



## Dispatches from The Hall of Ideas!

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### A STRUGGLING ENTREPRENEUR\*

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I often introduce myself as a struggling entrepreneur. The difference between an entrepreneur and a struggling one is very slight. The latter just ends up filling up a direct visa lottery form eventually. Having graduated with a degree in Banking and Insurance, I endeavoured to establish ventures in the financial sector. One of the first ventures that I thought of was that of a “stockbroker.” It turned out that the Government of Nepal’s policy was one of quota restriction. Being a stockbroker was not an option. Nearly all activities in the financial sector, at least, were restricted. Some had outright quota restrictions in place, whereas others required a substantial amount of capital. I eventually ended up with a job as a marketing representative.

Because I was a marketing representative, I travelled a lot using a two-wheeler. As it turns out, two-wheeler travelling results in severe back pain. I was bedridden for a total of six months because of it. When I was in this state, I started exploring newer ventures and new ideas. The approach I took was fairly simple; I started

exploring Nepal’s top taxpayers. It was either telecommunication businesses or distilleries. Starting a telecommunications venture was out of the question. Distilleries, on the other hand, were a possibility, although it would have to be a small-scale venture. For six months, I researched extensively about alcohol production.

Immediately following my recovery, I gathered things that were easily available to me, and I made my first bottle of wine. My friends, who would often come over to my house, became the tasters. They had asked if it was fit for consumption. I replied that I had made it, but did not know if it was. To encourage them to taste it regardless of the lack of confidence, I tasted the wine myself too. It turned out that the wine was potent enough. Given the breakthrough, I decided to take up the venture more seriously.

Like everyone else who is just starting, I approached a bunch of people. I was fortunate enough to stumble across someone passionate about brewing—a Nepali living in the US. He was generous enough to send me the raw materials for free from the US. To this day, we remain in touch. I also explored the Nepali expatriate circle. There were a few who enthusiastically brewed their beer—not for commercial purposes but for self-consumption. From them, I learned how to brew

\* The text is an abridged and translated version of the June 2025 edition of Sambaad @ Samridhi. Sambaad @ Samridhi is a monthly discussion on contemporary issues held on the last Friday of each month. In this edition, Rupesh Sah shares his story about starting a microbrewery in Nepal and the numerous issues he faced. The discussion was moderated by Roshan Basnet.

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beer. Over time, I learnt to brew beer, alcohol, and wine.

Having gained all the knowledge I could, I was confident that I could start a microbrewery. I stumbled across a piece of news that detailed the licensing mechanism for microbreweries in Nepal. So, I started the process of getting a license. The initial days were spent on navigating the government bureaucratic apparatus. I was sent from one room to the other, referring from one department to the other, until finally someone said that the license for microbreweries was on hold. It turns out that the government had decided not to issue new licenses for distilleries. In the case of microbreweries, although there was a proper rule in place for the issuance of a license, no one had so far been able to receive it. I approached a sitting government minister as well. Even his cousin had been unable to get a license for the operation of a microbrewery. It turns out the sector is an oligopoly market. A few players are actively engaged in operating ventures; newer entrants are restricted from entering.

In fact, in many sectors, Nepal places restrictions. The financial sector and the distillery sector are merely an indicative example of the numerous

To date, I have not been able to establish a microbrewery. One might think that alcohol is all I think about, but it isn't. I have tried several other ventures. In such ventures, too, I was faced with similar problems, i.e., either a mechanism for licensing does not exist, or even if it exists, they are seldom offered.

I will provide one more example of such a phenomenon. Nearly every year, we hear that sugarcane farmers have not received their payments. When one looks at the entirety of the industry one finds that there is, in fact, a restriction placed on the number of sugarcane factories. Farmers have very little choice, to the extent that they are forced to sell to the same factories that delay the payments. Here, too, if the licensing mechanism were eased, perhaps payments wouldn't be an issue. I should also add that sugarcane is one of the raw materials used in the production of rum. Had the Government of Nepal allowed new rum distilleries to operate in Nepal, perhaps the demands for sugarcane would have been higher, and the problem of delays in payments could have been solved.

Today, I operate a small eco-friendly cleaning products manufacturing firm. I don't think anyone has gotten a license to operate a microbrewery in



restrictions placed. I am not arguing for no regulations at all. Some degree of minimal regulations is required. In the distillery sector, it is required more so because it is a consumable good. But taking the position of limiting competition in the sector itself is where the problem exists. One could argue that this government position is, to a larger degree, a result of efforts made by existing players in the market.

Nepal. The stories are similar across a lot of other sectors. Like I said before, the difference between an entrepreneur and a struggling entrepreneur is slight; the latter just ends up filling a direct visa lottery form. The reason is by and large the restrictions placed on registration and operation.

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