

A Nepal Rastra Bank's scheme for women empowerment through women entrepreneurship Subsidy loan under microfinance: with reference to financed by Agricultural Development Bank Ltd., Samakhushi Branch, Kathmandu Nepal.

**BY
Bindu Poudel - (5510)**

..... For
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Under the Guidance of

Dr. D Ravi

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VAIKUNTH MEHTA**

**NATIONAL INSTITUTE OF COOPERATIVE MMAMANAGEMENT
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CERTIFICATE

This is to certify that the research project entitled **“An empirical analysis of women empowerment through women entrepreneurship Subsidy loan under microfinance: A case study of Agricultural Development Bank Ltd., Nepal** is a record of research work done by **Bindu Poudel (Roll No. 5510) 55th PGDCBM** during the period 2021-22, under my supervision and guidance, submitted to the Vaikunth Mehta National Institute of Cooperative Management, Pune in partial fulfillment of the requirements for the award of the Degree of **Post Graduate Diploma In Cooperative Business Management** of his study. The thesis has not previously been formed the basis for the award of any Degree/ Diploma/ Associateship / Fellowship or other similar title to any university or institution. The thesis represents entirely an independent work on the part of the candidate.

Place: Pune

Date:

(Dr.D.Ravi)

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ABBREVIATIONS

% : Percentage

ADB :Asian Development Bank

ADBL :Agricultural Development Bank Ltd.

ADBN Act :Agricultural Development Bank Nepal Act

NRB : Nepal Rastra Bank Ltd , Nepal

FY : Fiscal Year

GDP : Gross Domestic Product

BAFIA :Bank and Financial Institutional Act

BFI s : Bank and Financial Institutions

MFIs :Micro Finance institutions

MFDB : Micro Finance Development Bank

NGO : Non -Government Organization

INGO : International Non-Government Organization

Yrs. :Years

RBB : Rastriya Banigjya Bank Ltd

ATM :Automated Teller Machine

POS :Point of Sale

HDI :Human Development Index

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Major Highlights About Scheme

Women entrepreneurship loan(Micro Finance)

Empowered women are the symbol of an empowered society and nation. **Agricultural Development Bank Ltd. Nepal** supports the government initiative to create better economic opportunities for women by developing entrepreneurial skills. The Women Run Enterprise loan is a subsidized loan without a collateral base to encourage women self-employment for better livelihood and job creation, thereby locally contributing to the nation's economy.

Women intrepeneur

women entrepreneurs are those women who think of a business enterprise, initiate it, organise and combine factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running it.

Nepal Rastra Bank (NRB) introduced the policy of providing subsidized loans under various categories .Under the policy, commercial banks can provide loans to entrepreneurs at a premium of 2 percent added on to their regular base rate. The government will further provide a subsidy of 6 percent on the interest rates of loans provided to women entrepreneurs and 5 percent on loans provided under other categories. Moreover, women entrepreneurs are entitled to a loan of up to Rs 1.5 million without any collateral under this policy.

Rastra Bank (NRB) has directed banks and financial institutions (BFIs) to implement Interest Subsidy Procedure for Concessional Loan under microfinance policy.

Empowerment Factors

-Decision making power of women entrepreneur

- Effectiveness of Microfinance /subsidy loan
- Opportunity to access the resources
- Poverty Reduction.
- Microfinance and changing the life style of women entrepreneur

Microfinance

Microfinance is the arrangement of financial services including loans, savings, insurance, Money transfers and remittances offered to the lower income groups or poor entrepreneurs, who otherwise cannot avail the standard banking services. The motive Behind Microfinance is to give people in poverty a privilege to become self-sufficient by Offering them crucial banking services at considerable smaller monetary amounts.

Women's empowerment

Women's empowerment is the process in which women elaborate and recreate what it is That they can be, do, and accomplish in a circumstance that they previously were denied. Empowerment can be defined in many ways, however, when talking about women's Empowerment, empowerment means accepting and allowing people (women) who are on the outside of the decision-making process into it. This puts a strong emphasis on Participation in political structures and formal decision-making and, in the economic Sphere, on the ability to obtain an income that enables participation in economic decision Making.. Empowerment includes the action of raising the status of women through education, raising awareness, literacy, and training. Women's empowerment is all about equipping and allowing women to make life-determining decisions through the different Problems in society .

List of Commercial banks (A class)

s.n	Name of banks	Date of operation
1	Agricultural Development Bank Ltd.	1968/01/21
2	Nepal Bank Ltd	1937/11/15
3	Rastrya Banijya Bank Ltd.	2018/05/02
4	Nabil Bank Ltd.	1984/07/12
5	Nepal Investment Bank Ltd.	1986/03/09
6	Prime commercial Bank Ltd.	2007/09/24
7	Mega Bank Ltd.	2018/05/13
8	Himalayan Bank Ltd	1986/03/09
9	NMB Bank Ltd.	2019/09/28
10	Machhapuchhre Bank Ltd.	2012/07/09
11	NIC Asia Bank Ltd.	2013/06/30
12	Prabhu Bank Ltd.	2016/02/12
13	Siddhartha Bank Ltd.	2016/07/21
14	Citizen Bank International Ltd.	2007/04/20
15	Laxmi Bank Ltd	2002/04/01
16	Nepal SBI Bank Ltd.	1993/07/07
17	Sunrise Bank Ltd	2007/10/12
18	Sanima Bank Ltd.	2012/02/15
19	Bank of Kathmandu Ltd.	2016/07/14
20	Nepal Credit and commerce Bank Ltd.	2017/01/01
21	Kumari Bank Ltd.	2001/04/03
22	Global IME Bank Ltd.	2019/09/04
23	Standard chartered Bank Ltd.	2087/02/18
24	Everest Bank Ltd.	1994/10/18
25	Century commercial Bank Ltd.	2011/03/10
26	Nepal Bangladesh Bank Ltd	1994/06/06
27	Civil Bank Ltd.	2016/10/17

Key commercial bank of Neapl

1. Rastriya Banijya Bank Ltd.-

Rastriya Banijya Bank Ltd. Is fully government owned and the largest commercial bank in Neapl. It was established on January 23,1966 under RBB act. Rastriya Banijya Bank Ltd. Provides banking services to customers including banks, insurance companies, industrial trading houses, airlines,hotels and many other sectors. Currently it has 257 branches all over the Nepal.

2. NIC ASIA Bank Ltd.-

NIC ASIA Bank has its antecedents in NIC Bank which was established on July,21, 1998. The Bank was rechristened as NIC Bank after the merger of NIC Bank with Bank Of Asia Nepal on June 30,2013. This was a historic merger in the annals of the Neplese financial landscape as the first its kind merger between two successful commercial banks in the country .Today ,NIC ASIA has established itself as one of the most successful commercial banks in Nepal. After the merger NIC ASIA was recognized as Bank of the year 2013-Nepal.

NIC ASIA Bank is now, one of the largest private sector commercial banks in the country in terms of capital base, balance sheet size , number of branches, ATM network and customer base. The bank has 356 branches .this bank strongly believes in Meritocracy, Transparency, professionalism, team spirit and service excellence. These core value are internalized by all function within the bank and are reflected in all actions the bank takes during its business.

3. Nabil Bank Ltd.-

Nabil Bank Ltd. a commercial bank in Nepal founded in 1984.The bank has branches across the nation and its head in Kathmandu. It began as the first bank

in Nepal incepted by multinational investors as Nepal Arab Bank Ltd on 12 July 1984.

The bank incorporated with the objective of providing modern, international – standard financial services to business. It is the nation’s first private sector bank, commencing its business in Nepal. Its Dubai government –owned majority share was purchased in 1995 by Nepals only billionaire businessman, Binod Chaudhary. It maintains its head office at its Nabil center, Durbar Marg flanking the chief avenue of the capital leading to its grand palace .It has the largest staff of private commercial banks in Nepal. Nabil bank operates through its wide network of 15 branch offices,183 ATM outlets, numerous POS terminals , remittance agents spread across the nation. The bank also has over 170 international correspondent banking relationships.Nabil bank operates its investment banking arm through its subsidiary Nabil investment banking Ltd.

4. Nepal Investment Bank Ltd.-

Nepal Investment Bank Ltd.prviously Nepal Indosuez Bank Ltd, was established in 1986 as a joint venture between Neplease and French partners. The French Partner was credit Arricole Indosuez , a subsidiary of one of the largest banking groups in the world.

Later in 2002 a group of Neplease companies comprising of bankers , professionals, industrialists, and businessman acquired the 50 percent shareholding of credit Agricole Indosuez in Nepal Indosuez Bank Ltd.and accordingly the name of the bank also changed to Nepal Investment Bank Ltd.

Nepal Investment Bank is one of the leading commercial banks in Nepal. The board of directors and the management team of the company hold a high reputation . The management seems capable to grow the business and maintain the presence in the banking industry. Nepal Investment Bank has shown satisfactory results in last three years .

5.Agricultural Development Bank Ltd. Nepal(ADBL)-

With the main objective of providing institutional credit for enhancing the production and productivity of the agricultural sector in the country, the Agricultural Development Bank, Nepal was established in 1968 under the ADBN Act 1967, as successor to the cooperative Bank. The Land Reform Savings Corporation was merged with ADBN in 1973. Subsequent amendments to the Act empowered the bank to extend credit to small farmers under group liability and expand the scope of financing to promote cottage industries. The amendments also permitted the bank to engage in commercial banking activities for the mobilization of domestic resources.

The bank worked as a premier rural credit institution since its establishment, contributing substantial agricultural credit supply in the country. Rural finance has been the principal operational area of ADBN in the past. However, the bank is also involved in commercial banking operations since 1984, to provide commercial banking services.

The bank has 51% share of Government of Nepal and 49% of general public. Most of its shareholders are customers and employees.

The enactment of Banks and Financial Institutions Act (BAFIA) took all the banks and financial institutions (BFIs) under its umbrella and abolished all the acts related to the BFIs including the ADBN Act, 1967. Since then, the bank has been working as a public limited company registered under the Companies Act, 2006 and is licensed as "A class financial institution" by Nepal Rastra Bank from 2006.

Having glorious history of more than 53 years, the bank is one of the leading commercial banks of the country. With its investment in agriculture, industry, trade, commerce and households, the bank has above 1.2 million happily satisfied customers.

"Sampurna Banking Suvidha sahitko Tapai Hamro Ghar Aanganko Bank (The bank with complete banking solution at your own door step)"

it is spread all over the 7 provinces & 77 districts of the nation with its 278 offices. While providing comprehensive services with complete banking solution,

the bank has main motto of promoting rural agriculture, productive and deprived sectors. The bank is committed to provide best banking services

through its widespread network and help the government from its part, to achieve the aim of: "Prosperous Nepal, Happy Nepali".

Major loan product of Agricultural Development Bank Ltd.,Nepal

s.n	Industry/sector	Working capital interest rate %	Term loan –Interst rate %
1	Sauliyatpurna Karja	8.50	8.50
2	Yuba Swarojgar Karja	8.50	8.50
3	Cold storage loan	8.50	8.50
4	Agro production loan	8.50	8.50
5	Livestock Loan	8.50	8.50
6	Fish Farming	8.50	8.50
7	Wholesale Lending	8	8
8	Industry, Processing, Mines Loans	9.25	8.75
9	Hydropower & other energy	9	8.5
10	Service loan	9.50	9
11	Tourism service loan	9	8.50
12	Saral Thekkapatta Karja /Demand Loan/Contract loan	10	NA
13	Loan Against Fixed	Coupon rate plus	

	deposit Receipt	2%	
14	Saral Krishi Karja	11	11
15	Home stay Service Loan	9	8.50
16	Household Loan	12	NA
17	Employee service loan	9	NA
18	Overdraft individual	12	11.5
19	Overdraft Institutional	11.50	11.50
20	5 years Home Loan	NA	8.50
21	10 Years Home Loan	NA	9
22	15 Years and above	NA	9.50
23	Land Purchase Loan	NA	10
24	Education Loan	NA	9
25	Hire purchase loan	NA	9
26	Auto Loan	NA	9
27	Mortgage Loan	10	10
28	Salary Loan / Professional Loan	9	9
29	Foreign employment Loan	10	10

About Nepal Rastra Banks Schemes

Nepal Rastra Bank(Central Bank Of Nepal)

Nepal Rastra Bank (NRB), the Central Bank of Nepal, was established in 1956 under the Nepal Rastra Bank Act, 1955, to discharge the central banking responsibilities including guiding the development of the embryonic domestic financial sector. Since establishment, there has been significant growth in both the number and the activities of the domestic financial institutions in the country.

To reflect this dynamic environment, the functions and objectives of the Bank have been re-casted by the new Nepal Rastra Bank Act, 2058 (2002), which lays down the objectives of the Bank as:

- To formulate necessary monetary and foreign exchange policies in order to maintain the stability of price and balance of payment for economic stability and sustainable development of economy, and manage it;
- To increase the access of the financial service and increase the public confidence towards the banking and financial system by maintaining stability of the banking and financial sectors,
- To develop a secure, healthy and efficient system of payment;

For the achievement of the above objectives in the present dynamic environment, NRB is pursuing sustained progress and continued reform of the financial sector is of utmost importance. In this regard, NRB is pursuing various policies, strategies and actions, all of which are conveyed in the Banks annual monetary policy.

Vision

To become "A modern, dynamic, credible and effective Central Bank".

Mission

"To maintain macro-economic stability through sound and effective monetary, foreign exchange and financial sector policies."

Subsidized loan Schemes

-Agriculture and livestock loan up to 5 crore

-Educated youth employment loan up to 7 lakh

- Project based loan for youth returned from abroad up to 10 lakh
- Women entrepreneurship loan up 15 lakh
- Business development loan for backward communities up to 5 lakh
- Loan for earthquake victims up to 3 lakh
- Clothing industry operational loan up to 5 crore
- CTEVT training related loan up to 2 lakh
- Youth employment loan up to 5 lakh

Agricultural Development Bank Ltd, Nepal

Samakhushi Branch, Kathmandu

Subsidized interest loan details

S.n	Loan Head	No.of total loan	Approved credit	Total outstanding amount	Interest subsidy amount
1.1	Agricultural and livestock loan	121	519,010,000.00	499,062,630.66	
1.1.1	Without collateral	17	16,100,000.00	13,426,735.51	
1.1.2	With collateral	104	502,910,000.00	485,635,895.15	
1.2	Educated youth employment loan				
1.3	Project based loan for youth returned from abroad				
1.4	Women entrepreneurship loan	62	44,400,000.00	36,480,700.52	
1.5	Business development loan for backward communities	4	34,50,000.00	27,77,751.95	
1.6	Business education loan for higher and technical students				
1.7	Loan for earthquake victims				
1.8	Clothing industry operational loan				
1.9	CTEVT training related loan				
1.10	Youth employment loan				
	Total	187	566,860,000.00	538321.83.13	

At the month end of January ,2022

(amount in full figure)

Nepal Rastra Bank(central bank)

Subsidy loan details

2022 Jan,end

Amounts in '000'

S.n	Loan Head	Number of loan	Total sanction amount	
1.1	Agricultural and livestock loan	58269	158,773,897	
1.1.1	Without collateral	5950	3,292,119	
1.1.2	With collateral	52319	1,55,481,778	
1.2	Educated youth employment loan	151	79,061	
1.3	Project based loan for youth returned from abroad	957	7,84,740	
1.4	Women entrepreneurship loan	81277	85,993,596	
1.5	Business development loan for backward communities	1107	7,66,076	
1.6	Business education loan for higher and technical students	140	47,426	
1.7	Loan for earthquake victims	218	63,823	
1.8	Clothing industry operational loan	250	3,626,326	
1.9	CTEVT training related loan	2	400	
1.10	Youth employment loan	23	9,100	
		142344	250,144,445	

Source www.nrb.org.np

Note-Above Figure shows the total number of loan and total sanction amount of A class commercial bank,B class development bank , c class financial institution & D class micro finance company and total amount of subsidy interest is 11,508,642,000 (full figure)

Chapter I

INTRODUCTION

1.1 Background of the study

The word Microfinance is literally comprised of two words 'micro' and 'finance' which means 'small' 'loan'. Microfinance goes the provision of small loan for the poor. Christen (1997) defines Microfinance as the means of providing a variety of financial services to the poor based on market-driven and commercial approaches. This definition encompasses provision of other financial services like savings, money transfers, payments, remittances and insurance, among others. Microfinance is a joint liability

lending means it must borrow within a group of other borrowers. Participants of Microfinance must organize themselves in groups and act as security for each other's loans. In reality, the individual is not only responsible for loan repayment to the Microfinance institution. The groups use peer pressure and peer monitoring to ensure that loans acquired by members are repaid.

The United Nation proclaimed 2005 as the "Year of Micro-credit" while 2006 went a score higher to award a Nobel Peace Prize to the largely acclaimed founder of modern Microfinance Prof. Muhammad Yunus and the bank he founded in the 1970s the "Grameen Bank".

Microfinance is emerging as a powerful instrument for poverty alleviation in the new economy. Microfinance refers to a collection of banking practices built around providing small loans (typically without collateral) and accepting tiny deposits. This program aimed at providing a cost-effective mechanism for providing financial services to the "unreached poor".

The core of empowerment lies in the ability of a woman to control her own destiny. This implies that to be empowered woman must to only have equal capabilities (such as education and health) and equal access to resources and opportunities (such as land and employment) , they must also have the agency to use those rights, capabilities, resources and opportunities to make strategic choices and decisions (such as are provided through leadership opportunities and participation in political institutions) and to exercise agency, women must live without the fear of coercion and violence.

Throughout the world, poor people are excluded from formal financial system. This exclusion ranges from partial exclusion in developed countries. This makes poverty an important development challenge and explains why poverty became an issue.

Nepal is situated between the two emerging global economy power of the world, India in the east, west and south with an open border and China in the north . Nepal is a landlocked country and home place of natural beauty with trace of artifacts. Extra ordinary diversities and similarities can be seen here. However economic growth rate 4.7% of the country has not improved substantially over time so as to overtake population growth . As the current population growth rate is 1.80% among them 17.4% lived in deep poverty by unequal national income distribution ,Human development index of Nepal is 0.602.

In the contex of Nepal

Nepal is one of the developing countries in the world and south Asia .The economic survey 2021 estimates that per capita GDP will increase by 5.8% to US \$1191 in the current fiscal year . Most indicators reflect dismal performance on gender aspect of human development .Neplese women are extensively involved on agriculture activities .They are involved in triple work responsibilities i.e . reproduction ,household chores and employment .However household chores and family care not considered productive jobs. Due to limited educational skill and lack of opportunism, majority of women are self-employed in manual agricultural activities in rural areas.

Nepali women are born into a patriarchal society. In all cases woman's rights are subordinate to those of men. Married early, with little or no education, no land rights or independent income, women are a voiceless section of society dependent on men for their welfare and bearing the continued weight of cultural and social discrimination and violence against them. If a woman does not feel safe within a society then she cannot be

empowered within it. The threat of violence towards women is a pervasive and unmanaged threat in Nepali society. Women face domestic violence, often unreported or violence through organized trafficking of young girls sold for sex across Asia. The general immunization, health and nutrition situation of women in Nepal remains very poor, particularly in rural areas. Statistics shows that one out of every 24 Nepali women

is died during pregnancy or child birth-making reproductive health care a major focus of intervention.

Basically ,Nepal is male dominate society however , women play vital roles in family institutions in recent years in our society . women's legal status has changed with new laws moving towards participation in political and economic sector ,social , technological and legal sector. A large number of women are working as a doctors, engineers, layers, pilots and scientists. But the other reality is that most of the Nepalese women with limited educational skills and few formal opportunities are primarily involved in self- employed activities as a means of supporting their families . Most of these activities do not provide them sufficient income to reduce their poverty . women lack of technical knowledge and managerial skills are out of access to credit market resources . in this way they are less able to make significant improvement in their economic condition .

The importance of women participation in the development process has been growing in many countries in recent years. Consequently numerous national and international

organization has been established and carried out the program and targeted towards to enabling women and creates awareness about their roles and right.

The provision of credit is regarded as one of the potentially strongest focus towards achieving the goals. Nepalese women who comprise half of the population of the country have always been involved in national development , although deprived of control over economic resources as property income employment as well as other resources . Nepalese women are underprivileged and disadvantaged in terms of socio- economic status in comparison to their male counterparts.

Empowered women are the symbol of an empowered society and nation. **Agricultural Development Bank Ltd.Nepal** supports the government initiative to create better economic opportunities for women by developing entrepreneurial skills. The Women Run Enterprise loan is a subsidized loan without a collateral base to encourage women self-employment for better livelihood and job creation, thereby locally contributing to the nation's economy

women entrepreneurs are those women who think of a business enterprise, initiate it, organise and combine factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running it.

Nepal Rastra Bank (NRB) introduced the policy of providing subsidized loans under various categories .Under the policy, commercial banks can provide loans to entrepreneurs at a premium of 2 percent added on to their regular base rate. The government will further provide a subsidy of 6 percent on the interest rates of loans provided to women entrepreneurs and 5 percent on loans provided under other categories. Moreover, women entrepreneurs are entitled to a loan of up to Rs 1.5 million without any collateral under this policy.

Rastra Bank (NRB) has directed banks and financial institutions (BFIs) to implement Interest Subsidy Procedure for Concessional Loan under microfinance policy.

1.2 Statement of the problem

In the context of Nepal 73% people lived in rural area . In the previous most of women were not aware about the facilities provided by Government of Nepal, NGOS and INGOS .

After the implementation of Women entrepreneurship loan to empower the women , what was the situation of women entrepreneurs and till what situation of women entrepreneurs after lunched this

program and its impact on women entrepreneurs income and saving in daily life that is the great issued for this study . Therefore this study is tried to study the impact of this type of loan facility on women enterprises ,fund collection , loan repayment , loan utilization and any problems . moreover the problem of the study can be point out as below:

- What situation of women enterprises in society after lunching subsidy loan under micro finance?
- What is the status of loan repayment ?
- Is micro finance plays the role in decision making for women entrepreneurs?
- Is micro finance contributing women to get the space and opportunity to reduce poverty?
- What is the effectiveness of microfinance on women empowerment?

1.3 Objectives of the study:

The study has its own importance. So far, there have been studies made on the situation of Microfinance, impact. But there are no adequate research made to find out the specific problem that why women entrepreneurs are not improving their socio-economic activities. Without identifying the Microfinance issues as appropriate policies and programs for the overall development cannot be formulated. As women cover more than half of the country's population, development cannot be made without their development. In order to make their development it is necessary to empower them through Microfinance. The study's importance lies on including home and the country. The study also explores the forms and intensity of empowering the women through Microfinance that are changing over time. This helps to see the changes that are taking place to improve their socioeconomic activities. The study probes into the Microfinance related issues inter playing in other aspects such as poverty elimination. If the study identifies Microfinance as one of the poverty elimination factors then appropriate policy to reducing poverty by Microfinance could be formulated. The study has significance in the sense that it is helpful for the policy makers and planners to formulate and implement the policies and programs on Microfinance by addressing the poverty elimination issues.

The general objective of this study is to determine the contribution of Microfinance in women empowerment to get the space and opportunity to reduce the poverty. This study is also to obtain better understanding of all relationships between women's access to small loans and change in households as well as role and responsibilities.

Based on the general objective, the specific objectives are on:

1. To study the role of Microfinance plays in the decision making power of women entrepreneurs.

2. To evaluate the effectiveness of Microfinance on women empowerment.
3. To examine the role of Microfinance Institutions play in poverty reduction.
4. To evaluate the contribution of women entrepreneurs to change the life style through socio-economic activities.
5. To find out how the women entrepreneurs get the space and opportunity to access the resources.
6. To explore the loan utilization and repayment status of the loan portfolio.

1.4 Significance of the Study

Banks or any microfinance Institutions around the world have been quite creative in developing products and services that avoid barriers that have traditionally kept women from accessing formal financial services such as collateral requirements, male or salaried guarantor requirements, documents requirements, cultural barriers, limited mobility and literacy. Nevertheless in a number of countries and areas few or no institutions offer financial services under term and conditions that are favorable women. Together these findings confirm that the type of products and services offered their conditions of access and the distribution of an institution's portfolio among different products and services affect women's access to financial services. They also suggest that much more can be done to serve poor women in certain cultural and economic contexts.

1.5 Limitations of the study

This study is focus on analyzing the contribution of women entrepreneurship subsidy loan in empowerment of women who are enjoying the women subsidy loan from Samakhushi Branch of Agricultural Development Bank Ltd.

-This study is limited in Kathmandu valley.

-This study is limited within the women entrepreneur who are enjoying the women subsidy loan from Samakhushi branch of ADBL.

-Data analysis is based on the sampling from 15 women entrepreneurs of customer of ADBL.

1.6 organization of the study

The study is organized in different chapters and sub-chapters as given below:

Chapter :I Introduction

This chapter includes background, management of saving and credit for women , focus of the study , statement of the problem , objectives of the study , significance of the study, limitations of the study and organization of the study.

Chapter :II Review of Literature

This chapter consists of conceptual framework about meaning ,history trends, importance ,principles, loan saving, investment, role of different players , programs of microfinance in Nepal . This chapter also consists socio-economic background of women in Nepal. On the other hand it consists empirical studies of research articles .

Chapter :III Research Methodology

In this chapter the research design, its methodology has been explained . This study mainly focused on primary data for the analysis purpose obtained by the

official records, published in journal and magazines, books , booklets published by the organization and website of this organization.

Chapter :IV Presentation and analysis of Data

In this chapter presentation and analysis of relevant data and applying various statistical tools are used . Major finding , table,and graphs are also interpreted to accomplish the objective of the study.

Chapter :V Summary,Conclusions and Recommendations

This final chapter is the major consideration of this study. Findings , conclusions and recommendations are mentioned in this chapter.

Chapter -II

REVIEW OF LITERATURE

In this chapter review of studies done so far has been carried out the studies on women -micro finance have by many institutions , bank and researchers. Attempt have been made to review of the published and unpublished reports available in different platform like website , google and official records.

This chapter deals with the review of different types of literature related to this study. A literature review interprets and synthesizes what has been researched and published in the area of interest. A literature review is required to be familiar with the previous research and theory in the area of the study that helps in conceptualizing the problem, conducting the study and interpreting the findings. Literature review is also done to assure whether the study that the researcher is going to do is already done or not. This study is concern with Microfinance. The study is connects certain part of Nepal. There is an influence of location in case of Microfinance. The findings of the study may be different if the study is going to be concern in a different location. So, the findings of this study cannot be generalized.

2.1 conceptual review

This section of this chapter focuses on the theoretical background of women entrepreneurship subsidy loan product lunched by government of Nepal under micro finance. This includes product origin , objectives of this product ,activities of the product and problems of this types to loan.

Women empowerment, as a basic parameter in measuring social development index.The present study has examined the impact of micro loans on women's economic activities. It has specifically highlighted how women's income generating activities through small loans help to improve their status in household and local communities as well as role of micro loans to improve their household and community role and responsibilities.

2.1.1 Introduction

Microfinance is the arrangement of financial services including loans, savings, insurance, Money transfers and remittances offered to the lower income groups or poor entrepreneurs, who otherwise cannot avail the standard banking services. The motive Behind Microfinance is to give people in poverty a privilege to become self-sufficient by Offering them crucial banking services at considerable smaller monetary amounts.

Microfinance refers to the financial services provided to low -income individuals or groups who are typically excluded from traditional banking. Most microfinance institutions focus on offering credit in the form of small working capital loans, sometimes called microloans or microcredit .(<https://finca.org/our-work/micro...>)

Women's empowerment

Women's empowerment is the process in which women elaborate and recreate what it is That they can be, do, and accomplish in a circumstance that they previously were denied. Empowerment can be defined in many ways, however, when talking about women's empowerment, empowerment means accepting and allowing people (women) who are on the outside of the decision-making process into it. This puts a strong emphasis on Participation in political structures and formal decision-making and, in the economic Sphere, on the ability to obtain an income that enables participation in economic decision Making.. Empowerment includes the action of raising the status of women through education, raising awareness, literacy, and training. Women's empowerment is all about equipping and allowing women to make life-determining decisions through the different problems in the society(<https://www.worldvision.com.au/womens-empowerment/>)

2.1.2 Evolution of Micro-Finance

The earliest initiatives for establishing micro-finance in Nepal date back to the 1950s, when the first credit cooperatives were established . For providing rural financial services , this was first step. These cooperatives primarily intended to provide credit only to the agricultural sector. The next milestone was small farmer development programme in 1975 within Asian Development Bank /Nepal. This programme covers the entire country and aims to organize farmers into small groups to provide credit without collateral . in 1981, the chief monetary body of the country , Nepal Rastra Bank introduced to the commercial bank to finance at 7% on the priority sector , which was further increased 12 percent in 1990. Now commercial banks are required to lend 25% of credit in the priority sector .

2.1.3 Micro credit policy

the MFIs are providing the micro finance to poor and marginalized group without collateral, guarantees and requirement they need to fulfill for credit eligibility . Even at aggravating situation in the country due to domestic conflict , the MFIs are consistently providing such services to the poor and other targeted communities . Various types of MFIs are implementing micro finance program to provide self employment opportunities and income generation through extending the micro credit to poor in the community.

The micro credit policy of Nepal is to promote financial inclusion by creating an enabling environment for efficient and effective microfinance sub-sector in the country that serves the needs of the low-income individuals, households and enterprises and thereby contribute to economic growth, employment creation and poverty reduction.(<http://www.nepalpolicy.net.com>)

2.1.4 women entrepreneurship subsidy loan facility (Major highlights)

Loan Limit	Up to NPR 1,500,000.00
Loan Tenure	<p>Tenure of the Loan under this product paper shall not exceed Maximum of 5 Years except for Agriculture Business Loan in which case it can be up to 10 years however subsidy will be available for 5 years only.</p> <p>Tenure of loans should be determined on the basis on nature of business</p> <p>Loan repayment schedule shall be prepared considering the type of loan, amount, purpose and risk associated with the loan product.</p> <p>Nature of Loan can be Term or Overdraft.</p>
Eligibility	<p>Women not less than 18 years old or for a Group Guarantee Loan at least five women members of different family of age not less than 18 Years.</p> <p>A brief proposal regarding Business Operation and Loan utilization.</p> <p>Guarantee Papers in case of Group Guarantee loan.</p>
Securities	Women Entrepreneurship Loan will be secured through Personal or Group Guarantee.
Basic Documents	<p>Loan Application Form</p> <p>Business Registration documents from appropriate authority</p> <p>Copy of Permanent Account Number (PAN)</p> <p>Copy of Citizenship document</p> <p>A brief proposal regarding Business Operation and Loan utilization, Detailed Project Report for Agriculture Business Loan more than 10 lakhs.</p> <p>Self-declaration Regarding No Blacklisting under Credit Information Bureau.</p> <p>Group Guarantee documents for loans involving Group Guarantee.</p> <p>Separate files and Index documents for Loans Under this product paper</p>

Micro finance companies are the D class financial institutions in Nepal .Nepal Rastra bank (NRB) regulates all the banks and financial institutions of Nepal.

NRB has grouped the BFIs into four major categories.

1. A class commercial banks
2. B class development banks
3. C class finance company
4. D class micro finance companies

Micro finance company provide financial support to the unemployed or low income groups who have no access in financial services. In Nepal micro finance companies are divided in to wholesalers and retail microfinance company.wholesale microfinance provides loans to institutions that provides individuals loans to the people deprived of financial support.Retail microfinance takes funds from banks or wholesale microfinance and provides loans to low-income people.

Until mid-july 2020 there are 85 D class micro finance companies in Nepal . 45 out of 85 micro finances in Nepal are national level microfinance companies.

2.1.5 List of microfinance companies in Nepal

1. **Grameen Bikas Laghubitta Bittiya Sanstha Limited**
2. **Nirdhan Utthan Laghubitta Bittiya Sanstha Limited**
3. **RMDC Laghubitta Bittiya Sanstha Limited**
4. **Deprosc Laghubitta Bittiya Sanstha Limited**
5. **Chhimek Laghubitta Bittiya Sanstha Limited**
6. **Swabalamban Laghubitta Bittiya Sanstha Limited**
7. **Sana Kisan Bikas Laghubitta Bittiya Sanstha Limited**
8. **Nerude Laghubitta Bittiya Sanstha Limited**
9. **Naya Nepal Laghubitta Bittiya Sanstha Limited**
10. **Summit Laghubitta Bittiya Sanstha Ltd.**

- 11. Sworojagar Laghu Bitta Bika Bank Limited**
- 12. First Microfinance Laghubitta Bittiya Sanstha Limited**
- 13. Nagbeli Laghubitta Bittiya Sanstha Limited**
- 14. Kalika Microcredit Development Bank Limited**
- 15. Mirmire Microfinance Development Bank Limited**
- 16. Janautthan Samudayik Microfinance Dev. Bank Limited**
- 17. Mithila Laghu Bitta Bikas Bank Limited**
- 18. Womi Microfinance Bittiya Sanstha Ltd.**
- 19. Laxmi Microfinance Bittiya Sanstha Ltd.**
- 20. Civil laghubitta Bittiya Sanstha**
- 21. Mahila Sahayatra Microfinance Bittiya Sanstha Ltd.**
- 22. Vijaya Laghubitta Bittiya Sanstha Ltd.**
- 23. Kisan Microfinance Bittiya Sanstha Ltd.**
- 24. NMB Microfinance Bittiya Sanstha Ltd**
- 25. FORWARD Community Microfinance Bittiya Sanstha Ltd.**
- 26. Global IME Laghubitta Bittiya Sanstha Limited**
- 27. Mahuli Samudyik Laghubitta Bittiya Sanstha Ltd.**
- 28. Suryodaya Laghubitta Bitiya Sanstha Ltd.**
- 29. Mero Microfinance Bittiya Sanatha Ltd.**
- 30. Samata Microfinance Bittiya Sanatha Ltd.**
- 31. RSDC Laghubitta Bitiya Sanstha Ltd.**
- 32. Samudayik Laghubitta Bitiya Sanstha Ltd.**
- 33. National Microfinance Bittiya Sanstha Ltd.**
- 34. Nepal Sewa Laghubitta Bitiya Sanstha Ltd.**
- 35. Unnati Microfinance Bittiya Sanstha Ltd.**
- 36. Swadeshi Lagubitta Bittiya Sanstha Ltd.**
- 37. NADEP Laghubitta Bittiya Sanstha Limited**
- 38. Support Microfinance Bittiya Sanstha imited**

39. Arambha Microfinance Bittiya Sanstha Limited
40. Janasewi Laghubitta Bittiya Sanstha Limited
41. Chautari Laghubitta Bittiya Sanstha Limited
42. Ghodighoda Laghubitta Bittiya Sanstha Limited
43. Asha Laghubitta Bittiya Sanstha Ltd
44. Nepal Agro Microfinance Bittiya Sastha Ltd
45. Creative Laghubitta Bittiya Sanstha Ltd
46. Rama Roshan Microfinance Bittiya Sastha Ltd
47. Gurans Laghubitta Bittiya Sanstha Ltd
48. Ganapati Microfinance Bittiya Sastha Ltd
49. Infinity Microfinance Bittiya Sanstha Ltd
50. Adhikhola Laghubitta Bittiya Sanstha Ltd.
51. Swabhimana Microfinance Bittiya Sanstha Ltd.
52. Sparsha Laghubitta Bittiya Sanstha Ltd.
53. Sabaiko Laghubitta Bittiya Sanstha Ltd
54. Sadhana Laghubitta Bittiya Sanstha Ltd.
55. NIC Asia Laghubitta Bittiya Sanstha Ltd.
56. Sarathi Laghubitta Bittiya Sanstha Ltd.
57. Nagarik Laghubitta Bittiya Sanstha limited
58. Trilok Laghubitta Bittiya Sanstha Ltd.
59. Manakamana Laghubitta Bittiya Sanstha Ltd.
60. Sahakarya Laghubitta Bittiya Sanstha Ltd.
61. Sajeelo Laghu Bitta Bittiya Sanstha Ltd.
62. Satyawati Laghubitta Bittiya Sanstha Ltd.
63. Buddha Jyoti Laghubitta Bittiya Sanstha Ltd.
64. Samaj Laghubitta Bittiya Sanstha Ltd.
65. Divya Laghubitta Bittiya Sanstha Limited
66. Cweda Laghubitta Bittiya Sanstha Limited

- 67. Grameen Swayamsewak Laghubitta Bittiya Sanstha Limited**
- 68. Mahila Laghubitta Bittiya Sanstha Limited**
- 69. Adarsha Laghubitta Bittiya Sanstha Limited**
- 70. Unique Nepal Lagubitta Bittiya Sanstha Ltd.**
- 71. Manushi Laghubitta Bittiya Sanstha Limited**
- 72. Smart Laghubitta Bittiya Sanstha Limited**
- 73. Jalpa Laghubitta Bittiya Sanstha Limited**
- 74. Mahila Samudayik Laghubitta Bittiya Sanstha Limited**
- 75. Rastra Utthan Laghubitta Bittiya Sanstha Limited**
- 76. Solve Laghubitta Bittiya Sanstha Limited**
- 77. WEAN Laghubitta Bittiya Sanstha Limited**
- 78. Upakar Laghubitta Bittiya Sanstha Limited**
- 79. Dhaulagiri Laghubitta Bittiya Sanstha Limited**
- 80. CYC Nepal Laghubitta Bittiya Sanstha Limited**
- 81. NESDO Samriddha Laghubitta Bittiya Sanstha Limited**
- 82. Swastik Laghubitta Bittiya Sanstha Limited**
- 83. Garibi Nyunikaran Laghubitta Bittiya Sanstha Limited**
- 84. Shrijanshil Laghubitta Bittiya Sanstha Limited**
- 85. NRN Laghubitta Bittiya Sanstha Limited**
- 86. Jiban Bikash Laghubitta Bittiya Sanstha Limited**
- 87. Gharelu Laghubitta Bittiya Sanstha Limited**
- 88. Janakpur Laghubitta Bittiya Sanstha Limited**
- 89. BPW Laghubitta Bittiya Sanstha Limited**
- 90. Aatmanirbhar Laghubitta Bittiya Sanstha Limited**

(<https://www.investopaper.com/news/list-of-d-class-microfinance-companies-in-nepal/>)

CHAPTER III

RESEARCH METHODOLOGY

The main objectives of the study is to analyze impact of microfinance on women who are using women entrepreneurship subsidy loan under microfinance from Samakhushi branch Agricultural Development Bank Ltd. This study aims to recommend necessary suggestions to achieve targeted objectives.

Research methodology is the most important part of the study . This chapter has been divided in to six sections: research design, study area, population and sample ,nature and source of data ,data collection techniques , data analysis.

3.1 Research design:

A research design is a plan for the collection and analysis of data. It is an organized approach . The research design serves instruments to be utilized and the sampling plan to be followed. It presents a resides of guide posts to enable to researcher to progress in the right direction in order to achieve goal. The design may be specific presentation of the various steps in the research process. The steps include the selection of a research problem , conceptual clarity, and methodology ,survey of literature and documentation ,bibliography , data collection ,interpretation , data presentation and analysis and report writhing.

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

3.2 Study Area:

This study is limited within women entrepreneur who are enjoying the women entrepreneurship subsidy loan from Samakhushi branch of Agricultural Development Bank Ltd. In Kathmandu valley . The sample is selected from the women entrepreneur. This study covers only three years data. The study is analyzed on the basis of the performance of participating women from micro enterprise .

3.2.1 Population and sample:

Population refers to the entire group of peoples, events or things of interest that the researcher wishes to investigate. A sample is a collection of items or elements from a population . Hence ,a sample is only a portion of subset of the population . It comprises some observation selected from the population. Total numbers of the customer who are using the women entrepreneurship loan from this branch is 60 among the only 16 entrepreneur is selected as sample for this study using a random as well as judgemental sampling method which is as follows in table 3.1.

Table 3.1

Name list of sample women entrepreneur of Samakhushi Branch

s.n	Name & address of the firm	Name of the proprietor	Loan amount
1	Impressive collection & Boutique center ,Tokha, Kathmandu	Sabita Pyakurel	10,00,000
2	Bijaya Masu Pasal, Kathmandu ,26, Samakhushi	Mina Thapa	8,00,000
3	Hamro liquor shop, Tarakeshwor-6, Kathmandu	Dipa Adhikari	900,000
4	Pashupati Kitchen store, Kathmandu-10, tokha	Indira Dhungel	10,00,000
5	Radiant Tailor, Kathmandu-26, Samakhushi	Sushma Ranpal	10,00,000
6	Anjan Dudh Dairy, Dupcheshwor-7, Nuwakot	Anjana Thapa	10,00,000
7	Bhabisa Khadhy Stores, Kathmandu-32, Pepsikola	Sabitra Dahal	600,000

8	Rose Bird Fancy collection,Tokha-3,Kathmandu	Kabita Neupane	9,00,000
9	Dipesh Dairy & Cake Pasal	Devaki Parajuli	10,00,000
10	Mother's Home girls hostel,Kathmandu-3,Kantimarga	Aruna singh	10,00,000
11	Light point electrical workshop,Chandragiri-15,Bishnudevi	Shirjana Neupane	10,00,000
12	Gopal Krishi Tatha Pashupalan firm,Tokha,2,chandeshwori	Harikala Dholi	500000
13	Sankalpa Fashion shop,Kathmandu-16,Machhapokhari	Sangita Devi Acharya	10,00,000
14	Option Gift shop,Tokha,8,Kathmandu	Sabina Tamang Lama	10,00,000
15	Nepal Fasial House & Beauti Parlor		12,00,000.
16	Tamang Krishi Tatha Pashupalan Firm,Tokha,2,Kathmandu	Ram Maya Tamang	10,00,000

3.2.2 Nature and sources of Data

This study is mainly based on primary data . These primary data are both qualitative as well as quantitative . Primary data used in this study have been collected from file observation,office record and direct interaction with entrepreneur.

3.3 Data collection techniques:

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

(a) Primary Data:

Primary data were collected from actual field using:

1. **Questionnaire:** Questionnaire is used to get qualitative information. But some important quantitative information is also collected from the respondents of the program.

2. **Personal Interview :** This is also called direct interview . it is used to collect the information related to investment , credit , saving interest collection , repayment rate and so on.

3. Project Observation

In this technique project observation is done . the condition of Project run by women and status of loan utilization is observed.

3.1 Data processing and analysis:

The collected data have been edited, classified and tabulated in appropriate form. Processing of data have been done by the computer using different tools.

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.

Chapter IV

Data presentation and Analysis

4.1 Data presentation and Analysis

This chapter attempts to analyze the information received from the questionnaires, observations, case study, field survey and informal discussions with women entrepreneurs. Especially analysis process and contents are determined as per set of objectives for the study. It consists of savings, investments, repayments pattern of loan, income from loan, socio-economic impact of micro credit. Utilization of loan, decision making, consumption, health, education, changes in life style and society.

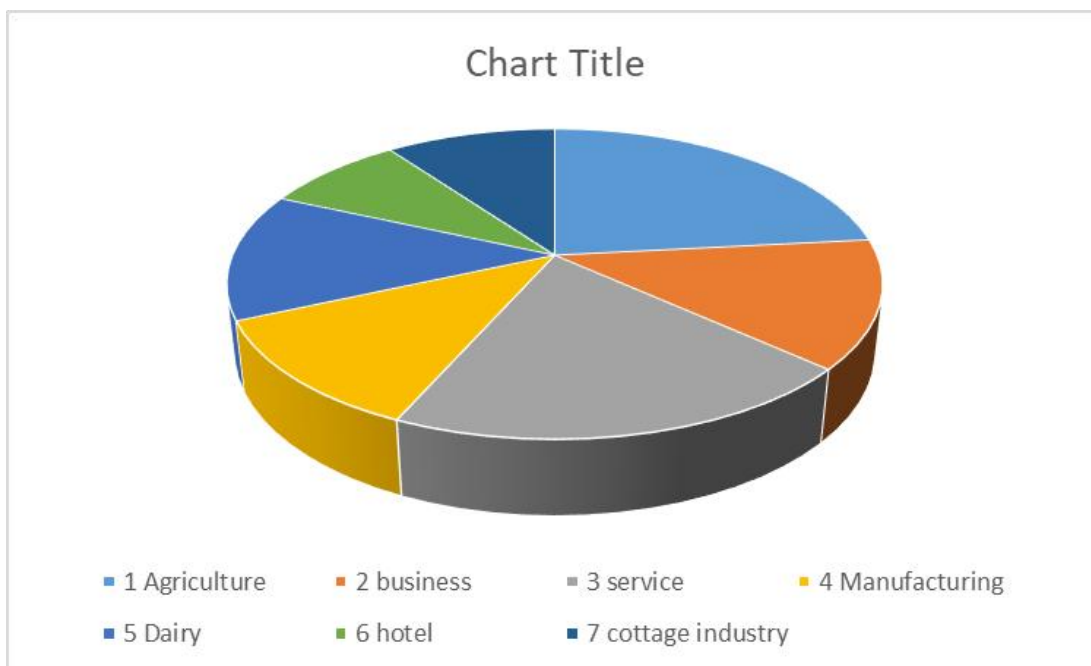
4.1.1 Purpose /sector of loan utilized by women entrepreneur

Table 4.1

S.n	Porpose/sector	Number	%	
1	Agriculture	14	24	
2	Business	8	13	
3	Service	12	20	
4	Manufacturing	7	11	
5	Dairy	8	14	
6	Hotel	5	8	
7	Cottage industry	6	10	
Total		60	100	

(Source:Office record)

Figure 4.1
Purpose of loan utilized by women entrepreneur

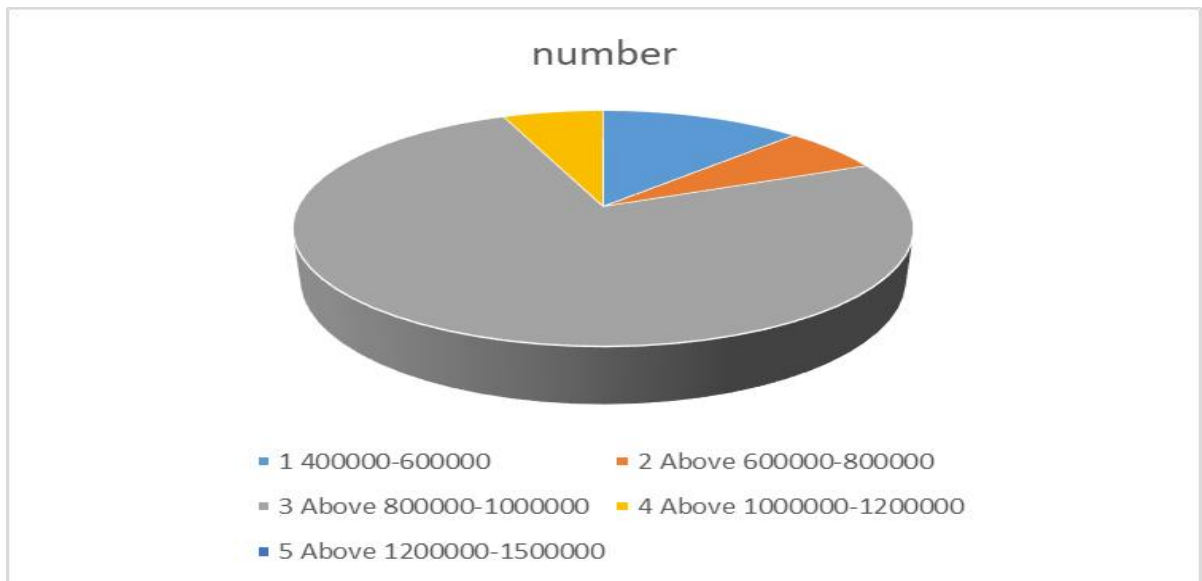


The above table and figure show that total number of subsidy loan file is 60 . Among them number of file in agricultural sector is 14, in business is 8,service loan is 12, manufacturing 7,dairy loan is 8,in hotel is 5 & 6 file in cottage industry.

Table 4.2
Loan size utilized by women entrepreneur from Samakhushi Branch

S.n	Loan size	number
1	400000-600000	2
2	Above 600000-800000	1
3	Above 800000-1000000	12
4	Above 1000000-1200000	1
5	Above 1200000-1500000	0

Figure 4.2



The highest limit of this type of subsidy loan is 1500000. From the above table and figure most of the file are in the range of five lakh to twelve lakh.

Table 4.3
Educational qualification of women entrepreneur

S.n	Qualification	Number
1	Literate	3
2	SLC Level	6
3	PCL Level	5
4	Graduate	2

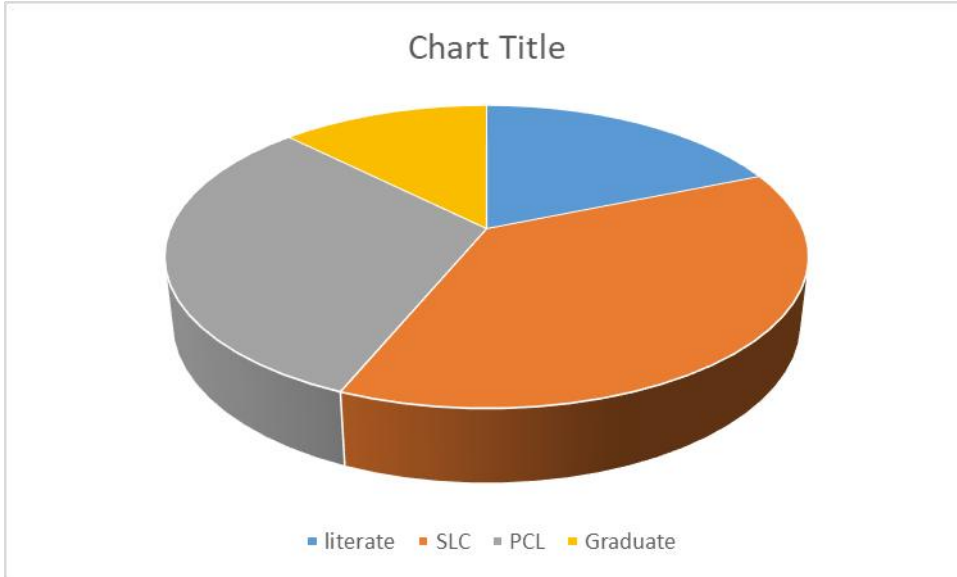


Table and pie chart 4.3 shows the educational qualification of women entrepreneur.

Table 4.4 Age structure of sample women

S.n	Age	Number
1	20-29	7
2	30-39	6
3	40-49	3

Figure 4.4 Age structure of Sample Women

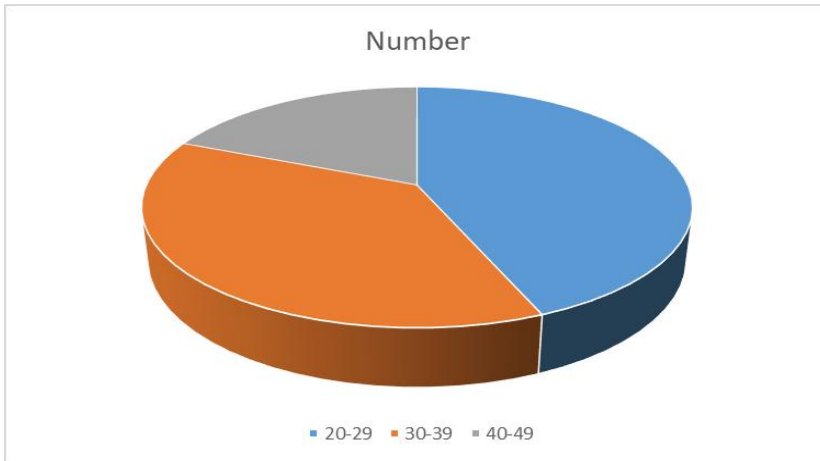


Table 4.5
4.5 Family members of sample women

S.n	Family size	Number
1	3-4	7
2	5-6	6
3	7-8	3

Figure 4.5

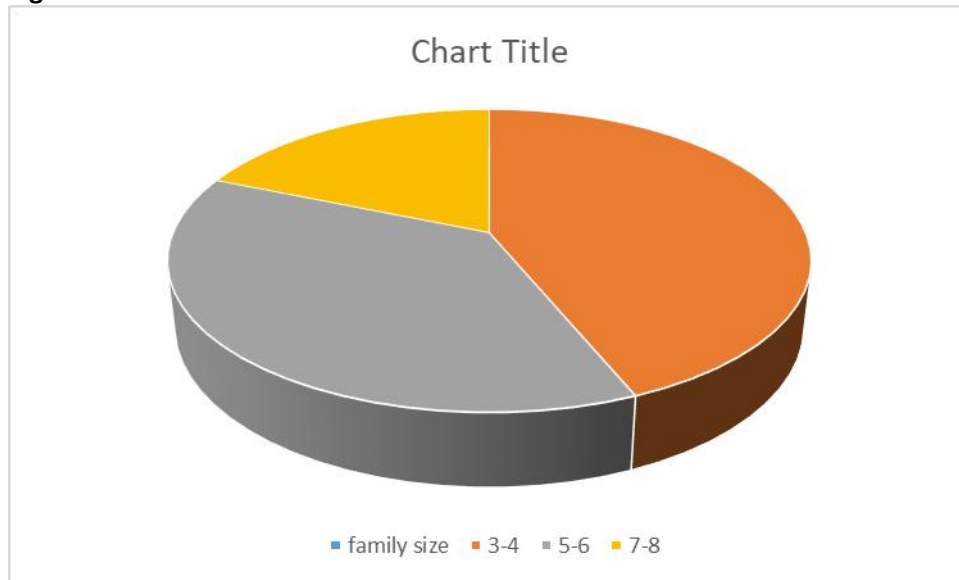


Table 4.6

Business started year(experience in related business)

S.n	Business started years	Number
1	1-3	8
2	4-6	6
3	Above 7	2

Table 4.6 shows the years experience /involvement of women entrepreneur in their business.

Table 4.7

Location of business situated

S.n	Area	number
1	Rural	3
2	urban	9
3	Semi-urban	4

Table 4.8

Recommendation for women entrepreneurship subsidy loan

S.n	Recommendation from	Number
1	Relatives/Family members	6
2	Media	2
3	Social worker	3
4	Existing customer of ADBL	5

Table 4.9 comments on loan procedure of Samakhushi Branch of ADBL

S.n	Comments procedure	Number
1	Easy & fast	4
2	Difficult in documentation part	8
3	Lengthy	4

Table 4.10 Experience /satisfaction of sample women entrepreneur with banking service

S.n	Level of satisfaction	Number
1	Satisfied	11
2	unsatisfied	2
3	Neutral	3

Table 4.11 comments on available loan limit to women entrepreneur.

S.n	Sufficient or insufficient	Number
1	Sufficient	4
2	Insufficient	12

Table no. 4.11 shows the loan limit available by bank is not sufficient to fulfill the capital requirement of women entrepreneur.

Table no 4.12 Status of income generation from business after taking women entrepreneurship subsidy loan.

S.n	Status of income generation	Number	Remarks
1	Increase	12	
2	No effect	2	
3	Decrease	2	Due to corona

Table no.4.13 Repayment of principle amount and interest of bank timely

S.n	Repayment status	Number
1	Timely paid	14
2	Hardly managed	2

Table no. 4.14 Main sources of family income of sample women entrepreneur

S.n	Sources of income	Number
1	My business	7
2	Husband salary	9

Above table shows that among 16 women seven women entrepreneur is supporting their family as main sources of income which shows that program is supporting to generate income through micro finance.

Table no. 4.16

Main role of operating enterprise and decision making

S.no	particular	number
1	Self	13
2	Family member	3

Above table shows that among 16 women entrepreneur 13 women entrepreneur is playing the main role of operating their business and in decision making through micro finance by supporting loan, training , technology and other. The women are found empowered.

4.16 ownership on land and building

S.n	Ownership on land and building	number
1	yes	5
2	no	11

Above table shows that among 16 sample women only 5 women entrepreneur has access on ownership of land and building.

4.17 Need of training and development programme in their respective field.

S.n	Do you need training to develop your skill and knowledge?	number
1	yes	13
2	neutral	3

4.2 The Major Findings of the Study

The major findings of the overall study of women entrepreneurship subsidy loan financed by Agricultural Development Bank Ltd, Samakhushi Branch are as follows:

1. Among total 60 women entrepreneurship subsidy loan file sector wise investment is 24% in agriculture sector, 20% in service sector, 14% in dairy sector, 13% in business sector, 11% in manufacturing ,8% in hotel .(Table no .4.1)

2. 16 Sample among 60 women entrepreneurship loan file they are in the range of 4 lakh to 12 lakh in amounts . The most of the file are in the range of 8 lakh to 12 lakh. (Table no.2)

3. Table no 4.3 shows the academic qualification of women entrepreneurs . Among 16 sample women 2 are graduate, 5 women's academic qualification is PCL and rest are under PCL. (Table no 4.3)

4. Table no 4.4 shows the age structure of sample women.Among 16 sample women their age are in the range of 20-49 years. (Table no.4.4)

5. Table 4.9 shows the satisfaction or dissatisfaction level of sample women on loan procedure and most of the customer expressed dissatisfaction on documentation part and time duration. (Table no 4.9)

6. Table 4.10 shows the experience /satisfaction of sample women entrepreneur with banking service .Majority shows the they are happy with banking services of Samakhushi branch.

7. Table 4.11 shows the loan limit available in this scheme .Among 16 sample 12 women express their view in insufficient of fund to fulfill their financial requirement . (Table no 4.11)

8. Table no 4.12 Status of income generation from business after taking women entrepreneurship subsidy loan.Among 16 sample women 12 women is able to

increase their income and rest 4 are also positive but due to corona they felt some difficulties to generate income aggressively .

9. Table no.4.13 shows repayment status of of principle amount and interest of bank and found that most of them are able to pay principle and interest timely .(Table no 4.13)

10. Table no .4.16 shows the main role of operating enterprise and decision making . Among 16 sample women 13 women are playing main role in operating their business and 3 women are operating their business with the help of their family member.

11. Table no 4.17 shows the need of training and development programme in their respective field. All of them wants to participate in skill development training in their respective field.

Chapter v

Summary, conclusion ,recommendation& action Plan

5.1 Summary

Half of the world population is covered with women. They are backward socially , economically and politically also. The economic condition of women is very poor . majority of women are illiterate and engage in agricultural for their livelihood . It is not showing good condition for development of the country because more than half of the population in poverty and backward . women are important sources of energy for developing their society and building enterprises in rural areas. It helps them to be self employed in actively participating in income generating activities by investing through micro finance. In recent years it has been realization of the importance of women's participation in developing process. So number of NGO and INGO are working with women for achieving the goal of poverty alleviation.

The micro credit program target to women is a recently development strategy to bring out changes in quality of life of women . It also focused to be self employed who live in rural area for reducing poverty by generating enterprises through microfinance . The strategy has adopted the poverty alleviation by providing credit ,technology ,training and other services by focusing women.

Nepal Rastra Bank has directed banks and financial institutions to implement interest subsidy procedure for concessional loan since 2019. Nepal Rastra Bank introduced the policy of providing subsidized loans under various categories . under the policy commercial banks can provide loans to entrepreneurs at a premium of 2 percent added on to their regular base rate. The government will further provide a subsidy of 6 percent on the interest rates of loans provided to women entrepreneurs and 5 percent on loans provided under other categories . Moreover , women entrepreneur are entitled to a loan of up to Rs.1.5 million without any collateral under this policy.

This program aiming at reducing poverty and empowering women by taking three Mantras: Financial access, saving and skill and capacity development . The objectives of this study are to analyze the situation of women enterprises, to explore the repayment status of loan,to analyze the socio -economic impact of the micro credit to women entrepreneur and to evaluate the effective utilization of loan amount.

All together 16 sample women enterprises are studied . The study has found that the participant women have increasing their economical income,social status , and decision making capacity after involving in micro finance program. The leadership of women and decision making power is also increasing smoothly .Under the regular supervision of bank women entrepreneur are using the loan in specific purpose .some of the women entrepreneur are getting training to development their enterprises . most of the respondent has repaid loan and interest in due time. The standard of living is satisfactory as income generating .

5.2 Conclusion

The goal of this research is to study the impact of microfinance on reduction of poverty , improvement of living standard and increasing empowerment of marginalized group of society . micro finance is the study of micro and small size loans and basic financial services to the well -regarded poor especially micro finance is widely acknowledged as an effective tool in the fighting women's poverty .

In present context of Nepal , women do occupy more than half of the total population women just used to be locked inside the house in ancient period . women were not given opportunity to involve in economic activities . There was very miserable condition of women in the past . With the continuous flow of time the trend has been changed to the great extent . women have become able to stand on their own foot and have become provide economic contribution towards their family and nation. Micro finance is one of the vital factors which have been assisting women to boost up and uplift . The present study has been based upon Kathmandu valley and surroundings.

The findings and conclusion of the study can be summarized into following points . After being involved in microfinance program , women participants themselves have realized that their confidence level has been increased.women clients are happy that they have become able to earn by themselves ,becomes independent ,and have became able to improve to their living standard. Their living standard has been changed towards positive direction . They have become able to create good image in their family and the society ,their income has been increase in comparison to before being involve in microfinance program.

Women can make decision about where and how to utilize the money . After being entrepreneur and enjoying women subsidy loan women have developed self-respect towards themselves . Women are confident to do work and tackle with existing household and social problem .women have become strong.

5.3 Recommendation

On the basis of major findings the major suggestions have been forwarded here. I found that is would be helpful to the uplift the present living standard and it would also provide guidelines for further planning and implementation of micro credit practice in Nepal in the sector of women enterprises.

1. The government should formulate a national policy of microfinance setting the vision , objectives ,strategies and policies and specifying ,implementation modalities to direct the microfinance program to accomplish the stipulated objectives . To expand the additional outreach of microfinance services. It is recommended that poor who are still outside the services should be identified by extensive household survey .
2. It has been found that skillful training should be given by microfinance institution to develop the capacity for utilizing money.
3. Financial literacy program should be organized targeting women entrepreneur to develop banking and financial knowledge.
4. Loan limit should be expanded to fulfill the working and fixed capital requirement of to run their business.

5. Government, NGO, INGO and other related organization should expand the microfinance programs in wide areas especially in remote and backward areas where women are very much suppressed and backward.
6. loan repayment period should be made longer on the basis of nature of business.
7. Project insurance is necessary to minimize the risk.
8. Regular monitoring and follow up is necessary for effectiveness of the program.
9. There is an urgent need to spread awareness among people of the country about importance of empowerment of women and their role in supporting the households.
10. As a leading commercial bank there is also responsibility of Agricultural Development Bank Ltd ,Nepal to empower women so we have to develop a subsidy scheme targeting women entrepreneur.

5.4 Action Plan

1. we are going to conduct financial literacy program from our Samakhushi Branch for the publicity of our product and services including women entrepreneurship subsidy loan in local area .
2. We are planning to select few women entrepreneur to involve in women empowerment related training organizing by our central and regional training center .
3. AS we discuss in our regular staff meeting we have prepared a suggestion report for our credit and legal department to make loan procedure easy and fast audit report ,financial projection report and business plan to make optional.

Questionnaire

Questionnaire-

Name of the firm:

Name of the propriters:

Address:

Education:

Types of Business:

Members of your family:

Years of business started:

1.How many children do you have?

Ans.....

2. Are you from city or rural area?

Ans.....

3. What is the Details of your family-(including Name,Education,occupation)

Ans-

4. How do you know about the women entrepreneurship loan facility of Agricultural Development Bank Ltd, Nepal?

- A. Friend's b. Media c. family members**

5. Who recommends you to enjoy the subsidy loan of Agricultural Development Bank Ltd.

- a. Neighbour b. Relatives c. social worker d. existing customer of bank**

6. How do you feel about the loan sanction procedure of ADBL?

- a. Easy b. Difficult c. Lengthy**

7. Are you satisfied with the banking service of ADBL?

- a. satisfied b. Unsatisfied c. Neutral**

8. Credit limit provided by bank is sufficient to fulfill your financial need?

- a. sufficient b. insufficient**

9. What is the status of your earning capacity after utilizing women entrepreneurship loan?

- a. increase b. decrease c. no effect**

10. AS a women entrepreneur what types of training do you need?

a .leadership training b. capacity development training c. Skill Development Training

11. What is your status in family and society after being a entrepreneur/self-dependent?

a. positive b. negative c.no response d . Worse than previous

12. What do you think this is the best policy of government to improve the living standard of women?

a. yes b.no. c. any?

13. Microfinance loan helped to uplift my lifestyle by earning small business for healthier food, water and good clothes, financial support in my family. Are you agree with this?

a. yes b.no

14. What is your future plan?

a. I will continue b. exit from this business c. I will divert to another field

15. Are you getting family support to run this business?

a. yes

b.no

16. Are you able to repayment of principle and interest of bank timely through this business?

a.yes

b.no

c.Hardely managed

17. Are you a member of any cooperative society? If yes mention the name of the cooperative?

Ans.

18.What is the primary and secondary sources of income of your family?

a.primary sources-

b.secondary sources-

19.How many staff are working in your business unit?

Ans-

20. Do you have any fixed assets like land ,building in your name?

a.yes

b.no

21. Do you have children? Are they going to school for education ?

Ans.

22. Tick on the given option.

Enjoying facility before started business

- Own home
- Single room
- Flat-
- Television
- Freez
- Washing machine
- Motorbike
- Car
- Jewellery
- A.C/heater/cooler
- Toilet
- Lp gas
- Balance dite
- Warm &qualities clothes
- Internet/Mobile

enjoying facilities after started business

- Own home
- Single room
- Flat
- Television
- Freez
- washing machine
- Motorbike
- Car
- Jewellery
- A.C/heater/cooler
- Toilet
- L.P Gas
- Balance dite
- Warm and Qualities clithes
- Internet/mobile
