

## **ABSTRACT**

Acknowledging that women had been marginalized in access to formal financing, the government of Kenya introduced the Women Enterprise Fund (WEF) to provide an alternative, easily accessible and affordable finance. However despite the efforts made by the government, most women enterprises still are not accessing the funds as anticipated in this government endeavors. There has been concern among various stakeholders that even though the government has availed affordable funds for women with minimal regulatory factors, some of these funds lie idle with lenders therefore the study sought to determine financial factors determining micro-loan uptake by women enterprise groups in Nakuru East Constituency, Nakuru County. Specifically the study sought to establish the extent to which financial characteristics, lending procedures, financial literacy and loan repayment policies affect micro-loan uptake by women enterprise groups in Nakuru East Constituency, Nakuru County. The research employed descriptive research design. The target population was 322 women groups in Nakuru Town East Constituency. Nassiuma's formula was employed to sampled 82 groups. Primary data was collected through semi structured self-administered questionnaires. Pilot testing was conducted on eight selected women groups from each ward which were not included in the actual study population. Both descriptive and inferential statistics was used to analyze data. Multiple regression analysis was used as the principal data analysis method. From the findings the researcher concluded that the group maintains and keeps a list of their assets and liabilities. From the findings all the null hypotheses were rejected and conclusion made that financial characteristic, lending procedures, and financial literacy and loan repayment policies has a significance influence on uptake of micro-loans by women enterprise groups in Nakuru East Constituency, Nakuru County. From the finding the researcher recommended that MFIs and governments should design products specifically tailored to meet the needs of women so as to address their challenges. Women should be equipped with financial literacy skills; this can be through conducting workshops to teach these women how to start and maintain their businesses in proper financial state at all times. The study suggested that further research should be carried out to assess the effect of group dynamic on loan repayment.