternative financial intermediaries such as NGO's. The economic growth experiencing in the country has brought down the number of people who are absolutely poor. However, the micro finance sector in Sri Lanka suffers from inadequate capacity of the MFI's, lack of proper financial infrastructure, and defects in the regulatory framework among other things. Support from various donors is needed in improving the performance of this sector on a market based (or commercial) approach. The critical areas of support could be in the areas of training and technical assistance support for regulatory and supervisory systems development, support for changing legal framework, financial infrastructure development and Management Information systems development and policy support, rather than providing funds for on-lending purposes.

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

Nepal, et. al (2013) published an article on '*On Micro finance*' best Practices Separate regulating and supervising departments exist in NRB as well as competent and experienced staffs are assigned in these departments. New and qualified staffs are

being recruited in a regular basis by NRB. Frequent trainings, seminars and knowledge sharing programs and similar activities take place for NRB staffs regarding regulation and supervision of FIs. Adequate legal provisions with international standards are already there and time to time revisions and amendments are undertaking for effective regulation and supervision. Priorities and incentives are being provided for MFIs going to remote areas. Microfinance has been accepted as an 'effective tool' of poverty reduction by the government in its official documents and government time to time unveils different policies for the development of this sector. NRB and government are working together for the promotion of microfinancing in Nepal. Establishment of Rural Self-reliance Fund, conduct of different projects, strengthening of the legal provisions and structural developments are some of the major activities where NRB and government are working together. 'Deprived Sector Lending Provisions' has been reinstated for BFIs by the NRB. It was phased-out some years back. MFIs are also involved in socio-economic activities under credit-plus program, which includes basic education, entrepreneurship trainings, sanitation, women empowerment, etc.

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

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

the overall development of the country including rural sector, the weaker section women must be included as the key force with the existing male dominated financial sectors and all the development program must be addressed to the financially backward women.

Sujatha & Malyadri (2015) published an article on *Impact of Microfinance on Women Empowerment: An Empirical Evidence from Andhra Pradesh*. Empowering women is the main social objective of microfinance programs. It is difficult to evaluate the effectiveness of microfinance program on women empowerment because measurement of women empowerment is a difficult task. In most of the studies women empowerment is measured as latent variable. This study also measures women empowerment as latent variable. Microfinance is a powerful tool in enhancing women empowerment for its all indicators like household economic decision making, economic security, family decision making, mobility and legal awareness. Only participation in microfinance program does not lead to increase in women empowerment but when it is coupled with participation in seminars, workshops and training then it helps women in enhancing their empowerment. These training programs not only provide selfemployment training but also facilitate good decision-making. All the indicators which have been used to measure women empowerment in this study are not further studied for which indicators are more important in enhancing women empowerment. Future studies may target on this issue. This study is conducted in only one state of India. It opens the door to conduct similar studies in other states of India and in other countries to reflect impact of culture diversity on women empowerment. Demographic variables are considered controlled variables for this study but they have important role in explaining women empowerment. Therefore, future researches should consider role of demographic variables while explaining women empowerment.

Poudel & Pokharel (2017) study on *Women's Empowerment Through Small Farmers' Cooperatives: A Case Study from Eastern Nepal*. SFCL has positive impact on women empowerment; first in economic sense and consequently socio-cultural dimensions. Since SFCL delivers services primarily targeting people to acquire economic strength. This could be stepping-stone to enter in empowering socio-economic perspectives. In addition of economic support, SFCL delivers services to

women to uplift socio-cultural standard. Service delivery system of SFCL does not directly support to encourage women in political activities, though it implies in political sense. It has emphasized women for microcredit programs in material resources and their control over it. In addition of economic aspects, role of SFCL is significantly higher in socio-cultural empowerment than the political empowerment. SFCL being an independent and non-political organization, people do not discuss in political issues, but indirectly women become aware on their political rights. The statistical analysis of t-test also shows the significant difference in socio-cultural and political empowerment of women after involvement in it.

Review of Previous Theses

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

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

and its mobilization, loan disbursement and its recovery should be a basic objective in any program.

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

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

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

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

The thesis finds that the survey revealed that the micro-finance program has not shown a significant effect on the client's landholding position. Home to live poses higher value to the sample clients thus prefer to improve the quality by changing roof, making ground cemented, plastering the walls etc. Number of livestock holding households has also improved. Prior joining the program, only 15 per cent clients

have any small scale livestock where 18 per cent clients used to have medium livestock but after joining the microfinance program it has changed to 28 per cent and 24 per cent respectively.

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

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

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

Thapa (2018) has conducted thesis on Role of Microfinance on Women Entrepreneurship Development (A Case study of Kirtipur Municipality-4, Kathmandu). This thesis has focused on to analyze the saving habit of member women, to study the source of income of women respondents, to analyze the loan use practice of member women, to analyze the impact of micro finance to improve in

economic status of the member women to explore suggestions to improve the and to economic condition of poorest women.

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

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

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

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

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

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

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

Acharya (2019) has conducted thesis on Impact of Microfinance on Women Empowerment (A Case Study of Sunal - 4, Nawalparashi District). This thesis has focused on to examine the role of micro finance in economic empowerment of Nepalese women, to examine the Nepalese women's participation in Family decision making and social status after joining microfinance program and to examine the improvement on the status of women from the program.

Main Findings were: After the study of micro credit program for women at the study area, little impact of micro finance has been seen in the clients. In respect to education, even they are illiterate; they are sending their children to school for children's bright future. They are aware of education before and after joining in Micro Finance programs. Standard deviation and variance is decreasing. The decreased C.V. indicates the income of respondent is uniform after the involvement in Micro Finance programs. Only the microfinance has made it possible to expand financial services to reach a larger segment of the poverty stricken population. The challenges of microfinance are derived from a number of factors, which include the transaction service being expensive, the risk involved in lending to poor clients and the cost involved in lowering these risks is high and risk of losses from default is high. Small Farmer Cooperative Ltd. is the major successful programs for the poverty reduction in Nepal incurring cost effectiveness, efficiency, profit earning, quality investment, timely repayment, cohesiveness and optimum utilization of resources so far. Although Small Farmer Cooperative Ltd. face new problems like lack of alternative leadership (Board members and staff) insufficient support from line agencies, politicization, insufficient professionalism in entrepreneurship development financial undisciplined etc. For Small Farmer Cooperative Ltd. Paribartan area, it should focused its attention in participatory planning, demotic resources mobilization, human capital formation and promotion of self helps groups at the grass roots level. Small Farmer Cooperative Ltd. particularly emphasizes democratic norms, empowerment of backward people,

access of potentialities and local resources to the development of their settlement territory by themselves.

Share capital of Small Farmer Cooperative Ltd. is in increasing trend. Apart from it, sanitation, literacy attainment, community and social development are major contribution of Small Farmer Cooperative Ltd. Paribartan area in society. Finally concluded that the financial viability and sustainability of Small Farmer Cooperative Ltd. is in better position and Small Farmer Cooperative Ltd. also helps to change the socio economic condition of its members. From this study, researcher found that the findings of this study are very similar to the previous research's findings. Therefore the final results are consistent with the findings in the past.

2.3 Research Gap

From the above review of articles and dissertations it seems that this research paper is trying to find out something new in the field of women microfinance. This research paper is different from others in the case that is trying to find out the impact of microfinance on women of role of microfinance on women empowerment : a study of Bedkot Municipality-10, Kanchanpur. This research is trying to discuss about impact in case of saving activities, loan activities, loan disbursement and its recovery as well as investment and income. It is also trying to discuss about different profile of respondents. This paper is trying to discuss on the poorest of the poor women's financial condition.

2.4. Conceptual Framework

Review of literature has provided the sources for the identification of theoretical foundation, different parameters are taken into consideration according to need of the various objectives.

Following conceptual framework has been operationalized in this study.

Fig. 1. Conceptual Framework:

Independent Variables

Dependent Variables

Saving habit of member women, source of income of women respondents and loan use practice of member women are independent variable whereas women empowerment is dependent variable.

CHAPTER - III

RESEARCH METHODOLOGY

Research design, study area, population and sample, nature and source of data, data collection technique, data processing and analysis are the focal points in this section.

3.1 Research Design

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

3.2 Study Area

The sample has selected from Sanakishan Cooperative Litimited, Sisiya areas of Bedkot Municipality, 10, Kanchanpur. The study has covers only five years of data. The study has analyzed on the basis of the performance of participating women members from micro enterprise groups.

3.3 Population and Sample

The whole groups of cooperatives and women saving Groups with in study areas are considered as the size of the population. This study covers some sample women members for the purpose of study because of the limitation of area, budget and time. Only 101 women have selected out of 505 members of Sanakishan Cooperative Limited of Bedkot Municipality- 10, Kanchanpur as sample for this study by using convenience sampling method. A convenience sample is a type of non-probability sampling method where the sample is taken from Sanakishan Cooperative in which women members of cooperative are sampled simply because they are convenient sources of data for researchers.

3.4 Nature and Source of Data

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

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

3.5 Data Collection Techniques:

This study basically has based on primary data. Primary data has collected from the different primary data collection techniques.

(a) Primary Data:

Primary data has collected from actual field using:

Questionnaire:

Questionnaire has used to get qualitative information. But some important quantitative information is also collected the respondents of questionnaire survey are the sample numbers and group managers of the program.

Personal Interview:

This is also called direct interview. It has used to collect the information related to investment, credit, saving interest collection, repayment rate and so on.

Field Observation:

In this technique direct observation on field has done. Women's condition about economy and other facilities is considered.

Case Study:

If some related cases about women's economic condition arrive they are discussed.

(b) Secondary Data:

Secondary data have collected from reports of municipality, Journals of microfinance, published books, unpublished books, thesis, and newspaper and other related published journals and article.

3.6 Data Processing and Analysis:

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

Analysis is the careful study of available facts so that one can understand and draw conclusion on the basis of established principles and sound logic. Various analysis tools are used. The following techniques have followed in analyzing the data:

- Collection of relevant information.
- Identification of data suited to fulfill the purpose of the study.
- Classification and tabulation of data.
- Use of percentage charges, average, ratios.
- Drive conclusion, summary and recommendations were based on the analyzed data.

Some statistical tools such as mean are used. Mean is the central value on an average. A simple arithmetic mean is determined by dividing the sum of values by number of the observations.

CHAPTER- IV

RESULTS

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

4.1 Data Analysis and Presentation

Saving is store for future consumption. Now a days every people are involve in saving activities. Considering Bedkot Municipality-10's organize women in three kinds of saving. They are group fund saving, individual saving and centre fund saving.

4.1.1 saving by Group Members in Different Saving Programs:

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

Table 4.1 Saving by Group Members in Different Saving Programs (In Rs.)

S. N	Fiscal Year	Group Saving		Centre Fund Saving		Individual Saving		Total	
		Amount	%	Amount	%	Amount	%	Amount	% Increase/Decrease
1	2014/15	2332575	15.52	143512	16.32	182218	24.25	2658305	15.95
2	2015/16	2441839	16.24	157724	17.93	194892	25.93	2794455	16.77
3	2016/17	3220645	21.43	164013	18.65	171344	22.80	3556002	21.34
4	2017/18	3758378	25.00	189234	21.51	107623	14.32	4055235	24.34
5	2018/19	3277974	21.81	225126	25.59	95421	12.70	3598521	21.60
Total		15031411	100	879609	100	751498	100	16662518	100
% in total		90.21		5.28		4.51		100	

Source: Microfinance, Bedkot

The above table shows the saving of members of in different saving programs in last five fiscal years. There were different saving amounts in different headings. The overall saving from different saving programs was Rs 16,662,518. The total saving of

group saving was Rs 15,031,411, centre fund saving was Rs. 879,609, and individual saving was Rs 751,498. Overall percentage in group saving was 90.21%, in centre fund saving was 5.28% and in individual saving was 4.51%. So there was greatest percentage of saving in group saving. The total saving in last five fiscal years were Rs 2,658,305 in 2014/15, Rs 2,794,455 in 2015/16, Rs 3,556,002 in 2016/17, Rs 4,055,235 in 2016/17 and Rs 3,598,521 in 2017/18. There was greatest pc of saving in fiscal year 2015/16 which was 24.34% and smallest percentage of saving was in 2014/15 which was 15.95%. The greatest percentage and amount of group saving was in 2017/18, centre fund saving was in 2016/17 and Individual saving was in 2014/15 which were 25%, 25.59%, 24.34% and Rs 3,758,378, Rs 225,126, Rs 194,892 respectively. The smallest percentage and amount of group saving was 15.52% and Rs 2,332,575 in fiscal year 2013/14, centre fund saving was 16.32% and Rs 143,512 in fiscal year 2014/15 and in individual saving was 12.70% and Rs 95,421 in fiscal year 2018/19.

4.1.2 Regular Saving of Sample Women:

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

Table 4.2 Monthly Regular Saving of Sample Women

S.N	Amount in Rs.	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	None	41	40.59	32	31.68	(8.91)
2	0-100	28	27.72	29	28.72	1.00
3	101-200	18	17.82	19	18.81	.99
4	201-300	9	8.91	10	9.90	.99
5	301-400	5	4.96	7	6.93	1.97
6	401 & more	-	-	4	3.96	3.96
Total		101	100.00	101	100.00	

Source: Field Survey, 2020.

The above table shows the regular saving of sample women in both number and amounts. It also shows the saving of sample women before and after involvement in programs and percentage change in saving. 41 women were not saving regularly before involvement in this programs but after the number is 32 with 8.91% decrease. There were no women who are saving Rs 401 and more before involvement in saving programs but after the number are 4 with 3.96% increase. The number of women falling in saving amount class Rs 0 to 100, Rs 101 to 200, Rs 201 to 300, Rs 301 to 400 were 28, 18, 9, 5 and 29, 19, 10, 7, 4 were before and after respectively. Similarly

the percentage change in saving amount class Rs 0 to 100, , Rs 100 to 200, Rs 201 to 300, Rs 301 to 400 were 1.00, 0.99. 0.99, and 1.77 percentage respectively.

4.1.3 Optional Saving of Sample Women:

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

Table 4.3 Monthly Optional Saving of Sample Women

S.N	Amount in Rs.	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	None	34	33.66	27	26.74	(6.92)
2	0-100	37	36.64	34	33.66	(2.98)
3	101-200	14	13.86	18	17.82	3.96
4	201-300	7	6.93	10	9.90	2.97
5	301-400	6	5.94	7	6.93	0.99
6	401 & more	3	2.97	5	4.95	4.90
Total		101	100.00	101	100.00	

Source: Field Survey, 2020.

The above table shows the optional saving of sample women in both number and amounts. It also shows the saving of sample women before and after involvement in programs and percentage change in saving. 34 women were not saving optionally before involvement in programs but after the number was 27 with 6.92% decreased. The number of women falling in saving amount class of Rs 0 to 100, Rs 101 to 200, Rs 201 to 300, Rs 301 to 400, Rs 401 and more were 37, 14, 7, 6, 3 and 34, 18, 10, 7, 5 were before and after respectively. Similarly the percentage change in saving amount interval class of Rs 0 to 100, Rs 100 to 200, Rs 200 to 300, Rs 300 to 400, Rs 400 and more were (2.98), 3.96, 2.97, 0.99, 4.90 percentage respectively.

4.1.4 Sectors of Women Saving

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

Table 4.4 Sectors of Women Saving

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

Source: Field Survey, 2020.

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

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

4.1.5 Mobilization of Collected Saving Fund

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

Table 4.5 Mobilization of Collected Saving Fund

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

Source: Field Survey, 2020.

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

4.1.6 Recovery Status of Lending Fund

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

Table 4.6 Recovery Status of Lending Fund

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

Source: Field Survey, 2020.

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

4.1.7 Interest Expenses on Savings:

When there is saving there is investment. After investment, saved money is charge by interest. Microfinance Collect some small money from women. For this they will get interest. The interest is expenses for. The state of interest expenses in different saving programs is shown in table 4.7.

Table 4.7 Interest Expenses on Different Saving Programs (In Rs.)

S.N	Fiscal Year	Group Saving		Centre Fund Saving		Individual Saving		Total	
		Amount	%	Amount	%	Amount	%	Amount	%
1	2014/15	77892	17.86	4750	18.44	3520	21.00	86162	18.00
2	2015/16	73461	16.85	4344	16.86	3277	19.55	81082	16.94
3	2016/17	87527	20.07	4806	18.66	4131	24.65	96464	20.15
4	2017/18	104882	24.05	5464	21.21	3321	19.82	113667	23.75
5	2018/19	92345	21.17	6397	24.83	2511	14.98	101253	21.16
Total		436107	100	25761	100	16760	100	478628	100

Source: Microfinance, Bedkot

The above table shows the interest expenses on saving of group members of this in last five fiscal years. The overall total interest expenses on different saving programs were Rs 478,628. The total interest expenses on group saving was Rs 436,107, centre fund saving was Rs 25,761 and in individual saving was Rs 16,760. There was greatest interest expenses on group saving. The total interest expenses on different saving programs in last five fiscal years were Rs 86,162 in 2014/15, Rs 81,082 in 2015/16, Rs 96,464 in 2016/17, Rs 113,667 in 2017/18 and Rs 101,253 in 2018/19. The overall greatest percent of interest expenses was on fiscal year 2017/18. The greatest percentage of interest expenses on group saving was 24.05%, on centre fund saving was 24.83% and on individual saving was 24.65. The smallest percentage of interest expenses on group saving was 16.85%, on centre fund saving was 16.86% and on individual saving was 14.98%.

4.1.8 Lending Activities

Loan disbursement repayment, outstanding etc are related to lending activities of women. Loan disbursement to the targeted women is significant for reaching aspect of the livelihood upliftment. The implementing selects an appropriate enterprise to the targeted women according to their choice and recommend them for loan on the basis

of group decision. The responsibility of operating business and repayment of loan with interest lies on the borrowers of finance. However the capacity of loan repayment depends on the performance of women and the income earning from the programs of.

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

4.1.9 Loan Disbursement in Different Programs

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

Table 4.8 Loan Disbursement by Microfinance in Last Five Fiscal Years (In Rs.)

S. N	Fiscal Years	Micro Business Loan		Micro Enterprise Loan 'Ka'		Micro Enterprise Loan 'Kha'		Total	
		Amt.	%	Amt.	%	Amt.	%	Amt.	%
1	2014/15	12327890	16.43	282350	15.03	-	-	12610240	15.00
2	2015/16	14215230	18.94	301220	16.04	-	-	14516450	17.26
3	2016/17	18208810	24.26	411450	21.91	2291593	32.01	20911853	24.87
4	2017/18	16811180	22.40	566875	30.18	2553273	35.66	19931328	23.70
5	2018/19	13490310	17.97	316250	16.84	2314465	32.33	16121025	19.17
Total		75053420	100	1878145	100	7159331	100	84090896	100

Source: Microfinance, Bedkot

The upper table shows the distribution of loan to the women of microfinance in fiscal years from 2014/15 to 2018/19. There are three kinds of loan. They are micro

business loan, micro enterprise loan 'ka' and micro enterprise loan 'kha'. Micro enterprise loan 'ka' is distributed without collateral but collateral is needed for micro enterprise loan 'kha'. The overall total loan distribution in last five fiscal years was Rs 84,090,896. Out of this Rs 75,053,420 was distributed in micro enterprise loan 'ka' and Rs 7,159,331 was distributed in micro enterprise loan 'kha'. In fiscal years 2014/15 and 2015/16 there was no micro enterprise loan 'kha'. The highest percentage of loan distribution in micro business loan was 24.26% in fiscal year 2016/17 amounting Rs 18,208,810 in micro enterprise loan 'ka' was 30.18% in 2016/17 amounting to Rs 566,875 and in micro enterprise loan 'kha' was 35.66% in fiscal year 2016/17 amounting Rs 2,553,273. In overall the highest percentage of loan distribution was 24.87% in fiscal year 2016/17 and smallest percentage of loan distribution was 15% in fiscal year 2014/15 amounting Rs 20,911,853 and Rs 12,610,240 respectively.

4.1.10 Loan Recovery and Outstanding

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

Table 4.9 Loan Recovery and Outstanding (In Rs.)

S.N	Fiscal Years	Recovery		Outstanding	
		Amount	%	Amount	%
1	2014/15	13033015	16.06	322445	11.82
2	2015/16	14669675	18.07	169220	6.21
3	2016/17	20665828	24.72	1015245	37.22
4	2017/18	20105853	24.77	840720	30.82
5	2018/19	13289919	16.38	379930	13.93
Total		81164290	100.00	2727560	100.00

Source: Microfinance, Bedkot

The above table shows the amount and percentage of loan recovered by microfinance from groups of women in different fiscal years. It also shows the outstanding loan of microfinance in different fiscal years. The total loan recovery on last five fiscal year

was Rs 81,164,290 and loan to be outstanding was Rs 2,727,560. The highest amount and percentage of loan recovery was in fiscal year 2017/18 amounting to Rs 20,105,853 and 24.77%. The smallest percentage and amount of loan recovery was in fiscal year 2014/15 which is 16.06% and Rs.13, 033,015. Where as the highest pc of loan outstanding was in fiscal year 2016/17 which is 37.22% and Rs 1,015,245. The smallest pc of loan outstanding was in fiscal year 2013/14 which was 6.21% and Rs 169,220.

4.1.11 Number of Women Taking Loan

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

Table 4.10 Number of Women Taking Loan

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

Source: Field Survey, 2020.

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

4.1.12 Sectors of Loan Mobilization:

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

Table 4.11 Sectors of Loan Mobilization

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

Source: Field Survey, 2020.

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

After implementation of program women did not left their old business but they motivate to make that business success. Before entering microfinance, 23 women were involved in agriculture and 4 women were involved in pig keeping which was highest and lowest number of women borrowers. But after involvement in microfinance programs 25 women were in agriculture and 5 in pig keeping. In overall

there was 3.66% increase in retail business borrowers and 4.89% decrease in poultry farming.

4.1.13 Women's Response on Repayment of Taken Loan:

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

Table 4.12 Response on Repayment of Loan

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

Source: Field Survey, 2020.

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

4.1.14 Condition of Business Which is Running from Loan

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

Table 4.13 Condition of Business which is Running from Loan

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

Source: Field Survey, 2020.

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

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

4.1.15 Investment and Income

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

4.1.16 Income from Investment:

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

4.14 also makes clear about number of women and percentage of women getting income from investment.

Table 4.14 Income from Investment

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

Source: Field Survey, 2020.

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

4.1.17 Interest Recovery Situation of Loan Disbursement:

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

Table 4.15 Interest Recovery Situation of Loan Disbursement

S.N	Fiscal Years	Micro Business Loan		Micro Enterprise Loan 'ka' & 'kha'	
		Amount	%	Amount	%
1	2014/15	1082361	17.93	18320	3.91
2	2015/16	1105858	18.32	20221	4.31
3	2016/17	1123762	18.62	90930	19.40
4	2017/18	1518069	25.15	218940	46.71
5	2018/19	1205857	19.98	120314	25.67
Total		6035907	100.00	468725	100.00

Source: Microfinance, Bedkot

The above table shows the interest recovery in different fiscal years from micro business loan and from micro enterprise loan 'ka' and 'kha' both. Total interest recovery situation from micro business loan is Rs 6,035,907 and from micro enterprise loan 'ka' and 'kha' is Rs 468,725 in last five fiscal years. The interest recovery from micro business loan was Rs 1,082,361, Rs 1,105,858, Rs 1,123,762, Rs 1,518,069 and Rs 1,205,857 in fiscal years 2014/15, 2015/16, 2016/17, 2017/18 and 2018/19 respectively. The interest recovery from micro enterprise loan 'ka' and 'kha' was Rs 18,320, Rs 20,221, Rs 90,930, Rs 218,940, and Rs 120,314 in fiscal years 2014/15, 2015/16, 2016/17, 2017/18 and 2018/19 respectively. The highest percentage of loan recovery from micro business loan was 25.15% in FY 2017/18 and from micro enterprise loan was 46.71% in fiscal year 2017/18. Interest recovery situation was relatively favorable.

4.1.18 Amount Invested by Women in Different Sectors

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

Table 4.16 Amount Invested by Women in Different Sectors

S.N	Amount in Rs.	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	0-10000	22	25.00	19	20.65	(4.35)
2	10001-20000	16	18.18	18	19.57	1.39
3	20001-30000	17	19.32	17	18.48	(0.84)
4	30001-40000	12	13.64	16	17.39	3.75
5	40001-50000	13	14.77	15	16.30	1.53
6	50001-60000	8	9.09	7	7.61	(1.48)
Total		88	100.00	92	100.00	

Source: Field Survey, 2020.

The above table 4.16 shows the amount invested by sample women in different sectors before and after involvement in saving programs. The highest number of women ie 22 were investing amount between Rs 0 to 10,000 before entering into microfinance programs and 19 women were investing same amount after involving in microfinance program. The lowest number of women ie 8 were investing amount between Rs 50,001 to 60,000 before entering into microfinance programs and 7 women were investing same amount after entering in microfinance programs. The number of women investing Rs 0 to 10000 was decrease by 4.35% after involving in saving programs. But incase of investing amount of Rs 10,001 to 20,000, Rs 30,001 to 40,000, Rs 40,001 to 50,000, there was increase in percentage and number of women after involvement in this program. While there was decrease in percentage and number of women investing amount of Rs 20,001 to 30,000 and Rs 50,000 and more.

4.1.19 Monthly Income of the Women

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

Table 4.17 Monthly Income of Women

S.N	Income Range in Rs.	Before		After		% Increase/ Decrease
		Numbers	%	Numbers	%	
1	0-5000	36	35.65	32	31.69	(3.96)
2	5001-10000	28	27.72	26	25.74	(1.98)
3	10001-15000	17	16.83	21	20.79	3.96
4	15001-20000	12	11.88	13	12.87	0.99
5	20001 & more	8	7.92	9	8.91	0.99
Total		101	100.00	101	100.00	

Source: Field Survey, 2020.

Above table 4.17 shows the monthly income of women in different range before and after entering microfinance programs. Around one-third women were earning between Rs 0 to 5000 before and after the program. The highest income ie Rs 20,001 & more were earning by 8 & 9 women before and after the program respectively. There was decrease in number and percentage of women which were earning low income after entering the program but increase in numbers and percentage of women which were earning high income after entering the program. In overall the earning range of women was not so high in this program women's.

4.1.20 Response of Poorest Women

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

4.1.21 Category of Women

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

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

Table 4.18 Category of Women

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

Source: Field Survey, 2020.

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

4.1.22 Future Program Needed to Uplift the Livelihood of Poor Women

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

Table 4.19 Future Programs for Poor Women

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

Source: Field Survey, 2020

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

4.1.23 Profile of the Respondent:

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

4.1.24 Education Level

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

Table 4.20 Response on the Education Level of Sample Women

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

Source: Field Survey, 2020.

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

4.1.25 Age Structure

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

Table 4.21 Response on the Age Structure of Sample Women

S.N	Age Structure	Perception toward the Program		Total
		Highly Benefited	Low Benefited	
1	20-30	9	6	15
2	31-40	28	16	44
3	41-50	18	10	28
4	51-60	7	5	12
5	61 & above	2	-	2
Total		64	37	101

Source: Field Survey, 2020.

From the above table 15, 44, 28, 12, 2 are in age class of 20-30, 31-40, 41-50, 51-60, and 61 above years respectively. Highly benefited women were more than low benefited.

4.1.26 Ethnic Group

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

Table 4.22 Response on the Ethnic Group of Sample Women

S.N	Ethnic	Perception toward the Program		Total
		Highly Benefited	Low Benefited	
1	Brahmin and Chetry	31	24	55
2	Tharu	15	14	29
3	Dalit	9	8	17
Total		55	46	101

Source: Field Survey, 2020.

Table 4.22 shows that 55 participating women were involved from Brahmin and Chetry, 29 from Tharu and 17 from Dalit. So that we can easily say that microfinance

program is able to convince Dalit women too successfully. It reveals that higher class women were getting high benefit from the program.

4.1.27 Priority Sector after Improvement in Economic Condition

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

4.23. Table 4.23 Priority Sector Areas

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

Source: Field Survey, 2020.

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

4.1.28 Confidentiality of Participating Women

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

Table 4.24 Response on the Confidentiality of the participants to stand themselves as successful entrepreneur in future

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

Source: Field Survey, 2020.

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

4.1.29 Improvement in Living Standard of Women after Joining Microfinance

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

Table 4.25 Response on Improvement in Living Standard of Women

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

Source: Field Survey, 2020.

The above table reveals that the response of participating women about their life standard after participating in microfinance program. In totality, 89.11% of women said that their life standard has change after entering in to microfinance program and

10.89% of women said that there is no change in their life style. In number also, out of 101 sample women, 90 women said that their life standard has change after joining microfinance program and 11 women said that there is no change in their life style.

4.1.30 Response as Continuing Their Business in Future

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

Table 4.26 Response of Women as Continuing their Business in future

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

Source: Field Survey, 2020.

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

4.2 Findings of the Study

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

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

- i. All sample women were involved in different kinds of saving program such as regular and optional saving.

- ii. 28.72 % women were involved in agriculture to save small money. Other sectors to generate saving were buffalo keeping (15.84%), goat keeping (15.84 %), poultry farming 11.88, retail business (16.83 %), pig keeping (5.94) etc. Lower percentage of women was saving from pig keeping. The number of sample women and percentage of saving from agriculture and retail business was in increase after entering microfinance program.
- iii. More women were paying the lending amount on time. It was increased by 2.97% after entering microfinance program. But it was in decreasing trend in women which weren't paying in time and paying beyond time.
- iv. The percentage of sample women who have taken loan after entering this program was 91.10 but before the percentage were 87.13. Also there was decrease in number and percentage of women who have-not taken loan after entering microfinance programs.
- v. There was no big change in sectors of taking loan before and after entering microfinance program. More women were taking loan for agriculture purpose and fewer women for pig keeping.
- vi. Loan repayment rate of women is satisfactory. Both interest and principle repayment rate was increased by 9.84% after entering microfinance program whereas the number of women were decrease in case of interest only payment.
- vii. The condition of business which was running by taking loan was found running well before and after microfinance programs. It was increased by 2.96% after microfinance programs. But the percentage and number of women who said business is not running well was decreased by 2.96%.
- viii. The percentage of women who were earning maximum income was 42.39 from investment after entering microfinance programs but before the percentage was 36.36%. So there was 6.03% and 1.39% increase in women who earned maximum and minimum income after entering microfinance but the percentage of women who were not earning decreased by 7.42%. So women are earning well after entering microfinance.

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

CHAPTER-V

CONCLUSION

5.1 Discussion

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

In Nepal, there exist two quite different sources of microfinance services, the informal or the non-institutional sources, and the formal or the institutional sources. The informal sources consists mainly of money lenders, landlords, traders and friends and relatives while the formal source consists mainly of banks such as CBs, ADB/N, Small Farmer Development Bank Ltd, Chhimek Development Bank Ltd.; targeted credit programs such as IBP, SFDP, Small Farmer Cooperative Limited, PCRW, MCPW; Credit Cooperatives and NGOs. Microfinance programs initiated by the government of Nepal are generally inefficient and financially unsustainable, with the exception of microfinance. This study confined contribution to microfinance's impact to women in case of microfinance of Bedkot Municipality-10, Kanchanpur.

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

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

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

Nepal, et. al (2013) concluded that establishment of Rural Self-reliance Fund, conduct of different projects, strengthening of the legal provisions and structural developments are some of the major activities where NRB and government are working together. 'Deprived Sector Lending Provisions' has been reinstated for BFIs by the NRB. It was phased-out some years back. MFIs are also involved in socio-economic activities under credit-plus program, which includes basic education, entrepreneurship trainings, sanitation, women empowerment. Sujatha & Malyadri (2015) focused on microfinance is a powerful tool in enhancing women empowerment for its all indicators like household economic decision making, economic security, family decision making, mobility and legal awareness. Only participation in microfinance program does not lead to increase in women empowerment but when it is coupled with participation in seminars, workshops and training then it helps women in enhancing their empowerment. These training programs not only provide selfemployment training but also facilitate good decision-making. All the indicators which have been used to measure women empowerment in this study are not further studied for which indicators are more important in enhancing women empowerment. Dhital (2015) find that the age of majority of women is between 20-40 years. So that, MFP has involved only earning aged members and female. Majority members of the MFP can be found illiterate in the study area. Literate members also are hardly able to write their own name. The most of the households have the medium family size. Medium family size consists of between 4 to 7 family members. Living standard of

respondent is increased after the MFP in the study area, similarly economic to send their children to private school after than before MFP. Not only their sons but also daughters sent to the private school. There is positive effect of MFP on source of fuel consumptions. Except small parts of the respondents, most parts of the respondents use gas as a fuel after MFP. Thapa (2018) Participants in Microfinance programs are from different ethnic groups. Some of women prefer low interest rate, long repayment time, and more loan amount to increase their living standard more. Women prefer more fooding program after improving their economic condition. The overall study shows that the program has made positive impact on the women living standard by generating employment and increasing productivity. The most important and effective program is to the basis to uplift the economic condition of rural women. Most of the sampled women are under farmer's category and the major source of income of women is agriculture. Acharya (2019) conclude that share capital of Small Farmer Cooperative Ltd. is in increasing trend. Apart from it, sanitation, literacy attainment, community and social development are major contribution of Small Farmer Cooperative Ltd. Paribartan area in society. Finally concluded that the financial viability and sustainability of Small Farmer Cooperative Ltd. is in better position and Small Farmer Cooperative Ltd. also helps to change the socio economic condition of its members. From this study, researcher found that the findings of this study are very similar to the previous research's findings. Therefore the final results are consistent with the findings in the past.

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

percentage of women who are not mobilized saved money is in slightly decreasing. Mobilized of save money is effective way to raise livelihood of village women.

Repayment of loan on time is in increasing trend after entering microfinance programs but there is decrease in women who are not paying on time. The loan disbursement rate of microfinance to women is increasing slowly up to FY 2014/15 and 2014/15. But it is decrease in FY 2016/17. The highest amount of loan disbursement is in micro business loan and lowest amount in micro enterprise loan 'ka'. The increasing loan disbursement rate shows that women are interested to take loan and invest that money to earn more. Loan recovery rate is also increasing up to FY 2014/15 but decrease in FY 2016/17 where as loan outstanding is increase up to FY 2014/15 rapidly but after that it is decreasing. In some years recovery is more than outstanding and in some years outstanding is more. So there is random fluctuation among these. In overall recovery are many more than outstanding in every fiscal year. Maximum number of sample women is taking loan. The percentage of women who are taking loan is ninety two. The percentage of women taking loan is increasing after entering microfinance program resulting decrease in case of not taking loan. So now more women believe in loan.

Women are not changing more in sectors of lending area. More women are taking loan for agriculture purpose. It is also seen that the number of women taking loan increase to ninety two after entering microfinance from eighty eight. Majority of women are interested to pay loan on time. The numbers of women who are paying more increase to seventy seven from sixty five. So more loan repayment rate is satisfactory after entering microfinance. Women are running their business well after entering this. So program of this program is more effective than in the previous period. Majority of women's income from investment is maximum. Women who are earning more are increase after entering microfinance. So the percentage of women who are earning maximum from investment is increasing comparing to women who are earning less. It shows microfinance programs are effective and satisfactory to make their life better.

Interest recovery on loan is satisfactory in every year. Women are paying interest on time. This regular interest payment is due to improvement in lifestyle after entering microfinance. Monthly income of women is increasing after entering microfinance

programs. So they are earning sound from their investment. Due to this microfinance is improving their life standard. The category of poor women is substantially higher. So emphasis on poor women is still necessary. Most of the poor women prefer low interest rate, more loan amount and long repayment time to improve their living standard. Most of the women are educated and they are highly benefited from microfinance program. Most of the women are found in middle age. They all are highly benefited from microfinance programs. The sample women are mixed in ethnic class i.e. higher class, middle class and low class. Majority of the women in this ethnic class are benefited from microfinance programs. More than half of women prefer fooding facilities after improving their economic condition. So fooding program is necessary for women.

Fifty eight percentages of women have maximum confidentiality of being successful entrepreneur among participating women. So it is find out that they are more benefited from microfinance programs. Living standard of women increased more from microfinance programs. Ninety percentages of women have high living standard. Ninety two percentages of women will continue their business in future also. This shows microfinance programs are effective for them.

5.2 Conclusion

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

Microfinance, Bedkot is a women participating microfinance institution. So it is organizing different fund rising programs such as saving, loan disbursement etc with in participating women. In the Microfinance program saving and its mobilization and skill enhancement are the main instruments to raise the economic growth and human resource development.

Saving is the basis of investment and loan disbursement. Microfinance is actively involved in saving programs of women. Women are also interested and motivated to save more with Microfinance programs. With saving they are encouraged to mobilize

that save interms of loan. This will help to solve the financial problem of women in society to some extent.

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

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

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

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

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

5.3 Implication

The study has been found that Microfinance is an effective measure of empowering women, raising their social and economic status, developing micro enterprises and

alleviating poverty. On the basis of findings of the study and conclusion, the following recommendations are put forwarded.

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

- xi. Priority to poorer women's demand should be given while mobilizing saving lending.
- xii. Health and education facilities should be widely extended to the poor people.
- xiii. Arrangement should be made for the participating women to visit similar other successful projects. So that they might be able to gain practical experience.
- xiv. More NGOs and INGOs should be launched with in this area so that living standard of poor women will be raised soon.
- xv. At last the stage of loan repayment is associate with the stage of loan recovery. So it is highly essential to raise the loan disbursement in more productive and profitable sectors. The efficiency of this organization and participating women themselves, decidedly exert the impact up on the efficient execution and management of programs.

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Questionnaire for Individual

Basic Information

नाम,थर सहित :-

शैक्षिक योग्यता :-

वडा नं. :-

टोल :-

संस्था :-

सदस्य संख्या :-

परिवार संख्या :-

समुह :-

आवद्ध भएको संस्था :-

प्रश्नावली

प्र.नं.१. तपाईंको उमेर कति होला ?

क) २०- ३० वर्ष ग) ४०-५० वर्ष ड) ६० वर्ष भन्दा माथी

ख)३०-४० वर्ष घ) ५०-६० वर्ष

Saving Habit of Member Women

प्र.नं.२. तपाईं कुनै बचत समुहमा आवद्ध हुनुहुन्छ ?

क) छ ख) छैन । यदि छैन भने किन ?

प्र.नं.३ तपाईंको समुहको बैठक नियमित रुपमा हुन्छ ?

क) हुन्छ ख) हुदैन

प्र.नं.४ निर्णय पुस्तिकामा बैठकको निर्णय लेख्ने गरिन्छ ?

क) छ ख) छैन

प्र.नं.५. साधारणतया बैठकको समयमा तपाईंको समुहका सदस्यहरु बिच मनमुटाव हुन्छ ?

क) हुन्छ ख) हुदैन

यदी मनमुटाव हुन्छ भने तपाईंको भुमिका के हुन्छ ?

प्र.नं. ६. तपाईंको समूहका सदस्यहरुको आर्थिक स्थिति कस्तो छ ?

क) समान (ख) केही मात्रामा फरक (ग) बढी फरक

प्र.नं. ७. अहिले समूहबाट नियमित बचत गर्नुभएको छ ?

क) छ (ख) छैन । यदि छैन भने किन ?

प्र.नं. ८. तपाईं समूहमा आवद्ध भएर राम्रो बचत गरेजस्तो लाग्छ वा लाग्दैन ?

क) लाग्छ (ख) लाग्दैन

प्र.नं. ९. तपाईं कुन बचत कार्यक्रममा संलग्न हुनुहुन्छ ?

क) समूह बचत (ख) व्यक्तिगत बचत

ग) बालशिक्षा बचत घ) अन्य बचत कोष

प्र.नं. १०. मासिक सरदर कति रकम बचत गर्न सक्नुभएको छ ?

समूह प्रवेश भन्दा पहिले क) १००-२०० (ख) २००-५००

ग) ५००-१०००

घ) १००० भन्दा माथि

समूह प्रवेश भन्दा पछि क) १००-२०० (ख) २००-५००

ग) ५००-१०००

घ) १००० भन्दा माथि

Source of Income of Women Respondents

प्र.नं. ११. के के स्रोतबाट रकम बचत गनुभएको छ ?

पहिला			अहिले		
सि.नं.	क्षेत्र/उद्देश्य	रकम	सि.नं.	क्षेत्र/उद्देश्य	रकम
१)	कृषि	.....	१)	कृषि	.....
२)	भैसीपालन	.....	२)	भैसीपालन	.....
३)	बाखापालन	.....	३)	बाखापालन	.....
४)	माछापालन	.....	४)	माछापालन	.....
५)	मौरी पालन	.....	५)	मौरी पालन	.....
६)	कुखुरा पालन	.....	६)	कुखुरा पालन	.....
७)	बडगुर पालन	.....	७)	बडगुर पालन	.....
८)	खुद्रा ब्यापार	.....	८)	खुद्रा ब्यापार	.....
९)	वायोग्यांस	.....	९)	वायोग्यांस	.....
१०)	उद्योग	.....	१०)	उद्योग	.....
११)	अन्य	.....	११)	अन्य	.....

Loan Use Practice of Member Women

प्र.नं. १२. समूह बाट बचत रकम सापटी वा ऋण लिनुभएको छ ?

क) छ ख) छैन

९) वायोग्यांस	.....	९) वायोग्यांस	.....
१०) उद्योग	.....	१०) उद्योग	.....
११) अन्य	.....	११) अन्य	.....

प्र.नं. १७ तपाईले लिएको ऋण रकम उद्देश्य अनुसार लगानी गर्नुभएको छ ?

क) छ ख) छैन

प्र.नं. १८ लिएको ऋण समयमानै तिर्नुभएको छ ?

क) दुवै सावाँ/ ब्याज ख) सावाँ मात्र
ग) ब्याज मात्र घ) कुनै पनि तिरेको छैन ।

प्र.नं. १९. ऋण रकम प्राप्त गर्नमा कुनै समस्या भएको छ ? छ भने के मा ?

क) ऋण रकम ख) ब्याज ग) शर्तहरू घ) समय
ड) संकलन

प्र.नं. २० यदि ऋण लिएर कुनै व्यवसाय संचालन गर्नुभएको छ भने उक्त व्यवसाय विस्तार हुँदै गएको छ ?

क) छ ख) छैन

प्र.नं. २१ तपाईले ऋणको किस्ता भुक्तानिमा कुनै कठिनाइ भोग्नु परेको छ ?

क) छ भने के कारणले ख) छैन

प्र.नं. २९. तपाईले आफूलाई उद्यमीको रूपमा खडा गर्ने कतिको आत्मविश्वास छ ?

क) बढिनै छ ख) कम छ ग) छैन ।

प्र.नं. ३०. यस संस्थाले तपाइको जीवनस्तरमा सुधार गर्नमा भूमिका खेलेको महसुस गर्नुभएको छ ?

क) छ ख) छैन ।

प्र.नं. ३१. तपाई आफूलाई कुन वर्गको व्यक्तिको रूपमा वर्गीकरण गर्न चाहनुहुन्छ ?

क) अति गरिब ख) गरिब ग) धनी घ) अति धनी

प्र.नं. ३२. अति गरिब व्यक्तिको आर्थिक अवस्था सुधारनको लागि लघुवित्त संस्थाले के गर्नुपर्ला ?

क) कम व्याजदर ख) बढि ऋण रकम प्रदान गर्नु

ग) लामो समयको लागि ऋण प्रदान गर्नु

घ) माथिका सबै